

THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. IT CONTAINS THE RESOLUTIONS TO BE VOTED ON AT THE GENERAL MEETING OF ANGLING DIRECT PLC (THE "COMPANY") TO BE HELD ON 9 NOVEMBER 2018.

If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are resident in the United Kingdom or from another appropriately authorised independent financial adviser if you are resident in a territory outside the United Kingdom. The whole of this document should be read.

If you have sold or transferred all of your Ordinary Shares in the Company please send this document and the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, these documents should not be forwarded or transmitted into any jurisdiction where such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The Placing Shares are only available to qualified investors for the purposes of the Prospectus Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. The Placing does not constitute an offer to the public requiring the issue of an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Rules made by the Financial Conduct Authority of the United Kingdom ("**FCA**") pursuant to sections 73A(1) and (4) of FSMA and has not been pre-approved by the FCA pursuant to sections 85 and 87 of FSMA, the London Stock Exchange, any securities commission or any other authority or regulatory body and has not been approved for the purposes of section 21 of FSMA. In addition this document does not constitute an admission document drawn up in accordance with the AIM Rules for Companies.

Angling Direct plc

(Incorporated in England and Wales under the Companies Act 1985 with registered no. 05151321)

Placing of 21,622,000 new Ordinary Shares and 2,162,000 Sale Shares at 92.5 pence per share and Notice of General Meeting

Your attention is drawn to the letter from the Executive Chairman of the Company which is set out on pages 9 to 13 (inclusive) of this document and which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Cenkos Securities plc (**Cenkos**), which is a member of the London Stock Exchange, is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is acting as nominated adviser and broker for the purposes of the AIM Rules exclusively for the Company in connection with the matters referred to in this document and for no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to the clients of Cenkos nor for providing any advice in relation to the contents of this document or any transaction, arrangement or matter referred to herein. The responsibilities of Cenkos, as nominated adviser, are owed solely to the London Stock Exchange and are not owed to the Company or to any director or any other person and accordingly no duty of care is accepted in relation to them. This document has been issued by and is the sole responsibility of the Company. 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 Cenkos or by any of its affiliates or agents as to, or in relation to, the accuracy or completeness of this document 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.

Notice of a General Meeting of the Company, to be held at B-24 Business Lounge, 18 Wendover Road, Rackheath Industrial Estate, Rackheath, Norwich, Norfolk NR13 6LH, at 11.00 a.m. on 9 November 2018, is set out at the end of this document.

If you hold your Ordinary Shares in certificated form, whether or not you plan to attend the General Meeting, you are encouraged to complete the accompanying Form of Proxy and return it in accordance with the instructions printed thereon as soon as possible but, in any event, so as to be received by post or, during normal business hours only, by hand by the Company's registrar, Share Registrars Limited by no later than 11.00 a.m. on 7 November 2018 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting). The completion and return of a Form of Proxy will not prevent you from attending and voting at the General Meeting, or any adjournment thereof, in person should you wish to do so.

If you hold your Ordinary Shares in uncertificated form (that is, in CREST) you may vote using the CREST proxy voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of General Meeting set out at the end of this Document). Proxies submitted via CREST must be received by the Company's agent (ID 7RA36) by no later than 11.00 a.m. on 7 November 2018 (or, in the case of an adjournment, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting). The completion and transmission of a CREST proxy instruction will not prevent you from attending and voting at the General Meeting, or any adjournment thereof, in person should you wish to do so.

Any person entitled to receive a copy of documents, including this document, is entitled to receive such documents in hard copy form. Such person may request that all future documents are sent to them in hard copy form. You may request a hard copy of this document and/or any information incorporated into this document by reference to another source by contacting the Company at Angling Direct plc, 2D Wendover Road, Rackheath Industrial Estate, Norwich, Norfolk, NR13 6LH.

The distribution of this document in certain jurisdictions may be restricted by law. Accordingly, this document may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons outside the UK into whose domain this document comes should inform themselves about and observe any such restrictions.

This document does not constitute an offer to buy or subscribe for, or the solicitation of an offer to buy or subscribe for, Placing Shares in any jurisdiction in which such offer or solicitation is unlawful. The Placing Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States nor do they qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa or Japan. Accordingly, the Placing Shares may not, directly or indirectly, be offered, sold or taken up, delivered or transferred in or into the United States, Canada, Australia, the Republic of South Africa or Japan. The distribution of this document outside the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession this document has come should inform themselves and observe any restrictions as to the Transaction or the distribution of this document.

The Existing Ordinary Shares of the Company are admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected, subject to, *inter alia*, the passing of the Resolutions at the General Meeting, that admission of the New Ordinary Shares will become effective and that dealings will commence on 12 November 2018. The New Ordinary Shares will, when issued, rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares and otherwise rank *pari passu* in all respects with the Existing Ordinary Shares.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority (being the FCA acting as competent authority for the purposes of Part V of FSMA) ("UKLA"). A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the UKLA has examined or approved the

contents of this document. The AIM Rules for Companies are less demanding than those of the Official List of the UKLA. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the New Ordinary Shares to the Official List of the UKLA.

In accordance with the AIM Rules, this document will be available on the Company's website (www.anglingdirect.co.uk/corporate.com) from the date of this document, free of charge.

The contents of this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the contents of this document you should consult your own legal adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

FORWARD-LOOKING STATEMENTS

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "forecasts", "plans", "prepares", "anticipates", "projects", "expects", "intends", "may", "will", "seeks", "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Company's and the Directors' intentions, beliefs or current expectations concerning, amongst other things, the Company's prospects, growth and strategy. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, achievements and financial condition may differ materially from those expressed or implied by the forward-looking statements in this document. In addition, even if the Company's results of operations, performance, achievements and financial condition are consistent with the forward-looking statements in this document, those results or development may not be indicative of results or developments in subsequent periods. Any forward-looking statements that the Company makes in this document speak only as of the date of such statement and (other than in accordance with their legal or regulatory obligations) neither the Company, nor Cenkos nor any of their respective associates, directors, officers or advisers undertakes any obligation to update such statements. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

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DIRECTORS AND ADVISERS

Directors	Darren Bailey (<i>Chief Executive Officer</i>) Martyn Page (<i>Executive Chairman</i>) John (Ian) Hunter (<i>Finance Director</i>) Stephen Moon (<i>Non-Executive Director</i>) David (Paul) Davies (<i>Non-Executive Director</i>)
Registered Office	2D Wendover Road Rackheath Industrial Estate Norwich, Norfolk NR13 6LH
Company website	www.anglingdirect.co.uk/corporate
Nominated Adviser and Broker	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS
Legal advisers to the Company	Leathes Prior 74 The Close Norwich NR1 4DR Marriott Harrison LLP 11 Staple Inn London WC1V 7QH
Legal advisers to Cenkos	Dentons UK and Middle East LLP One Fleet Place London EC4M 7WS
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham GU9 7DR

PLACING STATISTICS

Placing Price (per share)	92.5p
Number of Existing Ordinary Shares	42,999,993
Number of New Ordinary Shares	21,622,000
Number of Sale Shares	2,162,000
Number of Placing Shares	23,784,000
New Ordinary Shares as a percentage of the Enlarged Share Capital	33.5%
Sale Shares as a percentage of the Enlarged Share Capital	3.3%
Number of Ordinary Shares in issue following Admission	64,621,993
Total gross proceeds of the Placing	£20.0 million
Estimated expenses of the Placing	£0.9 million
Estimated net proceeds of the Placing receivable by the Company	£19.1 million

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document and posting to Shareholders	24 October 2018
Latest time and date for receipt of completed Forms of Proxy	11.00 a.m. on 7 November 2018
General Meeting	11.00 a.m. on 9 November 2018
Admission and commencement of dealings in the Placing Shares	12 November 2018
Long Stop Date	26 November 2018

Each of the dates in the above Expected Timetable and the rest of this document are indicative only and assume that the Resolutions are passed at the General Meeting and are subject to change as the Company and Cenkos may agree. References to time are to London time. If any of the above times and/or dates change then the revisions will be notified to Shareholders by a Company announcement through a regulatory information service.

DEFINITIONS

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

Act	the Companies Act 2006 (as amended)
Admission	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
AIM	the AIM Market operated by the London Stock Exchange
AIM Rules	the AIM Rules for Companies published by the London Stock Exchange from time to time
Cenkos	Cenkos Securities plc
certificated form or in certificated form	an Ordinary Share recorded on a company's share register as being held in certificated form (namely, not in CREST)
Company	Angling Direct plc, a company incorporated and registered in England and Wales under the Companies Act 1985 with registered number 05151321
CREST	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
CREST Regulations	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755)
Directors or Board	the directors of the Company whose names are set out on page 5 of this document, or any duly authorised committee thereof
Enlarged Share Capital	the 64,621,993 Ordinary Shares in issue immediately following Admission
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST
Existing Ordinary Shares	the 42,999,993 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
FCA	the UK Financial Conduct Authority
Form of Proxy	the form of proxy for use in connection with the General Meeting which accompanies this document
FSMA	the Financial Services and Markets Act 2000 (as amended)
General Meeting or GM	the general meeting of the Company to be held at B-24 Business Lounge, 18 Wendover Road, Rackheath Industrial Estate, Rackheath, Norwich, Norfolk NR13 6LH at 11.00 a.m. on 9 November 2018, notice of which is set out at the end of this document
London Stock Exchange	London Stock Exchange plc
Long Stop Date	26 November 2018
New Ordinary Shares	21,622,000 new Ordinary Shares to be issued pursuant to the Placing
Notice of General Meeting	the notice convening the General Meeting which is set out at the end of this document
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company
Placee or Placees	the subscribers for the New Ordinary Shares and purchasers of the Sale Shares pursuant to the Placing
Placing	the placing by Cenkos of the New Ordinary Shares and Sale Shares with certain institutional investors and existing Shareholders (or their associated investment vehicles), otherwise than on a pre-emptive basis, at the Placing Price

Placing Agreement	the conditional agreement entered into between the Company and Cenkos in respect of the Placing dated 24 October 2018, as described in this document
Placing Price	92.5 pence per Placing Share
Placing Shares	the New Ordinary Shares and the Sale Shares
Resolutions	the resolutions set out in the Notice of General Meeting
Sale Shares	2,162,000 Existing Ordinary Shares to be sold by the Selling Shareholder in connection with and pursuant to the Placing
Selling Shareholder	William Hill
Selling Shareholder Agreement	the agreement between Cenkos and the Selling Shareholder to place the Sale Shares at the Placing Price
Shareholders	holders of Ordinary Shares
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
£ and p	United Kingdom pounds sterling and pence respectively, the lawful currency of the United Kingdom

LETTER FROM THE CHAIRMAN OF ANGLING DIRECT PLC

Angling Direct plc

(Incorporated in England and Wales under the Companies Act 1985 with registered no. 05151321)

Directors:

Darren Bailey (*Chief Executive Officer*)
Martyn Page (*Executive Chairman*)
John (Ian) Hunter (*Finance Director*)
Stephen Moon (*Non-Executive Director*)
David (Paul) Davies (*Non-Executive Director*)

Registered office:

2D Wendover Road
Rackheath Industrial
Estate
Norwich, Norfolk
NR13 6LH

24 October 2018

Dear Shareholder

PROPOSED PLACING OF 21,622,000 NEW ORDINARY SHARES AND 2,162,000 SALE SHARES AT 92.5 PENCE PER SHARE AND NOTICE OF GENERAL MEETING

1. Introduction

The Company announced on 24 October 2018 the terms of a placing to raise approximately £20.0 million (before expenses) by the allotment and issue by the Company of up to 21,622,000 new Ordinary Shares at the Placing Price. The net proceeds will be used to fund continued expansion both in-store and online in the UK and Europe, and to explore further strategic acquisition opportunities. In addition, a further 2,162,000 Sale Shares have been placed in connection with the Placing at the Placing Price. Pursuant to this transaction, the Selling Shareholder has committed (subject to certain customary exceptions) not to dispose of any further existing Ordinary Shares for a period of 12 months following Admission.

The Placing is conditional, among other matters, on Shareholders approving the Resolutions at the General Meeting, compliance by the Company in all material respects with its obligations under the Placing Agreement, and Admission. The Resolutions are contained in the Notice of General Meeting.

The purpose of this document is to explain the background to and reasons for the Placing, why the Directors are seeking authority from Shareholders to issue the New Ordinary Shares for cash on a non pre-emptive basis and to recommend that you vote in favour of the Resolutions.

2. Background to and reasons for the Placing

On 13 July 2017, the Existing Ordinary Shares were admitted to trading on AIM ("IPO"), raising gross proceeds of £9.0 million. Since that time the Company has continued to implement its strategy set out at the IPO and the funds raised from the IPO have principally been used to expand the number of Angling Direct stores within the UK. The Company has opened a total of 8 new stores since IPO bringing the total number to 23. The Company remains the largest UK in-store and online retailer of fishing tackle, and is pursuing a fundraise to accelerate the rollout of Angling Direct stores in the UK and to significantly increase online sales in the UK and Europe.

In-Store Strategy

The Company reported retail store sales up 60 per cent. to £9.9 million (2018: £6.2 million) in the six months ended 31 July 2018, as a result of the Company's expanding footprint. The Company intends to continue its successful store roll-out and open approximately 20 new stores across the UK over the calendar years 2019 and 2020. The roll-out is expected to be via the acquisition of existing independent fishing tackle retailers and opening new sites using the Company's proven store format.

The Directors believe that the continued expansion of the Company's retail store network is important in supporting the future growth strategy of the Company, both offline and online. The Directors further believe that the physical presence of Angling Direct retail stores increases activity on the Company's website and increases brand awareness. The Company will continue to drive

sales from existing stores by focusing on store layout, product availability, tuition, advice and in-store experience.

European Online Strategy

The Company has circa. 25 per cent. of the UK online market and is experiencing rapid growth in Europe. The Company's online business contributes more than half of the Company's sales and increased by 60 per cent. to £11.7 million (2018: £7.3 million) in the six months ended 31 July 2018. The Directors believe that the UK online market is 2 to 3 years more mature than that in Europe, giving Angling Direct an early mover advantage in a market estimated to be worth approximately £600 million per annum. Like the UK market, the Directors believe that the European market is highly fragmented and the Company is not aware of any rival consolidators, which presents a significant opportunity for the Company.

The Company launched its first domestic language website in Germany in June 2018, and is due to launch native language sites in France and Benelux in November 2018. The German website has been received well, with 194,973 unique users since its launch. The Company intends to roll-out native language websites in additional European countries to drive user adoption and sales. To ensure that the launch of native sites is a success, the Company intends to invest in a media and marketing plan to promote the new sites and support each site with multilingual customer service teams.

Strategic M&A Opportunities

The Company remains focused on acquiring stores in the UK through its strategically placed store roll-out. In addition, the Company will continue to assess acquisition opportunities that will be a functional fit and add value to its overall operations in the UK and Europe.

Infrastructure

The Company operates a central distribution centre in Rackheath near Norwich. The Company has recently invested in a new Kardex system, which has enhanced the Company's ability to expand in the UK and Europe. The Company intends to increase headcount across the Company to support the continued growth of the business.

Working Capital and Advanta Expansion

The Company's store roll-out will require an investment in inventory to adequately stock each site. Furthermore, increased online sales from Europe will require additional inventory at the Rackheath distribution centre.

The Company is also looking to further expand its own branded "Advanta[®]" range by increasing the number of products offered. The Company already stocks more than double the number of Advanta[®] products than it did in May 2017. The average gross margins of the Advanta[®] products are 50.4 per cent. (on some Advanta[®] products the gross margin is as high as 92.8 per cent.) compared with an average gross margin of 30.8 per cent. (online) and 35.7 per cent. (in-store) for non-Advanta products, resulting in a greater positive impact on the Company's EBITDA. Expansion of the Advanta[®] range is seen by the Company as an opportunity for accelerated growth through sales in the current and proposed store network and online, including across Europe following the intended online expansion.

3. Use of proceeds

The Directors intend that the net proceeds of the Placing receivable by the Company will be used primarily for the following purposes:

- (a) to open approximately 20 new stores in the UK over the calendar years 2019 and 2020
- (b) for website development including the roll-out of native language sites in Europe
- (c) for a European media and marketing plan
- (d) to facilitate the exploration of potential strategic M&A opportunities
- (e) to increase the headcount across the business
- (f) for general working capital and expansion of the Advanta[®] product lines

4. Current trading and prospects

The Company announced its interim results for the six months ended 31 July 2018 on 8 October 2018. The Company reported revenues of £21.9 million up 55.8 per cent. (H1 2018: £14.1 million) and a pre-tax profit of £0.6 million (H1: 2018 £0.1 million) after accelerated investment in European expansion. Since that time, the Company has continued to implement its strategy, with like-for-like store sales up by 15.4 per cent. and 12.0 per cent. in August and September respectively. The Board looks to the Company's future with increasing confidence.

5. The Placing

The Company has entered into the Placing Agreement under which Cenkos has agreed to use its reasonable endeavours to procure Placees for the Placing Shares at the Placing Price. Further details of the terms of the Placing Agreement are set out below. Subject to the satisfaction of the conditions under the Placing Agreement including, among other matters, the passing of the Resolutions without amendment, the Company will issue up to 21,622,000 New Ordinary Shares which will raise approximately £20.0 million, before expenses, and £19.1 million, after the expenses of the Placing (which are estimated to be up to approximately £0.9 million (excluding VAT)). The Placing Shares have been conditionally placed by Cenkos, acting as the bookrunner and as agent for the Company, with institutional and other investors. Application will be made for the New Ordinary Shares to be admitted to trading on AIM, and, on the assumption that, among other matters, the Resolutions are passed, dealings in the Placing Shares are expected to commence on 12 November 2018. The Placing is not underwritten.

The Placing is conditional, among other things, upon:

- the Resolutions being passed without amendment;
- compliance by the Company in all material respects with its obligations under the Placing Agreement; and
- Admission of the New Ordinary Shares to trading on AIM becoming effective by not later than 8.00 a.m. on 12 November 2018 (or such later date as is agreed between the Company and Cenkos, being not later than 8.00 a.m. on the Long Stop Date).

The Placing Agreement contains, *inter alia*, customary undertakings and warranties given by the Company in favour of Cenkos as to the accuracy of information contained in this document and as to other matters relating to the Company. Cenkos may terminate the Placing Agreement in specified circumstances prior to Admission including in the event of a force majeure event occurring.

The New Ordinary Shares will represent approximately 33.5 per cent. of the Enlarged Share Capital and the Sale Shares will represent approximately 3.3 per cent. of the Enlarged Share Capital. The New Ordinary Shares will, following Admission, rank in full for all dividends and distributions declared, made or paid in respect of the issued Ordinary Share capital of the Company after the date of their issue and will otherwise rank equally in all other respects with the Existing Ordinary Shares. The Placing Price represents a discount to the closing mid-market price of 7.5 per cent. per Ordinary Share as at 23 October 2018 (being the latest practicable date before the announcement of the Placing).

The Company has also agreed to issue a warrant instrument, on completion of the Placing, granting Cenkos warrants to subscribe for, in total, 432,440 Ordinary Shares, being equal to 2.0 per cent. of the New Ordinary Shares (and corresponding to £4,324.40 in aggregate nominal value). Each warrant corresponds to one Ordinary Share and is exercisable between the first and fifth anniversaries of the date of the warrant instrument, at £1.10 per Ordinary Share. Before this first anniversary, these warrants may be cancelled by the Company.

Selling Shareholder Agreement

Cenkos and the Selling Shareholder have entered into the Selling Shareholder Agreement pursuant to which 2,162,000 Sale Shares have been placed in connection with the Placing at the Placing Price. The Selling Shareholder Agreement is conditional on Admission, among other things.

6. Related party transaction

The following substantial Shareholder (being a Shareholder holding 10 per cent. or more of the Company's Ordinary Shares as at 23 October 2018, being the latest practicable date prior to the date of this document) is participating in the Placing as described below:

	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Amount subscribed</i>	<i>Number of Placing Shares</i>	<i>Number of Ordinary Shares held including the Placing Shares</i>	<i>Percentage of enlarged share capital</i>
Canaccord Genuity Wealth Management	5,762,500	13.4%	£1,799,125	1,945,000	7,707,500	11.9%

The participation by the Shareholder referred to above in the Placing is classified as a related party transaction for the purposes of the AIM Rules by virtue of such Shareholder being a "substantial shareholder" (as defined in the AIM Rules) in the Company. The Directors, having consulted with Cenkos, the Company's Nominated Adviser, consider that the terms of the transaction, namely the participation by Canaccord Genuity Wealth Management in the Placing, are fair and reasonable insofar as the Company's Shareholders are concerned.

7. The General Meeting

Set out at the end of this document is a notice convening the General Meeting which is to be held at B-24 Business Lounge, 18 Wendover Road, Rackheath Industrial Estate, Rackheath, Norwich, Norfolk NR13 6LH at 11.00 a.m. on 9 November 2018. At the General Meeting the following resolutions of the Company will be proposed:

Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors to allot relevant securities up to an aggregate nominal value of £216,220.00.

Resolution 2, which will be proposed as a special resolution and which is subject to the passing of Resolution 1, disapplies statutory pre-emption rights, with the authority limited to, among other things, the allotment of equity securities having an aggregate nominal value of £216,220.00. This resolution, if passed, would authorise the Directors to allot the Placing Shares without first offering them for subscription by Shareholders. The Directors believe the costs of doing so, which would involve an open offer, together with the additional delay, make the Placing a more appropriate way to enable the Company to raise the funds required.

Resolution 3, which will be proposed as an ordinary resolution and which is subject to the passing of Resolution 2 but which is separate and additional to the authority granted with Resolution 1, is to authorise the Directors to allot relevant securities up to an aggregate nominal value of £4,324.40, pursuant to the warrant instrument referred to above.

Resolution 4, which will be proposed as a special resolution and which is subject to the passing of Resolution 3, disapplies statutory pre-emption rights, with the authority limited to the allotment of equity securities having an aggregate nominal value of £4,324.40 upon exercise of the rights to Ordinary Shares under this warrant instrument. The Directors consider that the proposed grant to Cenkos of the warrant comprises appropriate consideration for Cenkos's services in connection with the Placing.

These Resolutions are in addition to the authorities granted to Directors at the last Annual General Meeting held on 18 June 2018. Resolution 1 authorises the allotment of such number of New Ordinary Shares as are necessary for the Placing. Resolution 2 authorises the disapplication of statutory pre-emption rights in respect of such number of New Ordinary Shares as are necessary for the Placing. Resolutions 3 and 4 provide the equivalent authorisations as Resolutions 1 and 2 respectively in relation to the warrant instrument referred to above.

8. Action to be taken

You will find enclosed with this document a Proxy Form for use at the General Meeting. Whether or not you propose to attend the General Meeting in person, you are requested to complete and return the Proxy Form to the Company's registrars, Share Registrars Limited, in accordance with the instructions printed on it and return it by post or (during normal business hours only) by hand

as soon as possible and, in any event, so as to be received by no later than 11.00 a.m. on 7 November 2018. Completion and return of a Proxy Form will not prevent you from attending the General Meeting and voting in person if you wish to do so.

If you hold Ordinary Shares through CREST you may alternatively appoint a proxy by completing and transmitting a CREST proxy instruction to Share Registrars Limited (CREST participant ID 7RA36) so that it is received no later than 11.00 a.m. on 7 November 2018. Completion and return of a CREST proxy instruction form will not prevent you from attending and voting in person at the General Meeting should you subsequently wish to do so.

9. Recommendation

The Board considers the Placing to be in the best interests of the Company and its Shareholders as a whole and accordingly recommend unanimously that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as they intend so to do in respect of their beneficial shareholdings amounting to 13,977,500 or 32.5 per cent. of the Existing Ordinary Shares.

A handwritten signature in black ink, appearing to read 'Martyn Page', is written over a horizontal line. The signature is stylized and cursive.

Martyn Page
Executive Chairman

NOTICE OF GENERAL MEETING

Angling Direct plc

(Incorporated in England and Wales under the Companies Act 1985 with registered no. 05151321)

NOTICE IS HEREBY GIVEN THAT that a General Meeting of the Company will be held at 11.00 a.m. on 9 November 2018 at B-24 Business Lounge, 18 Wendover Road, Rackheath Industrial Estate, Rackheath, Norwich, Norfolk NR13 6LH to consider and, if thought fit, pass the following resolutions:

Resolutions 1 and 3 are ordinary resolutions and, to be passed, will require the approval at the General Meeting of (on a show of hands) a simple majority of Shareholders, or of (on a poll) Shareholders representing a simple majority of the total voting rights of Shareholders, who, being entitled to vote, do so in person or by proxy.

Resolutions 2 and 4 are special resolutions and, to be passed, will require the approval at the General Meeting of (on a show of hands) at least 75 per cent. of Shareholders, or of (on a poll) Shareholders representing at least 75 per cent. of the total voting rights of Shareholders, who, being entitled to vote, do so in person or by proxy.

ORDINARY RESOLUTION

1. **THAT**, in accordance with section 551 of the Companies Act 2006 (the "Act"), the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company and/or to grant rights to subscribe for or to convert any security into shares in the Company pursuant to the non pre-emptive placing by Cenkos Securities plc of ordinary shares of £0.01 each in the capital of the Company with certain institutional investors and existing shareholders of the Company up to a maximum aggregate nominal amount of £216,220.00 (being equal to up to 21,622,000 Ordinary Shares), provided that this authority will expire at 08.00 a.m. on 26 November 2018 (unless renewed, varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company to be allotted or rights to subscribe for or to convert any security into shares in the Company to be granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired. This authority is in addition to all existing authorities under section 551 of the Act.

SPECIAL RESOLUTION

2. **THAT**, in addition to any other authorities already in existence and subject to and conditional upon the passing of Resolution 1, in accordance with section 571(1) of the Companies Act 2006 (the "Act"), the Directors are authorised to allot equity securities for cash (within the meaning of section 560 of the Act) pursuant to the authority conferred by Resolution 1 above, as if section 561 of the Act did not apply to any such allotment, provided that this power:
 - is limited to the allotment of equity securities pursuant to the non pre-emptive placing by Cenkos Securities plc of ordinary shares of £0.01 each in the capital of the Company with certain institutional investors and existing shareholders of the Company up to a maximum aggregate nominal value of £216,220.00 (21,622,000 Ordinary Shares); and
 - will expire at 08.00 a.m. on 26 November 2018 (unless renewed, varied or revoked by the Company before or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this Resolution had not expired.

ORDINARY RESOLUTION

3. **THAT**, subject to and conditional on the passing of Resolution 2, in addition to all other authorities already in existence including Resolution 2 (which are all preserved) and in accordance with section 551 of the Companies Act 2006, the Directors are generally and

unconditionally authorised to exercise all powers of the Company to allot up to 432,440 Ordinary Shares pursuant to a warrant instrument (as the same may be amended or varied from time to time) ("**Warrant Instrument**") issued by the Company on or around the same date as (and conditional on) completion of the non pre-emptive placing by Cenkos Securities plc of ordinary shares of £0.01 each in the capital of the Company with certain institutional investors and existing shareholders of the Company, provided that this authority will expire on the date falling five years from the date of the passing of this Resolution (unless renewed, varied or revoked by the Company before or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this Resolution had not expired.

SPECIAL RESOLUTION

4. **THAT**, subject to and conditional upon the passing of Resolution 3, in accordance with section 571(1) of the Companies Act 2006 (the "**Act**"), the Directors be authorised to allot equity securities for cash (within the meaning of section 560 of the Act) pursuant to the authority conferred by Resolution 3, as if section 561 of the Act did not apply to any such allotment, provided that this power:
- is limited to the allotment of equity securities pursuant to the Warrant Instrument up to a maximum aggregate nominal value of £4,324.40 (432,440 Ordinary Shares); and
 - expires on the date falling five years from the date of passing this resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if such power had not expired.

Notes

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company as at Close of Business on 7 November 2018 (or if the GM is adjourned, on the day which is two business days before the time fixed for the adjourned GM) shall be entitled to attend and vote at the GM in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the GM.
2. Information regarding the general meeting, including information required by section 311A of the Act, is available from www.anglingdirect.co.uk/corporate.
3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the GM to be held at 11.00 a.m. on 9 November 2018 and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Share Registrars Limited (CREST Participant ID: 7RA36), no later than 11.00 a.m. on 7 November 2018. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
4. If you wish to attend the GM in person, you should make sure that you arrive at the venue for the GM in good time before the commencement of the meeting. You may be asked to prove your identity in order to gain admission.
5. A member who is entitled to attend, speak and vote at the GM may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy need not be a member of the Company but must attend the GM in order to represent you. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the GM (although voting in person at the GM will terminate the proxy appointment). A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the GM or another person as a proxy. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the proxy form.
6. To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company's registrar, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, GU9 7DR, by no later than 11.00 a.m. on 7 November 2018.
7. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
8. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 1, 3, 5 and 6 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provision of the Companies Act 2006.