

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. 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 FSMA, who specialises in advising on the acquisition of shares and other securities.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, the distribution of this document into jurisdictions other than the UK may be restricted by law and, as described below, such documentation should not be mailed, distributed, forwarded to or transmitted in or into the United States, Australia, New Zealand, Canada, the Republic of Ireland, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a “**Restricted Jurisdiction**”). If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors (whose names and functions appear on page 6 of this document) and the Company (whose registered office appears on page 6 of this document) accept responsibility, both collectively and individually, for the information contained in this document and for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Fundraising Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Fundraising Shares will commence on 19 April 2017. The Fundraising Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares after Admission.

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 and the AIM Rules are less demanding than those of the Official List. 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. The London Stock Exchange has not itself examined or approved the contents of this document. Recipients should read this document in its entirety.

This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA, and has not been drawn up in accordance with the Prospectus Rules or approved by or filed with the FCA or any other competent authority. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the Fundraising Shares to the Official List of the United Kingdom Listing Authority.

Harwood Wealth Management Group plc

(incorporated and registered in England & Wales with registered number 04987966)

**Proposed issue of 6,954,000 new Ordinary Shares at a price of 150 pence per Ordinary Share
and
Notice of General Meeting**

This document should be read as a whole. However, your attention is drawn to the letter from the Chairman of the Company which is set out on pages 11 to 14 of this document and which contains the Directors’ unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.

Nplus1 Singer Advisory LLP (“**N+1 Singer**”), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with the Fundraising and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of N+1 Singer or for advising any other person in respect of the Fundraising or any transaction, matter or arrangement referred to in this document. N+1 Singer’s responsibilities as the Company’s nominated adviser and broker are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on N+1 Singer by the FSMA or the regulatory regime established thereunder, N+1 Singer does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Fundraising or the sale of the Sale Shares. N+1 Singer accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement. No representation or warranty, express or implied, is made by the Company or N+1 Singer to prospective subscribers for or purchasers of Ordinary Shares as to the contents of this document (without limiting the statutory rights of any person to whom this document is issued). The information contained in this document is not intended to inform or be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly, to the extent permitted by law, no duty of care is accepted by the Company or N+1 Singer in relation to any of them.

Notice of a General Meeting of Harwood Wealth Management Group plc, to be held at the offices of N+1 Singer, One Bartholomew Lane London EC2N 2AX at 10.00 a.m. on 18 April 2017, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company’s registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by not later than 10.00 a.m. on 12 April 2017. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

A copy of this document will be made available on the Company’s website, www.harwoodwealth.co.uk. Neither the content of the Company’s website nor any website accessible by hyperlinks from or to the Company’s website is incorporated in, or forms part of, this document.

IMPORTANT NOTICE

Cautionary note regarding 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”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly announce any revisions that are required to any of the forward-looking statements made in this document arising out of any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

Notice to overseas persons

The distribution of this document and any accompanying documents into jurisdictions other than the United Kingdom may be restricted by applicable laws or regulations and this document does not form part of any offer or invitation to sell or issue or the solicitation of any offer to purchase or subscribe for Ordinary Shares in any jurisdiction where such offer, invitation or solicitation is unlawful. Persons in jurisdictions other than the United Kingdom into whose possession this document and/or any of the accompanying documents comes should inform themselves about and observe such applicable legal or regulatory requirements in that jurisdiction. Any failure to do so may constitute a violation of the securities laws of any such jurisdiction.

Neither the Fundraising Shares nor the Sale Shares have been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the “**US Securities Act**”) and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Neither the Fundraising Shares nor the Sale Shares will qualify for distribution under the relevant securities laws of Australia, New Zealand, Canada, the Republic of Ireland, the Republic of South Africa or Japan, nor has any prospectus in relation to the Fundraising Shares or the Sale Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, neither the Fundraising Shares nor the Sale Shares may be offered, sold, taken up, delivered or transferred in, into or from a Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

The Fundraising Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the placing of the Fundraising Shares and the Sale Shares nor have they approved this document or confirmed the accuracy or adequacy of any information contained in it. Any representation to the contrary is a criminal offence in the US.

Basis on which information is presented

Various figures and percentages in tables in this document, including financial information, have been rounded and accordingly may not total. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data.

In this document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom.

Third party information

Where third party information has been used in this document, the source of such information has been identified. The Company takes responsibility for compiling and extracting, but has not independently verified, market data provided by third parties or industry or general publications and takes no further responsibility for such data.

References to defined terms

Certain terms used in this document are defined and certain technical and other terms are explained in those sections of the document which appear under the headings “Definitions” and “Glossary of technical terms”.

All times referred to in this document are, unless otherwise stated, references to London time.

CONTENTS

	<i>Page</i>
Directors and advisers	6
Fundraising statistics & expected timetable of principal events	7
Definitions	8
Glossary of Technical Terms	10
Letter from the Chairman of Harwood Wealth Management Group plc	11
Notice of General Meeting	15

DIRECTORS AND ADVISERS

Directors

Peter Mann (*Non-Executive Chairman*)
Alan Richard Durrant (*Joint Chief Executive Officer*)
Neil Dunkley (*Joint Chief Executive Officer*)
Nicholas (Nick) Charles Osborne Bravery (*Chief Financial Officer*)
Mark Philip Howard (*Chief Commercial Officer*)
Christopher Harwood Bernard Mills (*Non-Executive Director*)
Paul Tuson (*Non-Executive Director*)

all of:

5 Lancer House
Hussar Court
Westside View
Waterlooville
Hampshire
PO7 7SE

Company Secretary

Matthew Hills

Nominated Adviser and Broker

Nplus1 Singer Advisory LLP
1 Bartholomew Lane
London
EC2N 2AX

Legal Advisers to the Company

Blake Morgan LLP
New Kings Court
Tollgate
Chandler's Ford
Eastleigh
Hampshire
SO53 3LG

Legal Advisers to the Nominated Adviser and Broker

Charles Russell Speechlys LLP
5 Fleet Place
London
EC4M 7RD

PR Advisers to the Company

Alma PR
1 Fore Street
London
EC2Y 9DT

Registrars

Computershare Investor Services Plc
The Pavilions
Bridgwater Road
Bristol
BS99 6ZY

FUNDRAISING STATISTICS

Number of Existing Ordinary Shares	55,588,927
Fundraising Price	150 pence
Number of Fundraising Shares to be issued pursuant to the Fundraising	6,954,000
Number of Sale Shares to be sold by the Selling Shareholders	1,333,000
Number of Ordinary Shares in issue following Admission	62,542,927
Percentage of the Enlarged Share Capital being placed pursuant to the Fundraising	11.12%
Gross proceeds of the Fundraising	£10.4 million
Estimated net proceeds of the Fundraising receivable by the Company	£10.0 million

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>2017</i>
Publication of this document	31 March
Latest time and date for receipt of Form of Proxy	10.00 a.m. on 12 April
General Meeting	10.00 a.m. on 18 April
Admission and commencement of dealings in the Fundraising Shares on AIM	8.00 a.m. on 19 April

(Note: Each of the above times and/or dates is subject to change at the absolute discretion of the Company and N+1 Singer).

DEFINITIONS

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

“Act”	the Companies Act 2006 as amended from time to time;
“Admission”	admission of the Fundraising Shares to trading on AIM following completion of the Fundraising and such admission 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 and accompanying guidance notes published by the London Stock Exchange from time to time;
“certificated form” or “in certificated form”	Ordinary Shares recorded on the Register as being held in certificated form (namely, not in CREST);
“Company” or “Harwood Wealth”	Harwood Wealth Management Group plc, a company incorporated in England and Wales under the Companies Act 1985 with registered number 04987966;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations);
“CREST Manual”	the CREST reference manual available from https://www.euroclear.com/site/public/EUI ;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended from time to time);
“Directors” or “Board”	the directors of the Company whose names are set out on page 6 of this document, or any duly authorised committee thereof;
“Enlarged Share Capital”	the issued share capital of the Company immediately following Admission comprising the Existing Ordinary Shares and the Fundraising Shares;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing Ordinary Shares”	the 55,588,927 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM and being the entire issued share capital of the Company;
“FCA”	the United Kingdom Financial Conduct Authority;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“Fundraising”	the conditional placing of the Fundraising Shares by N+1 Singer, as agent on behalf of the Company, at the Fundraising Price pursuant to the Placing Agreement, further details of which are set out in this document;
“Form of Proxy”	the form of proxy for use in connection with the General Meeting which accompanies this document;
“Fundraising Price”	150 pence per Fundraising Share and/or Sale Share (as the context requires);

“Fundraising Shares”	the 6,954,000 new Ordinary Shares to be issued by the Company pursuant to the Fundraising;
“General Meeting”	the general meeting of the Company to be held at the offices of N+1 Singer, One Bartholomew Lane London EC2N 2AX at 10.00 a.m. on 18 April 2017 (or any adjournment thereof), details of which are described in the Notice of General Meeting;
“Group”	the Company, its subsidiaries and its subsidiary undertakings;
“London Stock Exchange”	London Stock Exchange plc;
“Nominated Adviser” or “N+1 Singer”	Nplus1 Singer Advisory LLP and its affiliates, the Company’s nominated adviser and broker;
“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 0.25 pence each in the capital of the Company;
“Placing Agreement”	the conditional agreement dated on or about 30 March 2017 made between N+1 Singer, the Company and the Selling Shareholders, in relation, amongst other things, to the Fundraising, further details of which are set out in this document;
“Prospectus Rules”	the prospectus rules made by the FCA pursuant to section 73A of the FSMA;
“Register”	the register of members of the Company;
“Resolutions”	the resolutions set out in the Notice of General Meeting;
“Sale Shares”	the 1,333,000 Existing Ordinary Shares to be sold by the Selling Shareholders which have been conditionally placed by N+1 Singer pursuant to the Placing Agreement;
“Selling Shareholders”	together, each of Neil Dunkley, Sian Dunkley and Mark Howard;
“Shareholders”	holders of Ordinary Shares;
“Share Sale”	the sale of the Sale Shares by the Selling Shareholders pursuant to the terms of the Placing Agreement;
“UK”	the United Kingdom of Great Britain and Northern Ireland;
“US” or “United States”	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction;
“uncertificated” or “in uncertificated form”	Ordinary Shares recorded on the Register as being held in uncertificated form in CREST, title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“Voting Record Time”	the deadline for voting on the Resolutions by proxy rather than in person as specified in the Form of Proxy, being 10.00 a.m. on 12 April 2017; and
“VWAP”	volume weighted average price.

Note: Any reference to any provision of any legislation includes any amendment, modification, re-enactment or extension of it. Words importing the singular include the plural and vice versa and words importing the masculine gender shall include the feminine or neuter gender.

GLOSSARY OF TECHNICAL TERMS

“AUA”	client assets in respect of which one or more of the Group’s FCA regulated entities has been appointed as an adviser;
“AUI”	client assets under the influence or potential influence of one or more of the Group’s FCA regulated entities (including, but not limited to, AUA and AUM);
“AUM”	client assets under management by one or more of the Group’s FCA regulated investment management businesses; and
“RDR”	the Retail Distribution Review, implemented by the UK Financial Services Authority (being the predecessor regulatory body to the FCA) on 1 January 2013.

LETTER FROM THE CHAIRMAN OF HARWOOD WEALTH MANAGEMENT GROUP PLC

Harwood Wealth Management Group plc

(incorporated and registered in England & Wales with registered number 04987966)

Directors:

Peter Mann – *Non-Executive Chairman*
Neil Dunkley – *Joint Chief Executive Officer*
Alan Durrant – *Joint Chief Executive Officer*
Nick Bravery – *Chief Financial Officer*
Mark Howard – *Chief Commercial Officer*
Paul Tuson – *Non-Executive Director*
Christopher Mills – *Non-Executive Director*

Registered Office:

5 Lancer House
Hussar Court
Westside View
Waterlooville
Hampshire
PO7 7SE

31 March 2017

Dear Shareholder,

Proposed issue of 6,954,000 new Ordinary Shares at a price of 150 pence per Ordinary Share and Notice of General Meeting

1. Introduction and summary

On 30 March 2017 the Company announced its intention to raise £10 million net of expenses from the issue and allotment by the Company of the Fundraising Shares at the Fundraising Price. At the same time, the Sale Shares held by the Selling Shareholders will be sold at the Fundraising Price. The Selling Shareholders have agreed not to dispose of any of the remaining Ordinary Shares that are held by them for a 12 month period following the date of sale of the Sale Shares. The net proceeds of the Fundraising will be used principally to finance new acquisitions, further details of which are set out below. The Fundraising Price represents a 14.3 per cent. discount to the 60 day VWAP price of 175 pence per Ordinary Share on 29 March 2017 being the last business day immediately prior to the announcement of the Fundraising.

The Fundraising is conditional upon the Company obtaining approval from Shareholders to disapply pre-emption rights and grant the Board authority to allot the Fundraising Shares. Completion of the Fundraising is therefore conditional upon the passing of each of the Resolutions set out in the Notice of General Meeting. Completion of the Share Sale is conditional on the completion of the Fundraising.

The Fundraising and Share Sale, which have been arranged by N+1 Singer pursuant to the terms of the Placing Agreement, are also conditional upon Admission and have not been underwritten.

The purpose of this document is to outline the background to and reasons for the Fundraising, to explain why the Board considers the Fundraising to be in the best interests of the Company and Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, which will be held at the offices of N+1 Singer, One Bartholomew Lane London EC2N 2AX at 10.00 a.m. on 18 April 2017.

The Directors and other persons closely associated with them intend to vote in favour of the Resolutions in respect of their legal and/or beneficial shareholdings amounting, in aggregate, to 39,890,897 Ordinary Shares representing approximately 71.8 per cent. of the Ordinary Shares in issue as at the date of this document.

2. Background to and reasons for the Fundraising

As outlined in the Company's admission document issued at the time of its IPO in March 2016, the Company is pursuing a growth strategy which entails acquisitive as well as organic growth, capitalising on the market consolidation driven by the regulatory change characteristics of its industry sector in recent years. The Group completed a total of 17 acquisitions in FY16 (FY15: 6) for a total aggregate consideration of £11.6 million. AUI increased 75% in that time from £1.215 billion to £2.060 billion, with AUM growing from £276 million to £693 million, primarily through its client portfolio acquisition strategy and associated AUI. The Company is now seeking to raise a further £10 million in order to enable it to continue the pursuit of its growth strategy.

Current pipeline acquisitions

As at the date of this document, the Group has signed heads of terms in respect of a further six acquisitions, at an aggregate estimated consideration of approximately £3.1 million, which, if completed, would add an estimated £156 million of AUA. In addition, the current acquisition pipeline, where proposals or draft heads of terms have been issued to vendors, includes a further nine proposed acquisitions, which would, if successfully completed, add an additional estimated £960 million of AUA at an estimated aggregate consideration of £14.95 million.

3. Use of proceeds

The net proceeds of the Fundraising will be used by the Company to finance the further acquisitions outlined above together with modest associated infrastructure costs.

4. Current trading

The Company announced its final results for the year ended 31 October 2016 on 24 January 2017. These results contained a review of the year to 31 October 2016 together with details of any material events arising since the period end. Trading since 31 October 2016 has been in line with the Directors' expectations. At the end of Q1/31 January 2017, the Group generated revenues of £3.7 million (unaudited) and AUI was £2.146 billion. During the same three months, the Group completed three acquisitions and had net cash of £10.9 million (unaudited) at 31 January 2017.

5. Outlook

RDR and other regulations introduced in recent years to the fragmented market in which Harwood Wealth operates have presented consolidation opportunities. In addition, increasingly complex regulation and tax law and a general under-provision for retirement among an ageing population with an increasing need for financial self reliance in a low interest rate environment are driving the demand for advice.

In 2015, 124 mergers took place in the wealth management and advisory sector, up 83 on the previous year¹. Research has also suggested that one third of regulated advisers would consider selling their book². The Directors believe this trend presents opportunities to acquire further businesses at attractive valuations. Furthermore, potential acquisition synergies for the Group can be derived by increasing advisory and fund management revenues from acquired client lists at the same time as reducing the costs of servicing those clients.

The above factors all contribute to a positive outlook for likely further growth by the Company through its acquisitive model.

6. The Fundraising

The Company has conditionally raised approximately £10 million (net of expenses) through the issue of the Fundraising Shares at the Fundraising Price, which represents a discount of 14.3 per cent. to the 60 day VWAP of 175 pence on 29 March 2017 being the last business day immediately prior to the announcement of the Fundraising. The Fundraising Shares will represent 11.12 per cent. of the Enlarged Share Capital.

¹ FT Adviser, 10 March 2016 ("The Surge in Wealth Mergers")

² FT Adviser, 20 November 2015 ("One third of regulated financial advisers consider selling over age and risk")

The Placing Agreement

Pursuant to the terms of the Placing Agreement, N+1 Singer has conditionally agreed to use its reasonable endeavours, as agent for the Company, to place the Fundraising Shares with certain institutional and other investors and, as agent for the Selling Shareholders, to procure purchasers for the Sale Shares, in each case at the Fundraising Price. The Fundraising has not been underwritten.

Completion of the Placing Agreement is conditional, *inter alia*, upon the Resolutions being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 19 April 2017 (or such later time and/or date as the Company and N+1 Singer may agree, but in any event by no later than 8.00 a.m. on 5 May 2017). If any of the conditions are not satisfied, the Fundraising Shares will not be issued, the Sale Shares will not be sold and all monies received from placees will be returned to them (at the placees' risk and without interest) as soon as possible thereafter.

The Company and the Selling Shareholders have each agreed to pay to N+1 Singer upon Admission a placing commission and the Company will also pay N+1 Singer a corporate finance fee and all other costs and expenses of, or in connection with, the Fundraising, plus any VAT thereon.

The Placing Agreement contains warranties from the Company in favour of N+1 Singer in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its businesses. In addition, the Company has agreed to indemnify N+1 Singer in customary terms in relation to certain liabilities it may incur in respect of the Fundraising. N+1 Singer has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties given to N+1 Singer in the Placing Agreement, the failure of the Company to comply with any of its obligations under the Placing Agreement or the occurrence of an adverse change in (amongst other things) national or international financial or political conditions (which in the opinion of N+1 Singer will or is likely to be prejudicial to the Group or to the Fundraising or Admission).

Pursuant to the terms of the Placing Agreement, the Selling Shareholders have agreed to sell the Sale Shares at the Fundraising Price, having provided customary warranties to N+1 Singer in respect of, *inter alia*, their title and ability to sell the Sale Shares.

Settlement and dealings

Application will be made to the London Stock Exchange for the Fundraising Shares to be admitted to trading on AIM. It is expected that Admission will occur and that dealings in the Fundraising Shares will commence at 8.00 a.m. on 19 April 2017 on which date it is also expected that the Fundraising Shares will be enabled for settlement in CREST.

The Fundraising Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, made or paid on the Ordinary Shares following Admission.

7. Substantial Shareholders and related party transaction

The following Shareholders holding, as at the date of this document, directly or indirectly, 10 per cent. or more of the Existing Ordinary Shares are participating in the Fundraising at the Fundraising Price:

	<i>As at the date of this document</i>		<i>Immediately following Admission</i>	
	<i>No. of Existing Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>No. of Ordinary Shares</i>	<i>Percentage of Enlarged Share Capital</i>
Harwood Capital Management Limited*	16,140,000	29.03%	16,700,000	26.70%
Henderson Volantis	6,973,754	12.54%	7,520,754	12.02%

*Christopher Mills, a Non-Executive Director, is also a director, and the sole shareholder of Harwood Capital Management Limited.

The participation in the Fundraising by each such substantial Shareholder constitutes a related party transaction for the purposes of the AIM Rules. The independent Directors (comprising those Directors unconnected to such substantial Shareholders being Peter Mann, Neil Dunkley, Alan Durrant, Nick Bravery and Paul Tuson), having consulted with the Company's nominated adviser, N+1 Singer, consider that the terms of the related party transaction are fair and reasonable insofar as Shareholders are concerned.

8. Notice of General Meeting

The Company does not currently have those authorities as are required to be in place under the Act in order for it to allot Ordinary Shares pursuant to the Fundraising, and to disapply pre-emption rights in respect of any such allotment. Accordingly, the Directors are seeking authority at the General Meeting to allot the Fundraising Shares in order to implement the Fundraising.

Notice of the General Meeting is set out at the end of this document. The General Meeting will be held at the offices of N+1 Singer, One Bartholomew Lane London EC2N 2AX at 10.00 a.m. on 18 April 2017.

Shareholders have the right to attend, speak and vote at the General Meeting (or, if they are not attending the meeting, to appoint someone else as their proxy to vote on their behalf) if they are on the Register at the Voting Record Time (namely 6.00 p.m. on 12 April 2017). Changes to entries on the Register after the Voting Record Time will be disregarded in determining the rights of any person to attend and/or vote at the General Meeting. If the General Meeting is adjourned, only those Shareholders who are on the Register 48 hours before the time of the adjourned meeting (excluding any part of a day that is not a business day) will be entitled to attend, speak and vote or to appoint a proxy.

The number of Existing Ordinary Shares that a Shareholder holds as at the Voting Record Time will determine how many votes that Shareholder or his proxy will have in the event of a poll.

Action to be taken

A Form of Proxy for use at the General Meeting by Shareholders holding Existing Ordinary Shares in certificated form accompanies this document. Whether or not you intend to be present at the meeting, the Form of Proxy should be completed and signed in accordance with the instructions printed thereon and returned to the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible, but in any event so as to be received by no later than 10.00 a.m. on 12 April 2017. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting by using the procedures described in the CREST Manual.

9. Recommendation

Your Board believes the Fundraising to be in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting as they and the persons closely associated with them intend to do in respect of their holding, amounting, in aggregate, to 39,890,897 Ordinary Shares, representing approximately 71.8 per cent. of the existing issued share capital of the Company.

Yours sincerely

Peter Mann

Non-Executive Chairman
31 March 2017

Harwood Wealth Management Group plc (the “Company”)

(incorporated and registered in England & Wales with registered number 04987966)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of N+1 Singer, One Bartholomew Lane London EC2N 2AX at 10.00 a.m. on 18 April 2017 for the purposes of considering and, if thought fit, passing the resolutions set out below, of which resolution number 1 will be proposed as an ordinary resolution and resolution number 2 as a special resolution. Words and expressions used or defined in the circular dated 31 March 2017 and despatched to shareholders of the Company shall have the same meaning in this notice.

ORDINARY RESOLUTION

1. That, in accordance with section 551 of the Companies Act 2006 (the “**Act**”), the directors of the Company (the “**Directors**”) be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £17,385 pursuant to the terms of a fundraising announced on 30 March 2017 (the “**Fundraising**”), provided that, unless previously renewed, extended, varied or revoked by the Company, this authority shall expire on the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2018 and the date falling 15 months from the passing of this resolution, save that the Company may, at any time before this authority expires, make an offer or agreement which would or might require shares to be allotted after such expiry and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

SPECIAL RESOLUTION

2. THAT, subject to and conditional upon the passing of resolution 1, in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560(1) of the Act) which are the subject of the authority conferred by that resolution as if section 561(1) of the Act did not apply to such allotment provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £17,385 pursuant to the terms of the Fundraising and shall, unless previously renewed, extended, varied or revoked by the Company, expire on the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2018 and the date falling 15 months from the passing of this resolution, save that the Company may, before this authority expires, 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 pursuant to that offer or agreement.

By order of the Board

Matthew Hills
Company Secretary

Registered office:

5 Lancer House
Hussar Court
Westside View
Waterlooville
Hampshire
PO7 7SE

Dated: 31 March 2017

Notes:

- 1 Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting and at any adjournment of it. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company but must attend the meeting to represent any shareholder. A form of proxy which may be used to make such an appointment and give proxy instructions in respect of shares held in certificated form accompanies this notice. If you do not have a form of proxy and believe you should have one, or if you require additional forms, please contact Computershare Investor Services PLC on +44 0370 707 1836.
- 2 To be valid any form of proxy or other instrument appointing a proxy must be completed and signed and received by post or (during normal business hours only) by hand at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 10.00 a.m. on 12 April 2017.
- 3 The return of a completed form of proxy, other such instrument or any CREST Proxy Instruction (as described in Note 6 below) will not prevent a shareholder attending the meeting and voting in person if he/she wishes to do so although in that event, any proxy appointment will automatically be terminated, unless the Company is notified otherwise upon arrival.
- 4 In accordance with Regulation 41 of the CREST Regulations, the Company specifies that, in order to be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register at 6.00 p.m. on 12 April 2017 (or, in the event of any adjournment, at 6.00 p.m. on the date two days prior to the date of the adjourned meeting (excluding any part of a day that is not a business day)). Changes to the Register after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 5 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 6 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by 10.00 a.m. on 12 April 2017. 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 Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 7 CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear 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 its CREST sponsor or voting service provider(s) take(s)) 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 sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 8 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.