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12 July 2017

RECOMMENDED OFFER

by

WORK GROUP PLC

for

GORDON DADDS GROUP LIMITED

The board of Directors of Work Group plc ("**Work Group**" or the "**Company**") is pleased to announce that it has reached agreement with the board of Gordon Dadds Group Limited ("**Gordon Dadds**"), an acquisitive London based law firm, on the terms of a proposed recommended all share offer for the entire issued and to be issued share capital of Gordon Dadds ("**Offer**").

Highlights

- Under the terms of the Offer, Gordon Dadds Shareholders will be entitled to receive:

for each Gordon Dadds Share 1.11258 New Ordinary Shares
- The Offer values the whole of the issued and to be issued ordinary share capital of Gordon Dadds at approximately £18.8 million. Accordingly, the allotment of the Offer Shares to accepting Gordon Dadds Shareholders is being made at a deemed price of 140 pence per New Ordinary Share (4.375 pence per share on a pre-Capital Reorganisation basis), valuing each Gordon Dadds share at approximately 156 pence.
- The Company has conditionally raised £20 million via the Placing of 14,285,714 New Ordinary Shares at a price of 140 pence per share (4.375 pence per share on a pre-consolidation basis). The net proceeds of the Placing are expected to be approximately £17.9 million which will be used to repay borrowings and to fund further acquisitions and the working capital requirements of the Enlarged Group.

- The Gordon Dadds Directors, who have been so advised by Cairn as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. Accordingly, the Gordon Dadds Directors recommend unanimously that Gordon Dadds Shareholders accept the Offer, as they intend to do in respect of their own beneficial holdings in Gordon Dadds. In providing advice to the Gordon Dadds Directors, Cairn has taken into account the commercial assessments of the Gordon Dadds Directors. Cairn is providing independent financial advice to the Gordon Dadds Directors for the purposes of Rule 3 of the Takeover Code.
- Each of the Gordon Dadds Directors has given irrevocable undertakings to accept the Offer in respect of their registered holdings in Gordon Dadds Shares amounting in aggregate to a total of 8,667,100 Gordon Dadds Shares, representing approximately 71.87 per cent. of the Gordon Dadds Issued Share Capital.
- In addition, irrevocable undertakings to accept the Offer have been received from other Gordon Dadds Shareholders in respect of 1,866,251 Gordon Dadds Shares, representing approximately 15.5 per cent. of Gordon Dadds' existing Issued Share Capital. Therefore, in total irrevocable undertakings to accept the Offer have been received from Gordon Dadds Shareholders in respect of 10,533,351 Gordon Dadds Shares, representing approximately 87.3 per cent. of Gordon Dadds' existing issued share capital.
- If the Offer becomes or is declared unconditional the Acquisition will constitute a reverse takeover under the AIM Rules and will also give rise to an obligation on the part of the Gordon Dadds Concert Party to make a mandatory offer for the share capital of the Company pursuant to Rule 9 of the Takeover Code. Accordingly, the Offer is conditional on, inter alia, receiving the approval of Shareholders to a reverse takeover under the AIM Rules and a waiver of the obligations of the Concert Party to make a mandatory offer for the Company pursuant to Rule 9.
- The Company proposes a reorganisation of its existing ordinary share capital by consolidating and sub-dividing every 32 Existing Ordinary Shares into 1 New Ordinary Share of 1p each and 1 deferred share of 63p each.
- The Company proposes a capital reduction by the cancellation of its share premium account and cancellation of the Deferred Shares created by the Capital Reorganisation.
- The Company proposes a change of name to Gordon Dadds Group plc.
- The Company is seeking Shareholder approval to grant the Directors authority to issue and allot New Ordinary Shares for the purposes of, inter alia, the Acquisition, the Placing and the Share Scheme and to dis-apply statutory pre-emption rights for the purposes of, inter alia, the Placing and the Share Scheme.
- The Work Group Board will send notice to shareholders in due course to convene a general meeting of the Company at which resolutions will be put to Shareholders to approve the proposals outlined above.
- Subject to the Offer becoming or being declared unconditional in all respects and to the passing of the Resolutions, the Board proposes to seek the admission of the Enlarged Share Capital to trading on AIM. If the Resolutions are duly passed at the General Meeting,

the Company's trading facility on AIM in respect of the Existing Ordinary Shares will be cancelled and the Company will apply for the Enlarged Share Capital to be admitted to trading on AIM.

- An Offer Document will be published shortly and sent to Gordon Dadds shareholders, along with an AIM Admission Document and a Circular to convene the General Meeting of Work Group, which will also be sent to Work Group Shareholders.

Approvals, timetable and Offer document

The Offer is subject to a number of Conditions, further details of which are set out in Appendix I to this announcement.

The Offer is proposed to be implemented by means of a Takeover Offer. Work Group reserves the right to implement the Offer by way of a Scheme or a by way of a Merger.

The Offer is expected to complete within two months of the date of this announcement subject to the Conditions being satisfied.

The Offer, will be made solely pursuant to the Offer Document which will contain the full terms and conditions of the Offer, including details of how to accept the Offer.

The Offer Document, containing further information about the Offer, together with Forms of Acceptance, will be posted to Gordon Dadds Shareholders as soon as reasonably practicable. A further announcement will be made in this regard.

Commenting on the Offer, Simon Howard, Chief Executive of Work Group, said:

"Having evaluated a number of proposals the Existing Directors believe that Gordon Dadds' operations are compatible with the Company's investing policy and will be value enhancing for Shareholders.

"The Directors believe that the Enlarged Group will benefit from the significant opportunity presented by the UK legal services market."

Commenting on the Offer, Adrian Biles, Managing Director of Gordon Dadds, said:

"The board of Gordon Dadds is very pleased to have reached agreement on the terms of a proposed recommended offer by Work Group. There is a significant opportunity to create a substantial legal practice in the UK and the proven Gordon Dadds' business model is uniquely placed to be a major consolidator in this fragmented market. Through the Gordon Dadds and Prolegal business units, the Group will provide an attractive platform for legal practices to gain the necessary scale to compete in the current market environment.

"The admission to AIM will provide the necessary capital for the Group's next phase of development and will also serve to enhance the Group's profile with clients and potential acquisition targets. We have a clear strategy for creating a strong, fast growing business and we look forward to delivering value to our shareholders and partners."

Definitions and sources of information

The sources and bases of information contained in this announcement are set out in Appendix III to this announcement and the definitions of certain expressions used in this announcement are set out in Appendix IV to this announcement.

Enquiries

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Further information

This announcement is for information purposes only and does not constitute, or form part of, any offer for or invitation to sell or purchase any securities, or any solicitation of any offer for, securities in any jurisdiction. This announcement does not constitute a prospectus or a prospectus equivalent document. The Offer, if made, will be made solely pursuant to the Offer Document which will contain the full terms and conditions of the Offer, including details of how to accept the Offer. Gordon Dadds Shareholders are advised to read the formal documentation in relation to the Offer carefully once it has been despatched.

This announcement (including the Appendices) does not constitute or form part of any offer or any solicitation to purchase or subscribe for securities in the United States. The Placing Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended ("**US Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States, and, absent registration, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and the securities laws of any relevant state or other jurisdiction of the United States. There will be no public offering of the Placing Shares in the United States or elsewhere.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor

have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

The distribution of this announcement and the offering or sale of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by Work Group, Allenby Capital or their agents or affiliates that would, or which is intended to, permit a public offer of the Placing Shares in any jurisdiction or possession or distribution of this announcement or any other offering or publicity material relating to the Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by Work Group, Allenby Capital to inform themselves about and to observe any applicable restrictions.

No representation or warranty express or implied is, or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Work Group, Allenby Capital or by their affiliates or agents as to or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed. However, nothing in this announcement shall be effective to limit or exclude liability for fraud or which otherwise, by law or regulation, cannot be so limited or excluded.

Overseas jurisdictions

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. This announcement has been prepared to comply with the requirements of the laws of England and the Cayman Islands, the AIM Rules and the rules of the London Stock Exchange and information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England.

The Offer will not be made, directly or indirectly, in or into, and will not be capable of acceptance in or from, Canada, Australia or Japan. In addition it is not currently intended that the Offer will be made, directly or indirectly, in or into, or by use of mails or any means or instrumentality (including, without limitation, facsimile transmission, telephone or internet) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States and it is not currently intended that the Offer will be capable of acceptance by any such use, means, instrumentality or facility or from within the United States. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise forwarded, distributed or sent in or into or from the United States, Canada, Australia or Japan. Custodians, nominees and trustees should observe these restrictions and should not send or distribute the document in or into the United States, Canada, Australia or Japan.

Important notices

Allenby Capital, which is authorised and regulated in the UK by the FCA, is acting exclusively as financial adviser to Work Group in relation to the Transaction and no-one else and will not be responsible to anyone other than Work Group for providing the protections offered to clients of Allenby Capital nor for providing advice in relation to the Transaction or the contents of this announcement, or any matter referred to herein.

Cairn, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Gordon Dadds as its Rule 3 adviser for the purposes of the Takeover Code and for no one else in connection with the subject matter of this announcement and Cairn will not be responsible to anyone other than Gordon Dadds for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.

The Work Group Directors accept responsibility for the information contained in this announcement, other than the information for which responsibility is taken by the Gordon Dadds Directors pursuant to the paragraph immediately below. To the best of the knowledge and belief of the Work Group Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Gordon Dadds Directors accept responsibility for the information contained in this announcement relating to Gordon Dadds, themselves, their respective immediate families, related trusts and connected persons and the recommendations and opinions of the Gordon Dadds Directors relating to the Offer contained in this announcement. To the best of the knowledge and belief of the Gordon Dadds Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Forward-looking statements

This document may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Work Group or Gordon Dadds and certain plans and objectives of Work Group with respect thereto. These forward-looking statements can be identified by the fact that they do not relate to historical or current facts. Forward-looking statements also often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “hope”, “aims”, “continue”, “will”, “may”, “should”, “would”, “could”, or other words of similar meaning. These statements are based on assumptions and assessments made by Work Group in light of its experience and its perception of historical trends, current conditions, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Work Group does not assume any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by the Panel, the Takeover Code or by applicable law.

Forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this document.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business and competitive environments, market and regulatory forces, future exchange and interest rates, changes in tax rates, and future business combinations or dispositions.

Other than in accordance with applicable legal and regulatory obligation, neither Work Group nor any member of the Work Group, nor Gordon Dadds nor any member of the Gordon Dadds nor any of their respective members, associates, directors, officers, employees, advisers or persons acting on their behalf, is under any obligation and each of them expressly disclaims any intention or obligation to update or revise any forward-looking statements or other statements contained herein, whether as a result of new information, future events or otherwise, except as required by applicable law.

Except as expressly provided in this announcement, no forward looking or other statements have been reviewed by the auditors of Work Group or Gordon Dadds. All subsequent oral or written forward looking statements attributable to Work Group or Gordon Dadds, any member of the Work Group or the Gordon Dadds or any of their respective members, associates, directors, officers, employees, advisers or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

No profit forecast

No statement in this announcement is intended as a profit forecast or profit estimate for any period. No statement in this announcement should be interpreted to mean that earnings per Gordon Dadds Share or earnings per Work Group Share for the current or future financial years would necessarily match or exceed the historical published earnings per Gordon Dadds Share or earnings per Work Group Share.

Application of the Takeover Code

Whilst Gordon Dadds is a private limited company, the Takeover Code applies to it because it was admitted to trading on the Main Market within the last ten years (under the name of Culver Holdings plc).

Publication of this announcement

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available on the website of Work Group and Gordon Dadds at www.workgroupplc.com and www.gordondaddsgroup.com by no later than 12 noon (London time) on the business day following this announcement.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different places in this announcement may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Contents of this announcement

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker,

bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

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12 July 2017

RECOMMENDED OFFER

by

WORK GROUP PLC

for

GORDON DADDS GROUP LIMITED

1. Introduction

The boards of Work Group and Gordon Dadds are pleased to announce they have reached agreement on the terms of a recommended share offer to be made by Work Group to acquire the entire issued and to be issued ordinary share capital of Gordon Dadds.

Work Group has received irrevocable undertakings to accept the Offer in respect of 10,533,351 Gordon Dadds Shares representing, in aggregate, approximately 87.3 per cent. of the Gordon Dadds Issued Share Capital.

Statements made or referred to in this letter concerning Work Group's reasons for the Offer reflect the views of the Work Group Board. Statements made or referred to in this letter concerning the background to and reasons for the Gordon Dadds Directors recommending the Offer reflect the views of the Gordon Dadds Directors.

The attention of readers is drawn to the Offer Document, Admission Document and the Circular that will be published as soon as reasonably practicable, which contain detailed information about Gordon Dadds, Work Group and the background to and reasons for the Offer.

The sources and bases of information contained in this announcement are set out in Appendix III to this announcement and the definitions of certain expressions used in this announcement are set out in Appendix IV to this announcement.

2. The Offer

Under the terms of the Offer, Gordon Dadds Shareholders will be entitled to receive:

for each Gordon Dadds Share: 1.11258 New Ordinary Shares

The Offer values the whole of the issued and to be issued ordinary share capital of Gordon Dadds at approximately £18.8 million. Accordingly, the allotment of the Offer Shares to accepting Gordon Dadds Shareholders is being made at a deemed price of 140 pence per New Ordinary Share (4.375 pence per share on a pre-Capital Reorganisation basis), valuing each Gordon Dadds share at approximately 156 pence. The Offer values the Gordon Dadds Shares so that the share capital of Work Group as enlarged by the Offer but before the Placing as between Work Group Shareholders and Gordon Dadds Shareholders (assuming acceptance in full of the Offer) in the ratio of 1:15.

Fractions of New Ordinary Shares will not be allotted or issued to accepting Gordon Dadds Shareholders. All fractional entitlements to New Ordinary Shares will instead be aggregated and sold in the market as soon as practicable and the net proceeds of sale for any individual entitlements of less than £3 will be retained for the benefit of the Enlarged Group.

Assuming the Offer is successful and all Gordon Dadds Shareholders accept the Offer, Gordon Dadds will become a wholly owned subsidiary of Work Group and Gordon Dadds Shareholders will own 46.92 per cent. of the Enlarged Share Capital after completion of the Placing.

The Offer will remain open for acceptance, subject to the provisions of Appendix I to this announcement and the terms of the Offer Document, until 5.00 p.m. on the 21st day after the date of publication of the Offer Document or (if that day is a Saturday, Sunday or a public holiday) on the next succeeding business day.

The Offer will extend to all Gordon Dadds Shares unconditionally allotted or issued and fully paid on the date of the Offer and any Gordon Dadds Shares which are unconditionally allotted or issued and fully paid whilst the Offer remains open for acceptance or by such earlier date as Work Group may decide, subject to the Takeover Code, and not being earlier than the date on which the Offer becomes or is declared unconditional as to acceptances.

The Offer Shares will be issued fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and will rank in full for all dividends and other distributions, if any, declared, made or paid after the date of this announcement and otherwise shall rank *pari passu* with the New Ordinary Shares.

The Offer is conditional on the matters set out in paragraph 4 below, including, *inter alia*, approval of the Acquisition by Work Group Shareholders.

3. Irrevocable undertakings

Work Group has received irrevocable undertakings to accept the Offer, from those Gordon Dadds Directors who are also Gordon Dadds Shareholders and other Gordon Dadds Shareholders in respect of a total of 10,533,351 Gordon Dadds Shares, representing approximately 87.3 per cent. of the Gordon Dadds Issued Share Capital. Each of these irrevocable undertakings is binding in all circumstances (including in the event of a higher offer).

Further details of the irrevocable undertakings received by Work Group are set out in Appendix IV.

4. Reverse takeover and other matters

The Acquisition would constitute a reverse takeover of Work Group under the AIM Rules, because of the size of Gordon Dadds in relation to Work Group, and therefore the approval of Work Group

Shareholders for, inter alia, the Acquisition is required. Work Group Shareholder approval will be sought for the Acquisition, and in respect of a number of other matters upon which the Acquisition is conditional, at the General Meeting. In particular, Work Group will be seeking the approval of Work Group Shareholders of a waiver granted by the Panel of any obligation on the part of the Concert Party to make a general offer to Work Group Shareholders under Rule 9 of the Takeover Code which would otherwise arise by reason of the Concert Party's shareholding in Work Group upon the completion of the Acquisition.

In addition, in accordance with the AIM Rules on reverse takeovers, Work Group is required to apply for re-admission to trading on AIM of the Enlarged Share Capital. Accordingly, Work Group will publish an Admission Document in respect of the proposed admission of the Enlarged Share Capital to trading on AIM. Application will be made to the London Stock Exchange for the Enlarged Share Capital to be admitted to trading on AIM, subject to Work Group Shareholders approving the Core Resolutions at the General Meeting.

In addition, Work Group has conditionally raised £20 million via the Placing through the proposed issue of the Placing Shares at a price of 140 pence per share (4.375 pence per share on a pre-Capital Reorganisation basis). The net proceeds of the Placing will be approximately £17.9 million, which will be used to repay borrowings; to fund further acquisitions; and as working capital to support the roll-out and integration of such acquisitions; and to enable the Enlarged Group to maintain a strong balance sheet as explained in paragraph 10 below.

5. Background to and reasons for Offer

Under the AIM Rules Work Group is an investing company. Work Group's investing policy for the purposes of the AIM Rules is to invest in and/or make an acquisition in the support and business services sectors in which the Work Group Board believes there are opportunities for growth which, if achieved, will be earnings enhancing for Work Group Shareholders.

The Work Group Directors believe that the Enlarged Group will benefit from Gordon Dadds' tailor-made professional services back office platform, which has received over £3.2 million of investment since 2013, as well as its strong management team, track record of acquisitions and successful integration of businesses.

The Work Group Directors consider that the acquisition of Gordon Dadds would be consistent with the Company's aim of making investments within the support and business services sector and should be value-enhancing for shareholders. They believe that Gordon Dadds has many opportunities for growth, both organically and through acquisition.

Work Group has been in discussions with Gordon Dadds for a number of months and has conducted extensive due diligence and believes that the Acquisition will provide significant added value over Work Group's bare cash value and is a preferable option for Work Group Shareholders to conducting an orderly liquidation of Work Group.

6. Information on Work Group

Work Group obtained approval from Work Group shareholders at a general meeting on 29 December 2015 for its investing policy and subsequently completed the disposal of its operating assets after the completion accounts were finalised on 30 December 2016.

On 16 December 2016, Work Group announced that it had requested a suspension from trading on AIM pending the publication of an Admission Document for a reverse takeover. As Work Group has

not substantially implemented its investing policy within a year of becoming an investing company under the AIM Rules, the Existing Ordinary Shares remain suspended from trading on AIM.

7. Current trading and prospects of Work Group

Work Group is currently an investing company and has no trading activities. Its audited annual results for the year ended 31 December 2016 were announced on 28 June 2017 and showed net assets of £0.3 million at the year end. Since 31 December 2016, Work Group has incurred expenditure in line with the Existing Directors' expectations.

8. Information on Gordon Dadds

Gordon Dadds is the ultimate holding company of Gordon Dadds LLP, an acquisitive law firm, and a group of other complementary businesses including Prolegal, a vehicle for acquiring and managing smaller law firms. Currently, there are more than 140 solicitors at Gordon Dadds LLP, designated as partners, associates, assistants or consultants. It is expected to be a top-100 law firm in the UK by turnover in 2017.

In its financial year ended 31 March 2017, Gordon Dadds had turnover of approximately £25 million and adjusted profit before tax of approximately £2 million.

The Directors believe that there is significant opportunity for consolidation within the UK legal services market in both the high-end advisory space through Gordon Dadds and the smaller, independent firms sector through the Prolegal model.

Gordon Dadds LLP has been exploiting this opportunity since 2013. It has spent £3.2 million building a tailor-made professional service back-office platform. Gordon Dadds' strong management team has already successfully integrated 10 firms onto this cost-efficient platform, all now trading under the Gordon Dadds brand. The Directors believe that there is an opportunity to continue to acquire and integrate other larger, high-end firms in the same way.

Smaller firms will be acquired by Gordon Dadds' subsidiary, Prolegal, and will be taken on to the platform in the same way as larger firms, but will continue to trade under their own names. Prolegal has recently made its first acquisition of a £1.6m revenue firm based in Wandsworth.

9. Future intentions with regards to the business, management, employees and locations of Gordon Dadds and the Enlarged Group

The Work Group Directors believe that there is significant scope for expansion of Gordon Dadds as a professional services group founded on its existing management skills and experience and using its tailor-made technology platform.

On Admission, Adrian Biles will become the Enlarged Group's CEO, Christopher Yates its Finance Director, Anthony Edwards its Non-Executive Chairman and David Furst a non-executive director, Keith Cameron will leave the Work Group Board immediately before Admission and Simon Howard will step down as Chairman and as an employee but will remain on the Work Group Board as a non-executive director from Admission.

Work Group attaches great importance to the skills, expertise and knowledge of the existing management, consultants and employees of Gordon Dadds and, assuming that the Offer becomes unconditional, envisages both that operations will continue from Gordon Dadds' head office under its existing management structure and that the ongoing development and expansion of the business will

be implemented under the leadership of its current CEO, Adrian Biles. Work Group considers that its strategic plans for Gordon Dadds will have no repercussions on employment or the location of Gordon Dadds places of business. Work Group has no intention to redeploy any material fixed assets of Gordon Dadds as a consequence of the Offer.

Work Group confirms that if the Offer is declared unconditional in all respects, it intends to safeguard fully the existing employment and pension rights of all Gordon Dadds' management, consultants and employees in accordance with applicable law and to comply with Gordon Dadds' pension obligations for existing employees and members of Gordon Dadds' pension scheme.

Work Group currently has only one employee, Simon Howard, who is currently employed as the Executive Chairman of the Company. Gordon Dadds' offices at 6 Agar Street, London WC2N 4HN will become the place of employment of Simon Howard on completion of the Acquisition, albeit he will be a Non-Executive Director from Admission. Work Group has confirmed that it intends to safeguard fully the existing pension rights of Simon Howard in accordance with applicable law and to comply with the Company's pension obligations.

Work Group intends to maintain the admission to trading on AIM of the New Ordinary Shares and as part of the Acquisition, application will be made to the London Stock Exchange for the admission to trading on AIM of the Enlarged Share Capital to take place concurrently with completion of the Acquisition. The Proposals are conditional on Admission.

10. Background to and reasons for the recommendation of the Offer

In considering the Offer and making their recommendation, the Gordon Dadds Directors have given careful consideration to the value of the Work Group business and assets and the effect of the Offer on Gordon Dadds' interests and on the interests of the Gordon Dadds' Shareholders as well as those of the consultants and employees of the Gordon Dadds Group.

Gordon Dadds as a business has grown very quickly since the acquisition of the original Gordon Dadds law firm in 2013. Since then Gordon Dadds LLP has successfully acquired and integrated 10 professional services businesses and grown its turnover from £2.7 million in 2013 to £22.8 million by the end of March 2017, a compound annual growth rate of 70.7 per cent. The turnover for the Gordon Dadds Group for the period ending 31 March 2017 was £25 million.

The Gordon Dadds Directors believe that the combination of the reverse takeover of Gordon Dadds by Work Group, an established AIM company; the re-admission of the share capital of the Enlarged Company to the AIM market; and the Placing to raise £20 million, represents the next logical stage in the development of the Gordon Dadds business and brand and will provide the management of Gordon Dadds with the platform and capital from which it can expand as a professional services group.

The Acquisition and Admission should also serve to enhance the Enlarged Group's public profile with clients and potential acquisition targets and assist with the recruitment, retention and incentivisation of partners and employees. The Gordon Dadds Directors believe that the Placing will achieve a strong balance sheet for the Enlarged Company which will be important in attracting new lateral hires and potential acquisition targets. The listing achieved by Admission will also provide the Gordon Dadds Shareholders with a public quotation for their equity interests in Gordon Dadds by being part of a company whose shares are admitted to trading on AIM.

The Gordon Dadds Directors consider that the Offer and the strategic plans of the Enlarged Group will have a positive effect on employment, and that there will be no changes to the location of Gordon Dadds' places of business.

11. Interests in Relevant Securities

Interests in Work Group Relevant Securities

The interests (as defined in section 820 of CA 2006) of the Directors, their immediate families and related trusts and connected persons (within the meaning of section 252 of CA 2006), all of which are beneficial unless otherwise stated, in Work Group Relevant Securities were, at the close of business on the disclosure date, and will be on Admission are as follows:

	<i>Number of Existing Ordinary Shares held at the disclosure date</i>	<i>Percentage of Existing Ordinary Shares held at the disclosure date</i>	<i>Number of Offer Shares to be acquired</i>	<i>Number of Placing Shares to be acquired</i>	<i>Number of New Ordinary Shares on Admission</i>	<i>Percentage of Enlarged Share Capital on Admission*</i>
Simon Howard	4,605,841	16.1	-	-	143,932	0.50
Keith Cameron	31,055	0.1	-	-	970	0.00
Richard Read	-	-	505,115	-	505,115	1.77
Adrian Biles	-	-	7,610,664	-	7,610,664	26.61
Christopher Yates	-	-	576,098	-	576,098	2.01
David Furst	-	-	22,251	-	22,251	0.08
John Biles	-	-	982,415	-	982,415	3.44

*Assuming all the Offer Shares and Placing Shares are issued.

The interests (as defined in section 820 of CA 2006) of the Concert Party, their immediate families and related trusts and connected persons (within the meaning of section 252 of CA 2006), all of which are beneficial unless otherwise stated, in Work Group Relevant Securities were, at the close of business on the disclosure date, and will be on Admission as follows:

	<i>Number of Existing Ordinary Shares held at the disclosure date</i>	<i>Percentage of Existing Ordinary Shares held at the disclosure date</i>	<i>Number of Offer Shares to be acquired</i>	<i>Number of Placing Shares to be acquired</i>	<i>Number of New Ordinary Shares on Admission</i>	<i>Percentage of Enlarged Share Capital on Admission*</i>
Adrian Biles	-	-	7,610,644	-	7,610,644	26.61
John Biles	-	-	982,415	-	982,415	3.44
Robert Biles	-	-	933,329	-	933,329	3.26
Christopher Yates	-	-	576,098	-	576,098	2.01
Roger Peters	-	-	571,425	-	571,425	2.00
Richard Read	-	-	505,115	-	505,115	1.77
David Ruck	-	-	399,975	-	399,975	1.40
Penlee Holdings Limited	-	-	59,968	-	59,968	0.21
Margaret Golley	-	-	32,042	-	32,042	0.11
Victoria Yates	-	-	30,986	-	30,986	0.11
St Anne's	-	-	15,353	-	15,353	0.05

Investments Limited

*Assuming all the Offer Shares and Placing Shares are issued.

Interests in Gordon Dadds Relevant Securities

The interests (as defined in section 820 of CA 2006) of the Directors, their immediate families and related trusts and connected persons (within the meaning of section 252 of CA 2006), all of which are beneficial unless otherwise stated, in Gordon Dadds Relevant Securities, at the close of business on the disclosure date were as follows:

	<i>Number of Gordon Dadds Shares held at the disclosure date</i>	<i>Percentage of Gordon Dadds Shares held at the disclosure date</i>
Simon Howard	0	0
Keith Cameron	0	0
Richard Read	454,000	3.76
Adrian Biles	6,840,200	56.72
Christopher Yates	517,800	4.29
David Furst	20,000	0.16
John Biles	883,000	7.32

The interests (as defined in section 820 of CA 2006) of the Concert Party, their immediate families and related trusts and connected persons (within the meaning of section 252 of CA 2006), all of which are beneficial unless otherwise stated, in Gordon Dadds Relevant Securities, at the close of business on the disclosure date were as follows:

	<i>Number of Gordon Dadds Shares held at the disclosure date</i>	<i>Percentage of Gordon Dadds Shares held at the disclosure date</i>
Adrian Biles	6,840,500	56.72
John Biles	883,000	7.32
Robert Biles	838,800	6.95
Christopher Yates	517,800	4.29
Roger Peters	513,600	4.26
Richard Read	454,000	3.76
David Ruck	359,500	2.98
Penlee Holdings Limited	53,900	0.47
Margaret Golley	28,800	0.24
Victoria Yates	27,851	0.23
St Anne's Investments Limited	13,800	0.15
John Read	0	0.00

Save for the irrevocable undertakings referred to in Appendix II to this announcement, as at close of business on the disclosure date, being the last practicable Business Day prior to this announcement, neither Work Group, Gordon Dadds, the Directors (including the immediate families and related trusts and connected persons (within the meaning of section 252 of CA 2006) of the Directors), the Concert Party (including the immediate families and related trusts and connected persons (within the meaning of section 252 of CA 2006) of the members of the Concert Party) any person acting, or deemed to be acting, in concert with Work Group or Gordon Dadds for the purpose of the Offer has:

(a) any interest, or right to subscribe for, any Gordon Dadds Relevant Securities;

(b) any short positions in respect of any securities of Gordon Dadds (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, Gordon Dadds Relevant Securities;

(c) borrowed or lent any Gordon Dadds Relevant Securities (save for any borrowed relevant securities which have either been on-lent or sold);

(d) procured an irrevocable commitment or letter of intent to accept the Offer in respect of any Gordon Dadds Relevant Securities; or

(e) any arrangement in relation to any Gordon Dadds Relevant Securities. **12. Compulsory acquisition**

If Work Group receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more of the Gordon Dadds Shares and the Offer becomes or is declared unconditional in all respects, then Work Group intends to exercise its rights pursuant to the provisions of sections 974 to 991 (inclusive) of the Companies Act 2006 to acquire compulsorily any outstanding Gordon Dadds Shares not acquired or agreed to be acquired pursuant to the Offer or otherwise.

13. Overseas Shareholders

The availability of the Offer to Gordon Dadds Shareholders who are not resident in the United Kingdom may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

Gordon Dadds Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

14. Recommendation

The Gordon Dadds Directors, who have been so advised by Cairn as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. Accordingly, the Gordon Dadds Directors recommend unanimously that Gordon Dadds Shareholders accept the Offer, as they intend to do in respect of their own beneficial holdings. In providing advice to the Gordon Dadds Directors, Cairn has taken into account the commercial assessments of the Gordon Dadds Directors. Cairn is providing independent financial advice to the Gordon Dadds Directors for the purposes of Rule 3 of the Takeover Code.

Each of the Gordon Dadds Directors has given irrevocable undertakings to accept the Offer in respect of their registered holdings in Gordon Dadds Shares amounting in aggregate to 8,667,100 Gordon Dadds Shares, representing approximately, in aggregate, 71.87 per cent. of the Gordon Dadds Issued Share Capital.

15. General

The Offer will comply with the applicable rules and regulations of the London Stock Exchange and AIM. The Offer will be governed by, and construed in accordance with, the laws of England and will be subject to the exclusive jurisdiction of the courts of England and to the Conditions and further terms set out in Appendix I, and the full terms and conditions to be set out in the Offer Document.

It is currently intended that the Offer will be implemented by means of a Takeover Offer, although Work Group reserves the right to implement the Offer by way of a Scheme or a Merger.

Your attention is drawn to the Appendices which form part of this announcement. The Conditions and a summary of further terms in relation to the Offer set out in Appendix I to this announcement form part of, and should be read in conjunction with, this announcement. Appendix IV to this announcement contains definitions of certain terms used in this announcement.

This announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

16. Documents published on website

Copies of the following documents will by no later than 12 noon (London time) on 13 July 2017 be published on Work Group's website (*www.workgroupplc.com*) until the end of the Offer:

- (a) this announcement (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions); and
- (b) the irrevocable undertakings set out in Appendix II of this announcement.

For the avoidance of doubt, the contents of the website are not incorporated by reference and does not form part of this announcement.

You may request a hard copy of this announcement (and any information incorporated by reference in this announcement) by calling Computershare Investor Services PLC on +44 (0)370 707 1830. It is important that you note that unless you make a request, a hard copy of this announcement and any such information incorporated by reference in it will not be sent to you. You may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form.

Enquiries

Work Group plc Simon Howard, Chief Executive	+44 (0)20 3700 9211
Allenby Capital Ltd, Financial Adviser to Work Group Jeremy Porter / James Thomas	+44 (0)20 3328 5656
Arden Partners, Nominated Adviser and Broker to Work Group John Llewelyn-Lloyd / Ciaran Walsh	+44 (0)20 7614 5900
Gordon Dadds Adrian Biles, Managing Director	+44 (0)20 7759 1559
Cairn Financial Advisers, Rule 3 Adviser to Gordon Dadds Sandy Jamieson / Liam Murray	+44 (0)20 7213 0880
Newgate Communications, PR Adviser to Gordon Dadds Bob Huxford	+44 (0)20 7680 6550

APPENDIX I

CONDITIONS AND FURTHER TERMS OF THE OFFER

Part A: Conditions of the Offer

The Offer and any acceptance thereof is governed by English law and is subject to the conditions and terms set out below and in the Form of Acceptance and to the applicable rules and regulations of the Takeover Code:

(a) valid acceptances being received (and not, where permitted, withdrawn) by 1.00 p.m. on the First Closing Date (or such later time(s) and/or date(s) as Work Group may, with the consent of the Panel or in accordance with the Takeover Code, decide) in respect of such number of Gordon Dadds Shares which, together with any Gordon Dadds Shares that Work Group shall have acquired or agreed to acquire (whether pursuant to the Offer or otherwise), constitute not less than 90 per cent (1) in nominal value of the Gordon Dadds Shares to which the Offer relates; and (2) of the voting rights normally exercisable at general meetings of Gordon Dadds. For the purposes of this Condition a):

i. Gordon Dadds Shares which have been unconditionally allotted, but not issued, before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, shall be deemed to carry the voting rights they will carry on being entered into the register of members of Gordon Dadds;

ii. the expression "Gordon Dadds Shares to which the Offer relates" shall be construed in accordance with Part 28 of CA 2006; and

iii. valid acceptances shall be deemed to have been received in respect of Gordon Dadds Shares which are treated for the purposes of section 979 of CA 2006 as having been acquired or contracted to be acquired by Work Group by virtue of acceptances of the Offer;

(b) no government or governmental, quasi-governmental, supranational, statutory or regulatory body, or any court, institution, investigative body, association, trade agency or professional or environmental body or (without prejudice to the generality of the foregoing) any other person or body in any jurisdiction (each, a "Relevant Authority") having decided to take, institute, implement or threaten any action, proceeding, suit, investigation or enquiry or enacted, made or proposed any statute, regulation or order or otherwise taken any other step or done any thing, and there not being outstanding any statute, legislation or order, that would or might (unless waived by Work Group) make the Offer or any matter relating thereto, void, illegal or unenforceable under the laws of any relevant jurisdiction;

(c) since 31 March 2017 and save as disclosed to Work Group in writing:

i. no litigation, arbitration, prosecution or other legal proceedings which is or are material in the context of the Gordon Dadds Group taken as a whole, having been instituted, announced or threatened or become pending or remaining outstanding (including from any Relevant Authority) by or against any member of the Gordon Dadds Group or to which any member of the Gordon Dadds Group is or is likely to become a party (whether as plaintiff, defendant or otherwise); or

- ii. no steps having been taken which would or are reasonably likely to result in the withdrawal, cancellation, termination or modification of any material licence, accreditation or regulatory approval held by any member of the Gordon Dadds Group which is necessary for the proper carrying on of its business; or
 - iii. no enquiry or investigation by any Relevant Authority which is material in the context of the Gordon Dadds Group taken as a whole, having been threatened, announced, implemented or instituted or remaining outstanding;
- (d) Work Group not having discovered that:
- i. any member of the Gordon Dadds or any person that performs or has performed services for or on behalf of any such member is or has engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010 or any other applicable anti-corruption legislation; or
 - ii. any asset of any member of the Gordon Dadds constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- (e) the Core Resolutions having been passed without amendments at the General Meeting; and
- (f) Admission.

For the purposes of this Part A, “disclosed to Work Group in writing” includes, for the avoidance of doubt, disclosed before the date of this document in a disclosure schedule made available to Work Group and its advisers by Gordon Dadds.

The Condition in paragraph (a), of this Part A of Appendix I may not be waived. Subject to the requirements of the Panel, Work Group reserves the right to waive in whole or in part, in its discretion, all or any of the other Conditions contained in paragraphs (b) to (f) of this Part A of Appendix I.

In accordance with Rule 13.5(a) of the Takeover Code, Work Group will not invoke any Condition so as to cause the Offer not to proceed, to lapse or to be withdrawn, unless the circumstances which give rise to the right to invoke the Condition are of material significance to Work Group in the context of the Offer and the Panel consents to such right being invoked.

Part B: Further Terms of the Offer

1. Definitions

Except where the context requires otherwise, any reference in this Part B of Appendix I or in Part C of this Appendix I and in the Form of Acceptance to:

- a) the “Offer” means the Offer and any revision, variation or renewal thereof or extension thereto and also, where the context requires, includes any election or alternative available in connection therewith;
- b) the “Offer becoming, or being declared, unconditional as to acceptances” (and similar terms) means the acceptance Condition becoming, or being declared, satisfied, whether or not any other Condition remains to be fulfilled, and references to the Offer having become, or having been declared, unconditional shall be construed accordingly;

- c) the “Offer becoming unconditional in all respects” (and similar terms) means all the Conditions to the Offer becoming, or being declared, satisfied, or where capable of being waived, waived, and references to the Offer having become, or having been declared, unconditional in all respects shall be construed accordingly;
- d) the “acceptance Condition” means the Condition as to acceptances of the Offer set out in paragraph 1(a) of Part A of this Appendix I and references to the Offer becoming, or being declared, unconditional as to acceptances are to be construed accordingly;
- e) “acceptances of the Offer” will include deemed acceptances of the Offer including acceptances by email;
- f) a person “acting in concert with Work Group” is a reference to a person acting, or deemed to be acting, in concert with Work Group for the purposes of the Takeover Code and/or the Offer;
- g) “send”, “sent” or “sending” or a similar expression in relation to any document, announcement or other information shall include distribution in hard copy form or by email or publication on a website in such manner as shall be permitted by the Takeover Code or otherwise with the Panel’s consent;
- h) “Day 21 of the Offer” means the 21st day after the Offer is open for acceptance (or any later time and/or date as the Panel may determine);
- i) “Day 42 of the Offer” means the 42nd day after the Offer is open for acceptance (or any later time and/or date as the Panel may determine);
- j) “Day 46 of the Offer” means the 46th day after the Offer is open for acceptance (or any later time and/or date as the Panel may determine); and
- k) “Day 60 of the Offer” means the 60th day after the Offer is open for acceptance (or any later time and/or date as the Panel may determine).

The following further terms apply, unless the context requires otherwise, to the Offer.

2. Acceptance period

- a) The Offer will initially be open for acceptance until the later of 1.00 p.m. on Day 21 of the Offer or 14 days following the date on which the Offer becomes or is declared unconditional as to acceptances. Work Group reserves the right (but will not be obliged, other than as may be required by the Takeover Code) at any time or from time to time to extend the Offer after such time and, in such event, will make a public announcement of such extension in the manner described in paragraph 3(a) below. If the Offer has not become or been declared unconditional by Day 21 of the Offer, Work Group currently intends to extend the Offer until such time as the Offer becomes or is declared unconditional as to acceptances. There can be no assurance, however, that Work Group will, in such circumstances, extend the Offer and, if no such extension is made, the Offer will lapse on Day 21 of the Offer and no Gordon Dadds Shares will be acquired pursuant to the Offer.
- b) The Offer shall not (except with the consent of the Panel) be capable of becoming or being declared unconditional as to acceptances after midnight on Day 60 of the Offer (or any earlier time and/or date beyond which Work Group has stated that the Offer will not be extended and in respect of which it has not, where permitted, withdrawn that statement) nor of being kept open after that time and/or date unless it has previously become or been declared unconditional as to acceptances. However, Work Group reserves the right, with the consent of the Panel, to extend the Offer to a later time(s) and/or date(s). If the Offer has not become or been declared unconditional as to acceptances

at such time (or any later time and/or date to which the Offer has been extended), the Offer will lapse, unless the Panel agrees otherwise.

c) Except with the consent of the Panel, Work Group may not, for the purpose of determining whether the acceptance Condition has been satisfied, take into account acceptances received, or purchases of Gordon Dadds Shares made, in respect of which relevant documents have been received by Computershare after midnight on Day 60 of the Offer (or any earlier time and/or date beyond which Work Group has stated that the Offer will not be extended and in respect of which it has not, where permitted, withdrawn that statement) or such later time and/or date as Work Group may, with the permission of the Panel, decide. If the Offer is extended beyond midnight on Day 60 of the Offer, acceptances received and purchases made in respect of which relevant documents have been received by Computershare after midnight on the relevant date may (except where the Takeover Code otherwise permits) only be taken into account with the consent of the Panel.

d) If the Offer becomes or is declared unconditional as to acceptances, it will remain open for acceptance for not less than 14 days from the date on which it would otherwise have expired. If the Offer has become or been declared unconditional as to acceptances and it is stated by or on behalf of Work Group that the Offer will remain open until further notice or if the Offer will remain open for acceptance beyond the 70th day following the sending of this document, then not less than 14 days' notice will be given prior to the closing of the Offer in writing to those Gordon Dadds Shareholders who have not accepted the Offer.

e) If a competitive situation (as determined by the Panel) arises after Work Group has made a "no extension" statement or a "no increase" statement (as referred to in the Takeover Code), Work Group may (if it has specifically reserved the right to do so at the time such statement was made, or otherwise with the consent of the Panel) choose not to be bound by or withdraw such statement and be free to revise and/or extend the Offer provided that it complies with the requirements of the Takeover Code and, in particular, that: (i) it announces the withdrawal as soon as possible and in any event within four Business Days after the announcement of the competing offer or other competitive situation and notifies Gordon Dadds Shareholders (and persons with information rights) to that effect in writing at the earliest opportunity or, in the case of Gordon Dadds Shareholders with registered addresses outside of the United Kingdom or whom Work Group reasonably believes to be nominees, custodians or trustees holding Gordon Dadds Shares for such persons, by announcement in the United Kingdom at the earliest opportunity. Work Group may (if it has reserved the right to do so) choose not to be bound by the terms of a "no increase" statement or a "no extension" statement if it would otherwise prevent the posting of an increased or improved Offer either as to the value or the form of the consideration or otherwise which is recommended for acceptance by the Gordon Dadds Directors, or in other circumstances permitted by the Panel.

3. Announcements

a) By 8.00 a.m. (London time) on the Business Day (the "relevant day") next following the day on which the Offer is due to expire or becomes or is declared unconditional as to acceptances or is extended, as the case may be (or such later time(s) and/or date(s) as the Panel may agree), Work Group will make an appropriate announcement and simultaneously publish the requisite announcement on the Work Group website and send the announcement to a RIS. Such announcement will state (unless otherwise permitted by the Panel):

i. the total number of Gordon Dadds Shares for which acceptances of the Offer have been received, specifying the extent, if any, to which acceptances have been received from persons

acting in concert with Work Group or in respect of Gordon Dadds Shares which were subject to an irrevocable commitment or a letter of intent procured by Work Group or any person acting in concert with it;

ii. details of any relevant securities of Gordon Dadds in which Work Group or any person acting in concert with it has an interest or in respect of which any such person has a right to subscribe, in each case specifying the nature of the interests or rights concerned and similar details of any short positions (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, will also be stated;

iii. details of any relevant securities of Gordon Dadds in respect of which Work Group or any person acting in concert with it has an outstanding irrevocable commitment or letter of intent; and

iv. details of any relevant securities of Gordon Dadds which Work Group or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

and will in each case specify the percentages of each class of relevant securities of Gordon Dadds represented by these figures. Any such announcement shall include a prominent statement of the total number of Gordon Dadds Shares which Work Group may count towards the satisfaction of the acceptance Condition and the percentage of relevant securities of Gordon Dadds represented by this figure.

b) Any decision to extend the time and/or date by which the acceptance Condition has to be fulfilled may be made by Work Group at any time up to, and will be announced no later than, 8.00 a.m. (London time) on the relevant day (or such later time and/or date as the Panel may agree). The announcement will also state the next expiry date (unless the Offer is unconditional as to acceptances in which case it may instead state that the Offer will remain open until further notice). In computing the number of Gordon Dadds Shares represented by acceptances and/or purchases there may, at the discretion of Work Group, be included or excluded for announcement purposes, acceptances and purchases which are not complete in all respects or are subject to verification provided that such acceptances or purchases of Gordon Dadds Shares shall not (unless agreed by the Panel) be included unless they could be counted towards fulfilling the acceptance Condition in accordance with paragraph 6 of this Part B and the provisions of the Takeover Code.

c) A copy of any announcement made by or on behalf of Work Group in accordance with this paragraph 3 will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Work Group's website at www.workgroupplc.com as soon as possible after the making of such announcement and in any event by no later than 12 noon (London time) on the following Business Day and will remain on such website while the Offer remains open for acceptances.

d) References in this Part B to the making of an announcement by or on behalf of Work Group include the release of an announcement by public relations consultants appointed by Work Group or by Gordon Dadds to the press, and the delivery by hand or telephone, e-mail, facsimile, telex, the internet or other electronic transmission of an announcement to a RIS.

4. Rights of withdrawal

a) Except as provided by this paragraph 4 of this Part B or as otherwise permitted by Work Group (either generally or for any particular Gordon Dadds Shareholder), acceptances of the Offer shall be irrevocable.

b) If Work Group, having announced the Offer to be unconditional as to acceptances, fails to comply by 3.30 p.m. on the relevant day (as defined in paragraph 3(a) of this Part B (or such later time(s) and/or date(s) as the Panel may agree) with any of the other requirements specified in paragraph 3(a) of this Part B, an accepting Gordon Dadds Shareholder may (unless the Panel agrees otherwise) immediately thereafter withdraw his acceptance of the Offer by written notice, delivered by post or, during normal business hours only, by hand to Computershare. Subject to paragraph 2(b) of this Part B, this right of withdrawal may be terminated not less than eight days after the relevant day by Work Group confirming, if it be the case, that the Offer is still unconditional, and complying with the other requirements specified in paragraph 3(b) of this Part B. If any such confirmation is given, the first period of 14 days referred to in paragraph 2(d) of this Part B will run from the date of such confirmation and compliance.

c) If by 3.00 p.m. on Day 42 (or such later time(s) and/or date(s) as the Panel may agree) the Offer has not become or been declared unconditional as to acceptances, an accepting Gordon Dadds Shareholder may withdraw his acceptance at any time thereafter by written notice in the manner referred to in paragraph 4(b) of this Part B until the earlier of:

- i. the time when the Offer becomes or has been declared unconditional; and
- ii. the final time for the lodging of acceptances of the Offer which can be taken into account in accordance with paragraph 2(b) of this Part B.

d) In this paragraph 4, written notice (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting Gordon Dadds Shareholder(s) or his/their agent(s) duly appointed in writing (evidence of whose appointment is produced with the notice in a form reasonably satisfactory to Work Group). E-mail, telex, facsimile or other electronic transmission, or copies, will not be sufficient to constitute written notice.

e) Any question as to the validity (including time of receipt) of any notice of withdrawal will be determined by Work Group whose determination (save as the Panel otherwise determines) will be final and binding. None of Work Group, Gordon Dadds, Computershare, Allenby Capital or any other person will be under any duty to give notification of any defect in any notice of withdrawal or will incur any liability for failure to do so.

5. General

a) Except with the consent of the Panel, and save as described in this document, the Offer will lapse unless all of the Conditions to the Offer as set out in Part A of this Appendix I have been fulfilled by or (if capable of waiver) waived by Work Group at midnight on Day 42 of the Offer or within 21 days after the date on which the Offer becomes or is declared unconditional as to acceptances (whichever is the later) or such later date as Work Group may, with the consent of the Panel, decide provided that Work Group shall be under no obligation to waive or treat as satisfied any condition by a date earlier than the latest date specified above for the satisfaction thereof notwithstanding that the other Conditions of the Offer may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any such Conditions may not be capable of fulfilment. If the Offer lapses, for any reason, it shall cease to be capable of acceptance and Work Group and the Gordon Dadds Shareholders shall thereupon cease to be bound by prior acceptances.

b) No acknowledgement of receipt of any Form of Acceptance, share certificates or other documents will be given. All communications, notices, certificates, documents of title, other documents and remittances to be delivered by or to or sent to or from Gordon Dadds Shareholders (or their designated agent(s)) or as otherwise directed will be delivered by or to or sent to or from such Gordon Dadds Shareholders (or their designated agent(s)) at their risk.

c) The expression "Offer Period" when used in this document means the period commencing on 12 July 2016 and ending on whichever of the following dates shall be the latest:

i. the date on which the Offer (and any other announced offers in relation to Gordon Dadds) is withdrawn or lapses;

ii. the date on which the Offer becomes or is declared unconditional as to acceptances; and

iii. the date on which certain other announcements are made in accordance with the rules of the Takeover Code.

d) All references in this document and in the Form of Acceptance to Day 21 of the Offer, shall (except in the definition of "Offer Period" above and where the context otherwise requires), if the expiry date of the Offer shall be extended, be deemed to refer to the expiry date of the Offer as so extended.

e) Except with the consent of the Panel, settlement of the consideration to which any Gordon Dadds Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which Work Group may otherwise be, or claim to be, entitled as against such Gordon Dadds Shareholder, and the consideration due to a Gordon Dadds Shareholder who validly accepts the Offer will (subject to paragraph 6 of this Part B below, and except with the consent of the Panel) be made in full not later than 14 days after the later of:

i. the date on which the Offer becomes or is declared unconditional in all respects; and

ii. the date of receipt of a valid and complete Form of Acceptance.

f) The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Form of Acceptance constitute part of the terms of the Offer. Words and expressions defined in this document shall, unless the context otherwise requires, have the same meanings when used in the Form of Acceptance. The provisions of this Appendix I shall be deemed to be incorporated in the Form of Acceptance.

g) The Offer, this document, the Form of Acceptance and all acceptances thereof and all elections thereunder or pursuant thereto and all contracts made pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing shall be governed by and construed in accordance with English law. Execution by or on behalf of a Gordon Dadds Shareholder of a Form of Acceptance will constitute his irrevocable submission, in relation to all matters arising out of or in connection with the Offer, this document and the Form of Acceptance, to the jurisdiction of the courts of England and his agreement that nothing shall limit the rights of Work Group to bring any action, suit or proceeding arising out of or in connection with the Offer, this document and the Form of Acceptance in any other manner permitted by law or in any court of competent jurisdiction.

h) Any omission to send this document or the Form of Acceptance or any notice required to be given under the terms of the Offer to, or any failure to receive the same by, any person to whom the

Offer is made or should be made, shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person.

i) Subject to paragraph 5(j) of this Part B below, and without prejudice to any other provision of this Appendix I, Work Group reserves the right to treat acceptances of the Offer and/or elections pursuant thereto as valid if received by or on behalf of it at any place or places or in any manner determined by it otherwise than as stated herein or in the Form of Acceptance.

j) Notwithstanding the right reserved by Work Group to treat acceptances as valid (even though the Form of Acceptance is not entirely in order or not accompanied by the relevant share certificate(s) and/or other document(s) of title), except with the consent of the Panel, an acceptance of the Offer will only be counted towards fulfilling the acceptance Condition if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the Takeover Code are satisfied in respect of it. Except with the consent of the Panel, a purchase of Gordon Dadds Shares by Work Group or its nominee(s) (or, if Work Group is required to make an offer or offers under the provisions of Rule 9 of the Takeover Code, by a person acting in concert with Work Group or its nominee(s) for the purpose of such offer(s)) will only be counted towards fulfilling the acceptance Condition if the requirements of Note 5 and, if applicable, Note 6 on Rule 10 of the Takeover Code are satisfied in respect of it. The Offer may not be accepted, in relation to Gordon Dadds Shares, otherwise than by means of a Form of Acceptance.

k) Except with the consent of the Panel, the Offer will not become or be declared unconditional as to acceptances until Computershare has issued a certificate to Work Group (or its agents) which states the number of Gordon Dadds Shares in respect of which acceptances have been received which meet the requirements of Note 4 on Rule 10 of the Takeover Code and the number of Gordon Dadds Shares otherwise acquired (whether before or during the Offer Period) which meet the requirements of Note 5 on Rule 10 of the Takeover Code and, in each case, if applicable, Note 6 on Rule 10 of the Takeover Code. Copies of such certificate will be sent to the Panel and to Cairn as soon as possible after it is issued.

l) All powers of attorney, appointments of agents and authorities on the terms conferred by or referred to in this Appendix I or in the Form of Acceptance are given by way of security for the performance of the obligations of Gordon Dadds Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.

m) The Offer extends to any Gordon Dadds Shareholders to whom this document, the Form of Acceptance and any related documents may not have been sent or by whom such documents may not be received and such Gordon Dadds Shareholders may collect copies of those documents from Computershare. Work Group reserves the right to notify any matter, including the making of the Offer, to all or any Gordon Dadds Shareholders with a registered address outside of the United Kingdom (or whom Work Group knows to be nominees, trustees or custodians for such persons) by announcement in the United Kingdom or paid advertisement in a daily newspaper published and circulated in the United Kingdom, in which event such notice shall be deemed to have been sufficiently given notwithstanding any failure by a Gordon Dadds Shareholder to receive such notice and all references in this document to notice, or the provision of information in writing, by Work Group and/or its agents and/or public relations consultants shall be construed accordingly.

n) The Offer, if made, will be made solely pursuant to the Offer Document which will contain the full terms and conditions of the Offer, including details of how to accept the Offer. The Offer will remain open for acceptance, subject to the provisions of Appendix I to this announcement and the terms of the Offer Document, until 1.00 p.m. on the 21st day after the date of publication of the Offer

Document or (if that day is a Saturday, Sunday or a public holiday) on the next succeeding Business Day.

o) If the Offer does not become, or is not declared, unconditional in all respects and lapses, or the accepting Gordon Dadds Shareholder validly withdraws his acceptance, share certificates and other documents of title will be returned by post (or by such other method as may be approved by the Panel) within 14 days of the Offer lapsing to the person or agent whose name and address outside a Restricted Jurisdiction is set out in the relevant Box on the Form of Acceptance or, if none is set out, to the first-named holder at his registered address outside a Restricted Jurisdiction.

p) If the Offer lapses, the Offer will cease to be capable of further acceptances and accepting Gordon Dadds Shareholders and Work Group shall cease to be bound by acceptances submitted at or before the time when the Offer lapses.

q) All references in this Appendix I to any statute or statutory provision shall include any statute or statutory provision which amends, consolidates or replaces the same (whether before or after the date hereof).

r) If sufficient acceptances under the Offer are received and/or sufficient Gordon Dadds Shares are otherwise acquired whether pursuant to the Offer or otherwise Work Group intends to apply the provisions of sections 974 to 991 of the 2006 Act to acquire compulsorily any outstanding Gordon Dadds Shares to which the Offer relates on the same terms as the Offer.

s) Work Group shall have the right to reduce the proportion of Offer Shares allocated to Gordon Dadds Shareholders by the amount of any dividend (or other distribution) which is paid or becomes payable by Gordon Dadds to Gordon Dadds Shareholders after 12 July 2017. If Work Group exercises its right to reduce the proportion of Offer Shares by all or part of the amount of a dividend (or other distribution) then Gordon Dadds Shareholders will be entitled to receive and retain that dividend (or other distribution).

6. Overseas Shareholders

a) The making of the Offer in, or to persons resident in, or citizens or nationals of, jurisdictions outside of the United Kingdom or who are nominees of, or custodians, trustees or guardians for, citizens or nationals of such jurisdictions ("Overseas Shareholders") may be prohibited or affected by the laws or regulatory requirements of the relevant overseas jurisdiction. No person receiving a copy of this document in any territory other than the UK may treat the same as constituting an offer or invitation to him nor should he in any event use the Form of Acceptance, unless, in the relevant territory, such an offer or invitation could lawfully be made to him and such Form of Acceptance could lawfully be used without contravention of any registration or other legal or regulatory requirements. Such Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to accept the Offer to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction. Any Overseas Shareholder will be responsible for payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction by whomsoever payable and Work Group and any person acting on its behalf shall be fully indemnified and held harmless by such shareholder for any such issue, transfer or other taxes or other requisite payments as Work Group, and any person acting on its behalf

may be required to pay. If you are an Overseas Shareholder and you are in doubt about your position, you should consult your legal adviser in the relevant jurisdiction.

b) Unless otherwise determined by Work Group and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in or into, or by the use of the mails or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce, or any facility of a national securities exchange, of a Restricted Jurisdiction (including the United States, the Republic of South Africa, Canada, Australia or Japan) and the Offer is not capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this document, the Form of Acceptance and any related documents are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from a Restricted Jurisdiction and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from a Restricted Jurisdiction. Doing so may render invalid any purported acceptance of the Offer. Persons wishing to accept the Offer should not use such mails or any such means, instrumentality or facility for any purpose directly or indirectly related to acceptance of the Offer. Envelopes containing Forms of Acceptance, evidence of title or other documents relating to the Offer must not be postmarked in a Restricted Jurisdiction or otherwise dispatched from a Restricted Jurisdiction and all accepting Gordon Dadds Shareholders must provide addresses outside a Restricted Jurisdiction for the return of Forms of Acceptance, share certificate(s) and/or other document(s) of title.

c) If, in connection with the making of the Offer, notwithstanding the restrictions described above, any persons (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forward this document, the Form of Acceptance or any other documents relating to the Offer in, into or from a Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, a Restricted Jurisdiction in connection with such forwarding, such person should:

- i. inform the recipient of such fact;
- ii. explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
- iii. draw the attention of the recipient to this paragraph 6 of this Part B.

Work Group reserves the right, in its absolute discretion, to treat any acceptance as invalid if it believes that such acceptance may violate applicable legal or regulatory requirements.

- d) A Gordon Dadds Shareholder will be deemed not to have validly accepted the Offer if:
- i. he puts "No" in Box 3 of the Form of Acceptance and thereby does not give the representation and warranty set out in paragraph (c) of Part C of this Appendix I;
 - ii. he completes Box 1 of the Form of Acceptance with an address in a Restricted Jurisdiction or has a registered address in a Restricted Jurisdiction and in either case he does not insert in Box 5 of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under the Offer to be sent, subject to this paragraph 6 and applicable laws;

- iii. he inserts in Box 4a or Box 5 of the Form of Acceptance the name and address of a person or agent in a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under or in consequence of the Offer to be sent; or
- iv. any Form of Acceptance received from him is received in an envelope postmarked in, or which otherwise appears to Work Group or its agents to have been sent from, a Restricted Jurisdiction.

Work Group reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representation and warranty set out in paragraph (c) of Part C of this Appendix I could have been truthfully given by the relevant Gordon Dadds Shareholder and, if such investigation is made and, as a result, Work Group cannot satisfy itself that such representation and warranty was true and correct, such acceptance shall not be valid.

e) The provisions of this paragraph 6 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Gordon Dadds Shareholder(s) or on a general basis by Work Group in its absolute discretion. In particular, without limitation, Work Group reserves the right to permit the Offer to be accepted by and to issue share certificate(s) and/or document(s) of title to an Overseas Shareholder (otherwise unable to accept the Offer in accordance with the above) in circumstances in which Work Group is satisfied that acceptance by such Gordon Dadds Shareholder and or the issue or delivery of any documents of title to such Gordon Dadds Shareholder will not constitute a breach of any securities or other relevant legislation or impose obligations on Work Group not contemplated by the Offer (and in any such case, Work Group may impose reasonable additional requirements and restrictions on such acceptance and the share certificates and/or documents of title issued). Work Group shall have no obligations whatsoever in relation to the timing of such sales or allotments or the price obtained and such sales or allotments may be made individually or together with other shares to which such provisions apply. In such circumstances, any signed Form of Acceptance received pursuant to the Offer shall constitute the irrevocable appointment of Work Group or any director of Work Group as the relevant Gordon Dadds Shareholder's agent to effect such sale as his agent, with full power (including powers of delegation) to do all such things as may be necessary or desirable for or ancillary to such purpose. Subject thereto, the provisions of this paragraph 6 supersede any terms of the Offer inconsistent herewith.

f) Neither Work Group nor any agent or director of Work Group nor its advisers or any person acting on behalf of any of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer on any of the bases set out in this paragraph 6 or otherwise in connection therewith.

APPENDIX II

DETAILS OF IRREVOCABLE UNDERTAKINGS

Part A: Gordon Dadds Directors

The following Gordon Dadds Directors have given irrevocable undertakings to accept or procure acceptance to the Offer in respect of their registered holdings of issued Gordon Dadds Shares:

Name	Number of Gordon Dadds Shares	Percentage of Gordon Dadds Issued Share Capital
Richard Read	454,000	3.76
Adrian Biles	6,833,200	56.66
Christopher Yates	513,600	4.26
David Furst	20,000	0.17
John Biles	846,300	7.02
Total	8,667,100	71.87

These irrevocable undertakings will remain binding in the event of a competing offer being made unless the Offer lapses or is otherwise withdrawn.

Part B: Other Gordon Dadds Shareholders

The following Gordon Dadds Shareholders have given irrevocable undertakings to accept or procure acceptance of the Offer in respect of their registered holdings of Gordon Dadds Shares:

Name	Number of Gordon Dadds Shares	Percentage of Gordon Dadds Issued Share Capital
Robert Biles	838,800	6.94
Roger Peters	513,600	4.26
David Ruck	359,500	2.98
Penlee Holdings Limited	53,900	0.47
Anthony Edwards	30,000	0.25
Margaret Golley	28,800	0.24
Victoria Yates	27,851	0.23
St Anne's Investments Limited	13,800	0.11
Total	1,866,251	15.48

These irrevocable undertakings will remain binding in the event of a competing offer being made unless the Offer lapses or is otherwise withdrawn.

APPENDIX III

Bases and Sources

1. The value placed by the Offer of approximately £18.8 million is calculated on the basis of the fully diluted number of Gordon Dadds Shares in issue referred to below. Gordon Dadds has no securities in issue with rights over or convertible into new Gordon Dadds Shares.
2. References to the entire issued share capital of Gordon Dadds are to the existing issued share capital of 12,059,444 Gordon Dadds Shares as sourced from Gordon Dadds' shareholder register as at 12 July 2017.
3. As at noon on 12 July 2017, Gordon Dadds had no treasury shares in issue.

APPENDIX IV

DEFINITIONS

The following definitions apply throughout this announcement, unless the context otherwise requires:

Acquisition	the proposed acquisition of Gordon Dadds by Work Group by way of the Offer.
Admission	the admission of the Enlarged Share Capital to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules.
Admission Document	the admission document to be published by Work Group on pursuant to the AIM Rules in connection with the Acquisition, the Placing and Admission.
AIM	the AIM market of the London Stock Exchange.
AIM Rules	the AIM Rules for Companies, as published by the London Stock Exchange.
Allenby Capital	Allenby Capital Limited, Work Group's financial adviser.
Arden Partners	Arden Partners plc, Work Group's nominated adviser and broker pursuant to the AIM Rules with effect from today.
Business Day	any day other than a Saturday or Sunday, where banks in the UK are open for the transaction of normal banking business.
CA 2006	the Companies Act 2006, as amended.
Cairn	Cairn Financial Advisers LLP, Gordon Dadds' Rule 3 adviser for the purposes of the Takeover Code.
Capital Reduction	the proposed cancellation of Work Group's share premium account and the reduction in its issued share capital by the cancellation of the Deferred Shares.
Capital Reorganisation	the proposed reorganisation of the ordinary share capital of Work Group into New Ordinary Shares and Deferred Shares subject to the passing of the Resolutions and with effect from the Record Time.
Change of Name	the proposed change of name of Work Group to Gordon Dadds Group plc.
Circular	the circular to be published by Work Group to Work Group containing the Notice and published, inter alia, for the purposes of the Rule 9 Waiver.
Companies Act Authorities	the proposed authorities to be granted to the Work Group Directors under CA 2006 to allot relevant securities and dis-apply statutory pre-emption rights for the purposes, inter alia, of the Offer, the Placing and the Share Scheme effective upon the passing of the Resolutions.
Computershare	Computershare Investor Services plc, The Pavillions, Bridgwater Road, Bristol, BS13 8AE.
Conditions	the conditions of the Offer as set out in Part A of Appendix I to this announcement and Condition means any one of them.
Concert Party	those shareholders of Gordon Dadds listed in paragraph 11 to this announcement, being the persons ruled by the Panel as persons who in relation to Work Group are acting in concert within the meaning of the Takeover Code.
Core Resolutions	the Resolutions numbered 1 to 6 inclusive in the Notice
Court	the High Court of Justice in England and Wales.

CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the holding and transfer of title to shares in uncertificated form.
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended.
Deferred Shares	the deferred shares of 63p each in the capital of Work Group arising pursuant to the Capital Reorganisation.
Directors	the Existing Directors and the Proposed Directors.
Disclosure date	11 July 2017
Enlarged Group	Work Group as enlarged by the Acquisition.
Enlarged Share Capital	the ordinary share capital of Work Group in issue on Admission comprising the New Ordinary Shares arising pursuant to the Capital Reorganisation, the Placing Shares and the Offer Shares (and which expression assumes that 100 per cent. acceptances of the Offer shall have been received prior to Admission).
Euroclear	Euroclear UK & Ireland Limited, a company incorporated in England and Wales and the operator of CREST.
Existing Ordinary Shares	the 28,622,473 ordinary shares of 2p each of Work Group in issue at the date of this announcement.
FCA	the Financial Conduct Authority of the United Kingdom.
First Closing Date	the 21 st day of the posting of the Offer Document
Form of Acceptance	the form of acceptance and authority relating to the Offer which will be sent to Gordon Dadds Shareholders in respect of the Offer
FSMA	the Financial Services and Markets Act 2000, as amended.
General Meeting	the general meeting of Work Group to be convened pursuant to the Notice.
Gordon Dadds	Gordon Dadds Group Limited, a private limited liability company incorporated in England and Wales with registered number 02611363, whose registered office is at 6 Agar Street, London WC2N 4HN.
Gordon Dadds Directors	the current directors of Gordon Dadds at the date of this announcement.
Gordon Dadds Group	Gordon Dadds and its subsidiary undertakings.
Gordon Dadds Issued Share Capital	the entire issued share capital of Gordon Dadds at the date of this announcement, comprising 12,059,444 Gordon Dadds Shares.
Gordon Dadds Relevant Securities	means shares in Gordon Dadds (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof
Gordon Dadds Shareholders	the holders of Gordon Dadds Shares.
Gordon Dadds Shares	ordinary shares of 10p each in the capital of Gordon Dadds.
London Stock Exchange	London Stock Exchange plc.
New Ordinary Shares	the ordinary shares of 1p each in the capital of Work Group following the Capital Reorganisation.
Notice	the notice of General Meeting which will set out the Resolutions.
Offer	the recommended offer by Work Group for the entire issued share capital of Gordon Dadds details of which are set out in this announcement.

Offer Shares	the 13,417,143 New Ordinary Shares to be allotted and issued by Work Group to the Gordon Dadds Shareholders as consideration for their acceptance of the Offer.
Official List	the official list of the UK Listing Authority.
Panel	the UK Panel on Takeovers and Mergers.
Placing	the conditional placing of the Placing Shares by Arden Partners, at the Placing Price to raise approximately £20 million before expenses
Placing Price	140p per Placing Share.
Placing Shares	the 14,285,714 New Ordinary Shares to be allotted and issued pursuant to the Placing.
Prolegal	Prolegal Solicitors Limited, a private limited liability company incorporated in England and Wales with registered number 10328104, whose registered office is at 6 Agar Street, London WC2N 4HN.
Proposals	the Acquisition, the Rule 9 Waiver, the Placing, the Capital Reorganisation, the Capital Reduction, the Change of Name, the Companies Act Authorities, and the application for Admission.
Proposed Directors	the proposed new directors of Work Group with effect from Admission, being Anthony Edwards, Adrian Biles, Christopher Yates and David Furst
Record Time	the time and date the Capital Reorganisation takes effect, expected to be 6.00 p.m. on the day of the General Meeting
relevant securities	Gordon Dadds Relevant Securities and/or Work Group Relevant Securities, as the context requires.
Resolutions	the resolutions set out in the Notice which are to be proposed at the General Meeting for the purpose of giving effect to the Proposals.
Restricted Jurisdiction	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available in that jurisdiction.
Rule 9	Rule 9 of the Takeover Code.
Rule 9 Waiver	the waiver granted by the Panel (subject to the passing of the Waiver Resolution) in respect of the obligation of the Concert Party to make a mandatory offer under Rule 9 in connection with the Acquisition, as more particularly described in paragraph 4 of Part I of the Circular.
Share Scheme	Work Group's unapproved share option scheme
subsidiary and subsidiary undertaking	have the meanings given to them by CA 2006.
Takeover Code	the City Code on Takeovers and Mergers.
US or United States	the United States of America, its territories and possessions, any state of the United States of America and the district of Columbia and all other areas subject to its jurisdiction.
Waiver Resolution	the resolution to approve the Rule 9 Waiver numbered 2 in the Notice.
Work Group or the Company	Work Group plc, a public limited liability company incorporated in England and Wales with registered number 03744673, whose registered office is at Suite 2.01, 17 Hanover Square, London W1S 1BN, including, where the context admits, with its subsidiary, Work Group Resources Limited.
Work Group Directors, Work Group Board or Existing Directors	the directors of Work Group on the date of this announcement.

Work Group Relevant Securities	means shares in Work Group (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof
Work Group Shareholders	the registered holders of Existing Ordinary Shares.

Unless otherwise indicated, all references in this document to “GBP”, “£”, “pounds sterling”, “pounds”, “sterling”, “pence” or “p” are to the lawful currency of the United Kingdom.

All references to legislation in this announcement are to English legislation unless the contrary is indicated.

Any reference to any provision of any legislation shall include and amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

All times referred to in this announcement are to London times unless otherwise specified.

IMPORTANT NOTICES AND DISCLAIMERS

Further information

This announcement is for information purposes only and does not constitute, or form part of, any offer for or invitation to sell or purchase any securities, or any solicitation of any offer for, securities in any jurisdiction. This announcement does not constitute a prospectus or a prospectus equivalent document. The Offer, if made, will be made solely pursuant to the Offer Document which will contain the full terms and conditions of the Offer, including details of how to accept the Offer. Gordon Dadds Shareholders are advised to read the formal documentation in relation to the Offer carefully once it has been despatched.

This announcement (including the Appendices) does not constitute or form part of any offer or any solicitation to purchase or subscribe for securities in the United States. The Placing Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended ("**US Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States, and, absent registration, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and the securities laws of any relevant state or other jurisdiction of the United States. There will be no public offering of the Placing Shares in the United States or elsewhere.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

The distribution of this announcement and the offering or sale of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by Work Group, Allenby Capital or their agents or affiliates that would, or which is intended to, permit a public offer of the Placing Shares

in any jurisdiction or possession or distribution of this announcement or any other offering or publicity material relating to the Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by Work Group, Allenby Capital to inform themselves about and to observe any applicable restrictions.

No representation or warranty express or implied is, or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Work Group, Allenby Capital or by their affiliates or agents as to or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed. However, nothing in this announcement shall be effective to limit or exclude liability for fraud or which otherwise, by law or regulation, cannot be so limited or excluded.

Overseas jurisdictions

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. This announcement has been prepared to comply with the requirements of the laws of England and the Cayman Islands, the AIM Rules and the rules of the London Stock Exchange and information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England.

The Offer will not be made, directly or indirectly, in or into, and will not be capable of acceptance in or from, Canada, Australia or Japan. In addition it is not currently intended that the Offer will be made, directly or indirectly, in or into, or by use of mails or any means or instrumentality (including, without limitation, facsimile transmission, telephone or internet) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States and it is not currently intended that the Offer will be capable of acceptance by any such use, means, instrumentality or facility or from within the United States. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise forwarded, distributed or sent in or into or from the United States, Canada, Australia or Japan. Custodians, nominees and trustees should observe these restrictions and should not send or distribute the document in or into the United States, Canada, Australia or Japan.

Important notices

Allenby Capital, which is authorised and regulated in the UK by the FCA, is acting exclusively as financial adviser to Work Group in relation to the Transaction and no-one else and will not be responsible to anyone other than Work Group for providing the protections offered to clients of Allenby Capital nor for providing advice in relation to the Transaction or the contents of this announcement, or any matter referred to herein.

Cairn Financial Advisers LLP which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Gordon Dadds as its Rule 3 adviser for the purposes of the Takeover Code and for no one else in connection with the subject matter of this announcement and Cairn will not be responsible to anyone other than Gordon Dadds for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.

The Work Group Directors accept responsibility for the information contained in this announcement, other than the information for which responsibility is taken by the Gordon Dadds Directors pursuant to the paragraph immediately below. To the best of the knowledge and belief of the Work Group Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Gordon Dadds Directors accept responsibility for the information contained in this announcement relating to Gordon Dadds, themselves, their respective immediate families, related trusts and connected persons and the recommendations and opinions of the Gordon Dadds Directors relating to the Offer contained in this announcement. To the best of the knowledge and belief of the Gordon Dadds Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Forward-looking statements

This document may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Work Group or Gordon Dadds and certain plans and objectives of Work Group with respect thereto. These forward-looking statements can be identified by the fact that they do not relate to historical or current facts. Forward-looking statements also often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “hope”, “aims”, “continue”, “will”, “may”, “should”, “would”, “could”, or other words of similar meaning. These statements are based on assumptions and assessments made by Work Group in light of its experience and its perception of historical trends, current conditions, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Work Group does not assume any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by the Panel, the Takeover Code or by applicable law.

Forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this document.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business and competitive environments, market and regulatory forces, future exchange and interest rates, changes in tax rates, and future business combinations or dispositions.

Other than in accordance with applicable legal and regulatory obligation, neither Work Group nor any member of the Work Group, nor Gordon Dadds nor any member of the Gordon Dadds nor any of their respective members, associates, directors, officers, employees, advisers or persons acting on their behalf, is under any obligation and each of them expressly disclaims any intention or obligation to update or revise any forward-looking statements or other statements contained herein, whether as a result of new information, future events or otherwise, except as required by applicable law.

Except as expressly provided in this announcement, no forward looking or other statements have been reviewed by the auditors of Work Group or Gordon Dadds. All subsequent oral or written forward looking statements attributable to Work Group or Gordon Dadds, any member of the Work Group or the Gordon Dadds or any of their respective members, associates, directors, officers, employees, advisers or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

No profit forecast

No statement in this announcement is intended as a profit forecast or profit estimate for any period. No statement in this announcement should be interpreted to mean that earnings per Gordon Dadds Share or earnings per Work Group Share for the current or future financial years would necessarily match or exceed the historical published earnings per Gordon Dadds Share or earnings per Work Group Share.

Application of the Takeover Code

Whilst Gordon Dadds is a private limited company, the Takeover Code applies to it because it was admitted to trading on the Main Market within the last ten years (under the name of Culver Holdings plc).

Publication of this announcement

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available on the website of Work Group and Gordon Dadds at www.workgroupplc.com and www.gordondaddsgroup.com by no later than 12 noon (London time) on the business day following this announcement.

Number of Gordon Dadds securities in issue

Work Group confirms that, as at the date of this announcement, it has 28,622,473 ordinary shares of £0.02 each in issue. The International Securities Identification Number of Work Group Shares is GB00B0VP0707.

Gordon Dadds confirms that, as at the date of this announcement, it has 12,059,444 ordinary shares of £0.10 each in issue.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different places in this announcement may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Contents of this announcement

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3. Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.