

## WEST END VENTURES PLC

### Acquisition of dotMailer Limited

#### Digital Marketing Company To Join PLUS Via Reverse Takeover

Agreement to acquire entire issued share capital of dotMailer Limited in exchange for 1 billion West End Ordinary Shares  
Following the reverse takeover, the Vendors will hold approximately 76.8 per cent of the Enlarged Share Capital  
Admission of enlarged share capital to PLUS Markets  
Change of name to dotDigital Group Plc  
Notice of Extraordinary General Meeting

In accordance with its investment strategy, the PLUS-quoted Investment Vehicle West End Ventures Plc ("the Company" or "West End") has today exchanged contracts to acquire the entire issued share capital of dotMailer Limited ("dotMailer"), a leading British email and digital marketing company.

#### dotMailer:

Founded in 1999 as a web design and development company  
In 2001 focused turned towards email marketing services using this proprietary platform  
Now through four distinct divisions; a full service digital marketing agency  
Well regarded and client book continues to grow  
Experienced management focused on growth and acquisitions  
Demonstrable increases in revenues and profit year on year  
Goal is to become a Top Ten digital marketing agency

Peter Simmonds, Managing Director, dotMailer, commented:

*"dotMailer's admission to PLUS concludes a year of positive development for us. During 2008, we have successfully launched new products, diversified the business into other niche digital marketing products and services and accelerated our customer growth."*

*"The business of dotMailer lends itself well to the enhanced profile which life as a public company brings. 2009 will commence with a strengthened operational management team and a healthy bank balance; both will prove useful in our plans for dynamic growth."*

7 January 2009

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The Directors accept responsibility for this announcement  
Please refer to the Definitions attached to this announcement  
The Document will be posted to shareholders on Wednesday 7<sup>th</sup> January 2009 and will also be available on the PLUS Markets website.

## **Introduction**

The Company announces that it has conditionally agreed to acquire all of the issued share capital of dotMailer in consideration of the issue to the Vendors of 1,000,000,000 new Ordinary Shares in the Company and to acquire the DotMailer Option in exchange for the grant of the Consideration Option to Peter Simmonds.

The Acquisition will constitute a "reverse takeover" under the PLUS Rules and is therefore conditional on the approval of Independent Shareholders at the Extraordinary General Meeting. The issue and allotment of the Consideration Shares to the Vendors as consideration for the Acquisition and the issue of the Consideration Option to Peter Simmonds would normally give rise to an obligation on the Concert Party to make a general offer to Shareholders pursuant to Rule 9 of the City Code. The Panel has agreed, however to waive this obligation to make a general offer subject to the passing on a poll by Independent Shareholders at the Extraordinary General Meeting.

Application will be made for the Enlarged Issued Share Capital to be admitted to trading on PLUS Market, subject to the Resolutions being passed by the Shareholders at the Extraordinary General Meeting. The Directors expect that Admission will become effective and that trading in the Enlarged Issued Share Capital on PLUS is expected to commence on 2 February 2009.

## **Background of West End Ventures Plc**

West End Ventures Plc was established by Nicholas Nelson and Shane Moloney, the original directors, with a view to admission to the PLUS Market as a PLUS Markets Investment Vehicle (as defined in the PLUS Rules for Issuers). The Company was admitted to the PLUS Market on 27 September 2007. David Pacy became a director of the Company on 20 March 2008, bringing considerable experience in the media sector. The Directors, having identified the media sector as being represented by a diverse range of private companies seeking investment, entered into discussions with one such company, dotMailer, which operates in the field of internet and email marketing and consultancy services.

## **Background to and reasons for the Acquisition**

dotmailer is an established digital marketing agency, which the Directors believe has the experience and capacity to continue its development within markets that have experienced substantive growth. dotMailer has the potential to create a broad digital marketing business, allowing it to take advantage of opportunities for diversification into other digital marketing and related media businesses.

The Proposed Directors have considerable experience in digital marketing and believe these skills will enable them to develop the Enlarged Group. The Directors believe that the Acquisition and access to increased funding will provide opportunities for the Company to expand the business of dotMailer and to undertake related internet media activities.

## **Information on dotMailer**

### **Introduction**

dotMailer was founded in 1999 by three of its current directors: Ian Taylor, Simon Bird and David Ivy, as Ellipsis Media Limited to provide bespoke website design and development services.

In 2001, the business was transitioned towards the provision of email marketing services through a branded service which became 'dotMailer'. The 'dotMailer' product is an internet based self service platform, which enables organisations to create and send email based communications to their clients and prospects. Clients are then able to analyse with precision the effectiveness of those communications. At the outset, dotMailer developed an email marketing solution for a division of the BBC, which became the lead client for the service. Following this initial client, the service was adopted by a wide range of companies and other corporate bodies who wished to take advantage of dotMailer's platform.

In 2008, following dotMailer's increasing focus towards digital marketing, the directors changed the name from Ellipsis Media Ltd to dotMailer Limited, with a rebranding of the name to "dotMailer – The Digital Marketing Agency".

Although email marketing currently accounts for approximately two-thirds of the revenue of dotMailer the established website development, content management and e-commerce business accounts for approximately £1m of revenue.

dotMailer has applied to register the trademarks dotAgency and dotCommerce and will be actively promoting these services as a suite of integrated digital marketing tools during 2009.

The list of digital marketing services currently offered by dotMailer includes:

- Email marketing – design, development and best practice guidance

- Bespoke website design and development

- Website, microsite and e-commerce packages

- Content Management Systems

- Survey tools

- SEO and PPC

Given the increasing size and sophistication of dotMailer, Peter Simmonds FCCA, having been a consultant to dotMailer for the preceding two years, was appointed as Managing Director in April 2008, in order to enable the three founding directors to focus on product and business development. An aspect of Peter's role was to focus on business and financial planning as well as to look towards other areas of expansion that would include external investment and acquisition. At that time the dotMailer Option was granted to Peter Simmonds and 6 Ordinary Shares in dotMailer were transferred to Frank Nominees Limited which holds those Shares for the SIPP established for Peter Simmonds.

dotMailer, which is based in Croydon with a satellite office in Manchester, employs about fifty staff.

### **Products and services**

dotMailer has built a reputation with increasing strength in the UK for the provision of a wide range of digital marketing services to its broad base of corporate customers. These customers include other marketing and advertising agencies, which sub-contract their e-mail marketing functions to dotMailer. dotMailer also provides services to an increasing number of charities, that use dotMailer's platform as an economical method of reaching their donors and supporters. The original website design and development business continues to operate and contribute to dotMailer's revenues.

During 2006, dotMailer recognised the growth of the potential market for email marketing services. It therefore embarked on a strategy to build the brand profile of the dotMailer product and to grow the user base.

Investment in online marketing, trade shows and PR together with the creation of a motivated and effective sales team has resulted in the number of Active Clients growing by 486% over the period from May 2006 to August 2008.

The profits of dotMailer have increased due to the growth in revenues. In the past three years, dotMailer has achieved annual turnover growth of 62% in 2007 and 97% in 2008.

### **Summary profit and loss accounts**

The following table shows a summary of the results of dotMailer for the respective financial periods shown below.

#### **dotMailer**

	<b>Year Ended 30 April 2006 £000</b>	<b>Year Ended 30 April 2007 £000</b>	<b>Year ended 30 April 2008 £000</b>
Turnover	816	1257	2474
Operating Profit	282	327	726
<b>Profit/(Loss) on ordinary activities after taxation</b>	232	274	567

### **Background to Digital Marketing**

Since the mainstream introduction of email and other internet based communication, there has been a growing trend amongst companies to advertise themselves and their products and services via electronic means. In some cases, electronic marketing is displacing traditional print and television based advertising and marketing.

Email marketing involves the transmission of marketing messages, including newsletters, press releases and other material, issued by commercial organisations to those who have given consent to receive such messages. Responses can be directed to clients' interactive websites, where automated systems handle enquiries and orders and analyse the response.

According to a report by E-consultancy.com Limited\*, in September 2008, the UK market for email marketing platforms and services was worth £221 million in 2007. This figure for the total revenues of the email service providers operating within this market, includes income from both email broadcast and strategic services, in addition to email marketing.

The report further states that: "Although the cost of email delivery has continued to come down, companies are investing in email more than they ever have, because they increasingly understand the economic sense of marketing to customers and prospects within their own databases. As the industry matures, marketers have been able to justify greater investment, with email marketing becoming an integral part of the broader marketing mix. Additionally, there continues to be an increased take-up of more strategic services over and above the basic delivery of email".

The Directors and Proposed Directors believe that dotMailer is well positioned to take advantage of the emerging trends within this sector and that, although print, television and telephone marketing are likely to remain prevalent, the share of the total marketing budget allocated to email marketing may rise.

The advantages of digital marketing allow many organisations with limited marketing budgets to commercialise their products and services to a wide permission based customer audience. Moreover, the Directors and Proposed Directors believe that in addition to despite rapid growth in recent years, a considerable market for dotMailer's services exists amongst companies and organisations which could benefit from digital marketing methods.

### **Business Strategy of the Enlarged Group**

The Directors and Proposed Directors plan to grow the existing business of dotMailer organically, by identifying new market opportunities and through acquisition. The aim is to ensure that the business remains cohesive, that lasting customer relationships are established and that any acquisitions are fully integrated to improve profitability. The Directors and Proposed Directors believe that by securing appropriate acquisitions they will improve dotMailer's competitive position and will gain ownership of complementary products that can be sold to the client base. The Directors and Proposed Directors will remain focused on growing the business organically by generating incremental sales, whilst expanding into new sectors of the existing market, adjacent markets and new markets.

### **Directors and Proposed Directors**

Of the three present directors of the Company, David Pacy and Nicholas Nelson will continue in office after Admission but Shane Moloney will resign as a director at that time. It is proposed that Peter Simmonds, Ian Taylor, David Ivy and Simon Bird will become directors of the Company on completion of the Acquisition and Admission.

## Directors

### **Nicholas Christian Paul Nelson** *aged 43, Non Executive Director*

Nicholas Nelson commenced his career in 1985 as a trainee dealer on the floor of the London Stock Exchange accumulating approximately thirteen years experience as both a dealer and investment manager.

He has for the past ten years continued his City career, working in corporate communications during which time he has assisted on many PLUS and AIM flotations. He is currently Managing Partner of Haggie Nelson LLP, a City of London based financial public relations consultancy.

### **David John Pacy** *aged 65, Non Executive Chairman*

David Pacy founded MetroVideo Group in 1979, a specialist supplier of video and audio services which was sold to WPP Group Plc in 1996 in addition to subsequently setting up Stockroom Archive Management Limited, which specialises in the storage and retrieval of film and video material.

David was also a Founder/Director of DigiReels, one of the UK's earliest commercially available video-on-demand service, a joint venture between WPP Group Plc and Cable and Wireless Plc, which became a wholly owned subsidiary of WPP prior to its sale in 2003. He subsequently became a founding Director of ChilliBean Limited, the digital asset management company hosting SoHo.tv, the new web application created specifically for the media world. David is a Director of Clockwork Capita Limited, a joint venture with WPP involved in equipment finance for the television industry.

## Proposed Directors

### **David Rudi Ivy**, *aged 34, proposed Creative Director*

David Ivy was a founder of dotMailer. His specialised area is online creative work and effective interface design. David has overseen the user interface design of dotMailer's online products and has also art directed on many major projects for large and small companies, many of which are household names.

### **Simon Christopher Bird**, *aged 32, proposed Technical Director*

Simon Bird has developed an in depth technical knowledge of the internet and its applications. Prior to co-founding dotMailer he assisted in the development of a major internet access provider. He has provided services to a number of well known companies and organisations in helping create websites, intranets, extranets, content management systems and other online solutions.

### **Ian Rhys Taylor**, *aged 36, proposed Business Development Director*

Ian Taylor has many years experience in the field of interactive electronic communications. Ian has wide ranging experience in introducing the concept of digital marketing to companies large and small. He is an elected member of the Direct Marketing Association's Email Marketing Council and also a member of the Internet Advertising Bureaus E-

communications Council. Ian was a judge for the Email and Virals category at the DMA awards 2008.

**Peter Anthony Simmonds FCCA, aged 50, proposed Chief Executive and Finance Director**

Peter Simmonds commenced his career in 1976 as a trainee accountant with Unilever Plc and has over 20 years of experience at senior management and board level, principally in the areas of banking, insurance, finance, I.T. and outsourcing. He has considerable business entrepreneurial experience having been involved at start up or early stage of a number of companies in various industry sectors including consultancy services, vehicle leasing, computer software and internet solutions sectors.

Peter also has experience of business acquisition and post acquisition integration and management of businesses.

### **Corporate Governance**

The Company is developing appropriate measures to comply with the Combined Code on Corporate Governance published by the Financial Reporting Council in so far as it is practicable and appropriate for West End Ventures Plc having regard to the size of the Company. In the first instance, because of the size of the Company, the board of directors as a whole will address risk management issues and Peter Simmonds will be responsible for the financial and accounting affairs of the Company, together with the members of the Audit Committee. As the Company grows the board of directors will further develop policies and procedures to reflect the principles of good governance and the Combined Code.

#### *Board of Directors*

The Board meets regularly and is responsible for strategy, performance, approval of major capital projects and the framework of internal controls. The Board has a formal schedule of matters specifically reserved to it for decision. To enable the Board to discharge its duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board meetings. All Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

#### *Audit Committee and Remuneration Committee*

The Audit Committee comprises David Pacy and Nicholas Nelson and is chaired by Ian Rhys Taylor. The Audit Committee is responsible for ensuring that the financial performance, position and prospects of the Company are properly monitored and reported on and for meeting the auditors and reviewing their reports relating to accounts and internal controls.

The Remuneration Committee comprises David Pacy and Nicholas Nelson and is chaired by Peter Anthony Simmonds. The Remuneration Committee reviews the performance of executive directors and sets their remuneration, determines the payment of bonuses to executive directors and considers the future allocation of share options to Directors and employees so as to demonstrate to the Shareholders that the remuneration of the executive directors and employees of the Company is set by a board committee whose members have no personal interest in the outcome of the committee's decision and who will have appropriate regard to the interests of the Shareholders.

## Dissemination of Regulatory News

The Company has undertaken that it has entered into appropriate arrangements with one or more Primary Information Providers approved by the Financial Services Authority to disseminate regulatory information to the market. This information is currently distributed by Bloomberg, Thomson Financial, Reuters, Telekurs, ADVFN and FT Interactive Data Europe. It is also available to private investors through the Internet at [www.plusmarketsgroup.com](http://www.plusmarketsgroup.com) and via other licensed Internet vendors.

## Marketability of Ordinary Shares and the PLUS Market

It is intended that an application will be made for the Company's Enlarged Issued Share Capital to be traded on the PLUS-quoted market.

Any individual wishing to buy or sell securities which are traded on the markets operated by PLUS Markets plc, must trade through a stockbroker (being a member of PLUS Markets plc and regulated by the Financial Services Authority) as the market's facilities are not available directly to the public.

## Details of the Acquisition

On 7 January 2009, the Company entered into the Acquisition Agreement with the Vendors under which the Company conditionally agreed to purchase all the issued share capital of dotMailer. Completion of the Acquisition Agreement is conditional, *inter alia*, upon the passing of the Resolutions and Admission.

The Acquisition Agreement provides for the issue at completion of the Consideration Shares in exchange for the transfer of all of the issued ordinary shares of dotMailer held by the Vendors.

The numbers of shares of dotMailer to be transferred and the Consideration Shares to be issued to the Vendors is set out below:-

<i>Name of Vendor</i>	<i>No. of dotMailer's Shares held at the date of this announcement</i>	<i>Number of Consideration Shares</i>
Simon Bird	28	304,300,000
David Ivy	28	304,300,000
Ian Rhys Taylor	28	304,300,000
Frank Nominees Limited*	6	65,300,000
Nigel Bird	2	21,800,000

*\*Frank Nominees Limited acts as nominee for Alliance Trust Pensions Limited, which is the trustee of a SIPP established by Peter Anthony Simmonds. Frank Nominees is the vehicle used by Kleinwort Benson Limited to hold securities for clients, trusts, SIPP's etc. The beneficiary of the SIPP is Peter Anthony Simmonds.*

Under the Acquisition Agreement, each of the Vendors (other than Frank Nominees Limited) has given to the Company, warranties and indemnities (subject to certain limitations), appropriate to a transaction of the nature and scale of the Acquisition in respect of dotMailer and its assets. The Acquisition Agreement also contains certain restrictive covenants on the part of the Vendors.

On 7 January 2009, the Company entered into the Option Exchange Agreement with Peter Simmonds under which the Company conditionally agreed to acquire the Existing Option held by Peter Simmonds and in exchange to grant the Consideration Option to Mr Simmonds. Completion of the Option Exchange Agreement is conditional upon the passing of the Resolutions, completion of the Acquisition Agreement and Admission.

The Existing Option granted to Mr Simmonds the right to subscribe for 4 Ordinary Shares of dotMailer at a price of £25,000 per share in the period to 31 December 2012. There are no performance criteria or other conditions that are attached to the Existing Option.

The Consideration Option will grant to Peter Simmonds the right to subscribe for 41,666,667 Ordinary Shares at an exercise price of 0.24p per share. The number and price of the Ordinary Shares that are subject to the Consideration Option correspond to the number of Consideration Shares that would have been issued in respect of the Ordinary Shares of dotMailer that are subject to the Existing Option and the equivalent exercise price. Peter Simmonds has not given any warranties or indemnities in relation to dotMailer under the Option Exchange Agreement, and Frank Nominees Limited, one of the Vendors, which holds Shares in dotMailer for Peter Simmonds, SIPP has not entered into the warranties and indemnities given by the other Vendors under the Acquisition Agreement. The Option Exchange Agreement contains restrictive covenants on the part of Peter Simmonds matching those of the Vendors under the Acquisition Agreement.

### **Working Capital**

The Directors and Proposed Directors are of the opinion having made due and careful enquiry, that following Admission the Enlarged Group will have sufficient working capital for at least the next 12 months from the date of Admission.

### **Admission, Dealings and Settlement**

The Directors and Proposed Directors have applied for the Enlarged Issued Share Capital to be admitted to trading on the PLUS Market following the Acquisition.

Dealings in the Ordinary Shares on PLUS Markets are expected to commence on 2 February 2009.

#### *CREST*

The Directors and Proposed Directors will arrange with CREST for the Enlarged Issued Share Capital to be admitted to CREST with effect from Admission. Accordingly settlement of transactions in Ordinary Shares following Admission may, if a shareholder wishes, take place within the CREST system. CREST is a paperless settlement procedure, which allows title to securities to be evidenced without a certificate and transferred otherwise than by written instrument.

CREST is a voluntary system and shareholders who wish to receive and retain share certificates will be able to do so.

### **Lock-in Arrangements**

Under three lock-in agreements entered into by deed on 10 August 2007, each of Nicholas Nelson and Shane Moloney, two of the Directors, and Christopher Potts, who together will hold shares representing about 6.92 per cent. of the Enlarged Issued Share Capital on Admission undertook that, save in limited circumstances or otherwise with the prior written consent of the Company and Alfred Henry, they will not (and will procure, so far as they are able, that any person with whom they are connected for the purposes of Section 252 of the 2006 Act will not) during a period of twelve months from the original start of trading which took place on 27 September 2007, dispose of any interest in Ordinary Shares held by them. Each of Nicholas Nelson and Christopher Potts has further agreed that the restrictions under their respective lock-in agreements will be extended for a further period ending twelve months after Admission. Shane Moloney has agreed that the restrictions under his lock-in agreement will be extended for a further period ending three months after Admission.

David Pacy, the Proposed Directors and all of the other Vendors will hold shares representing about 79.64 per cent. of the Enlarged Issued Share Capital on Admission and have entered into lock-in agreements, undertaking that, save in limited circumstances or otherwise with the prior written consent of the Company and Alfred Henry, they will not (and will procure, so far as they are able, that any person with whom they are connected for the purposes of section 252 of the 2006 Act will not), during a period of twelve months from Admission, dispose of any interest in Ordinary Shares held by them.

### **Share Dealing Code**

The Company has adopted and will operate a share dealing code for directors in accordance with the PLUS Rules for Issuers.

### **Dividend Policy**

The Directors consider that it would not be appropriate at this stage to indicate any likely level of future dividends.

### **Share Option Scheme**

It is the Directors present intention that following the Acquisition and Admission, the Company will consider the introduction of share options to be granted by the Company to senior executives and to employees of the Group in order to retain and incentivise them. The total number of Ordinary Shares which are capable of being issued under such options are unlikely to exceed ten per cent. of the issued ordinary share capital of the Company.

### **Taxation**

The Ordinary Shares are not "listed on a recognised stock exchange" for the purposes of those sections of the Income and Corporation Taxes Act 1988 (the Taxes Act), as amended, and various tax regulations which use this term in relation to securities, provided that the Company remains one which does not have any of its shares admitted to trading on a recognised stock exchange and included in the official UK list maintained by the Financial Services Authority as the UK Listing Authority or are officially listed in a qualifying country

outside the UK in accordance with provisions corresponding to those generally applicable in EEA states. For these purposes the PLUS-quoted market is not a recognised stock exchange.

## **Takeover Code**

The terms of the Acquisition give rise to certain considerations under the Takeover Code. Brief details of the Panel, the Takeover Code and the protection they afford are given below.

The Takeover Code is issued on behalf of the Panel. The Takeover Code is designed principally to ensure fair and equal treatment of all shareholders in relation to takeovers.

The Takeover Code is administered by the Panel. The Takeover Code applies to all takeovers and merger transactions, however effected, where the offeree company is, inter alia a public company with its registered office in the UK and whose place of central management and control is in the UK. West End Ventures is such a company and its shareholders are entitled to the protections afforded by the Takeover Code.

Under Rule 9 of the Takeover Code ("Rule 9"), when any person, or group of persons acting in concert, acquires an interest in shares which, when taken together with shares in which he, or persons acting in concert with him, are interested, carry 30% or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required to make a general offer in cash to all shareholders at the highest price paid by him, or any person acting in concert with him, within the 12 months preceding the date of the announcement of the offer.

Rule 9 further provides that, inter alia, where any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights of such company in which he is interested, such person, or persons acting in concert with him, is normally required by the Panel to make a general offer in cash to all shareholders of the company for the shares not already owned by him, or any other person acting in concert with him, at not less than the highest price paid by, him or any person acting in concert with him, within the 12 months preceding the date of the announcement of the offer.

Where any person, who, together with persons acting in concert with him, holds over 50 per cent. of the voting rights of a company, that person (or persons acting in concert with him), will be able, for so long as they continue to be acting in concert, to acquire additional shares which carry voting rights without any consequence under Rule 9, save that individual members of the concert parties will not be able to increase their percentage interests in shares through or between the Rule 9 thresholds without Panel consent.

Under the Takeover Code, a concert party arises when persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of, or to frustrate the successful outcome of an offer for, a company to which the Takeover Code applies. Under the Takeover Code, control means an interest or interests in shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control.

Shareholders should be aware that, upon Admission and following the issue of the Consideration Shares, members of the Concert Party will own or control in aggregate 1,000,000,000 Ordinary Shares representing approximately 76 per cent. of the Enlarged Issued Share Capital of the Company. Upon exercising the Consideration Option, a further 41,666,667 Ordinary Shares would be issued to Peter Simmonds, a member of the Concert Party, which as a result would own or control in aggregate 1,041,666,667 Ordinary Shares representing approximately 77.5 per cent. of the Enlarged Issued Share Capital of the Company, as increased by the issue thereof.

Following completion of the Acquisition, the Concert Party will hold more than 50 per cent. of the Company. For so long as the Concert Party holds more 50 per cent. of the issued share capital of the Company (and for so long as they continue to be treated as acting in concert), the Concert Party may increase their aggregate shareholding without incurring an obligation under Rule 9 to make a general offer, although individual members of the Concert Party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold without the consent of the Panel.

An offer under Rule 9 must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the Company during the 12 months prior to the announcement of an offer.

The Panel has deemed the Concert Party to be acting in concert for the purposes of the City Code.

Following an application by the Directors, the Panel has agreed to waive the obligation to make a general offer that would otherwise arise on the members of the Concert Party as a result of the Acquisition, subject to Resolution No. 1, (as set out in the notice convening the EGM) being passed on a poll by the Independent Shareholders of the Company. There are no existing shareholders of the Company who are not to be treated as Independent Shareholders for this purpose and accordingly to be passed Resolution No. 1 will require a simple majority of the votes cast.

**The Concert Party does not currently have any interests, rights to subscribe or short positions in the share capital of the Company.**

No member of the Concert Party has had any interest in securities of the Company in the 12 months preceding the date of this announcement. The Waiver will be invalid if any member of the Concert Party acquires an interest in securities of the Company in the period between the date of this announcement and the EGM.

Accordingly, each member of the Concert Party has undertaken to the Company that he will not acquire an interest in securities in the Company during such period.

Under the provisions of the Takeover Code only independent shareholders, being those existing shareholders who are not also members of the Concert Party are able to vote on Resolution No. 1 at the EGM. No members of the Concert Party are holders of existing shares of the Company.

### **Extraordinary General Meeting**

The Company's EGM will be held at Percento, 26 Ludgate Hill, London, EC4M 7DR at 12.30 pm on 30<sup>th</sup> January 2009. A further notice will be sent to shareholders.

## DEFINITIONS

In this announcement, where the context permits, the terms set out below shall have the following meanings:

"the 2006 Act"	Companies Act 2006
"Acquisition"	the proposed acquisition of the entire issued share capital of dotMailer pursuant to the terms of the Acquisition Agreement and the acquisition of the dotMailer Option under the Option Exchange Agreement
"Acquisition Agreement"	the agreement dated 7 January 2009 between the Company (1) and the Vendors (2) relating to the Acquisition, particulars of which are set out in the Document
"Admission"	admission of the Ordinary Shares, in issue and to be issued pursuant to the Acquisition, to trading on the PLUS Market
"Admission Document" or "Document"	The document as posted to shareholders
"Alfred Henry"	Alfred Henry Corporate Finance Limited, the Company's Corporate Adviser
"City Code" or "Takeover Code"	the City Code on Takeovers and Mergers
"Combined Code"	the Principles of Good Governance and Code of Best Practice published in June 2006 by the Financial Reporting Council
"Company" or "West End"	West End Ventures plc, a company incorporated in England and Wales on 22 June 2007 with registered number 06289659
"Concert Party"	all of the Vendors and Peter Simmonds
"Consideration Option"	the Option to be granted by the Company to Peter Simmonds to subscribe for up to 41,666,667 Ordinary Shares at an exercise price of 0.24p per share under the Option Agreement
"Consideration Shares"	1,000,000,000 new Ordinary Shares to be issued to the Vendors, as consideration for the Acquisition on and subject to the terms set out in the Acquisition Agreement
"CREST"	the computer based system and procedures which enable title to securities to be evidenced and transferred without a written instrument, administered by Euroclear UK & Ireland Limited
"Directors"	the directors of the Company at the date of the Document

“dotMailer”	dotMailer Limited, a company incorporated in England and Wales with registered number 03762341
“Existing Option”	the option granted by dotMailer to Peter Simmonds to subscribe for new Ordinary Shares of dotMailer which is to be exchanged for the Consideration Option pursuant to the Acquisition
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be convened on 30 January 2009 for the purpose of passing the Resolutions
“Enlarged Group”	the Company and dotMailer after the Acquisition
“Enlarged Issued Share Capital”	the entire issued ordinary share capital of the Company, as enlarged by the issue of the Consideration Shares
“Existing Shareholders”	the holder of Ordinary Shares at the date of the Document
“Existing Shares”	the 302,500,000 Ordinary Shares in issue at the date of the Document
“FSA”	Financial Services Authority
“Financial Services and Markets Act” or “FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Independent Shareholders”	the holders of Existing Shares who are not also members of the Concert Party and have no personal interest in the Acquisition
“London Stock Exchange”	London Stock Exchange plc
“Notice of EGM”	the notice set out at the end of the Document convening the EGM
“Option Agreement”	the Option Agreement to be entered into between the Company (1) and Peter Simmonds (2) pursuant to the Option Exchange Agreement for the grant of the Consideration Option, particulars of which are set out in the Document
“Option Exchange Agreement”	the agreement dated 7 January 2009 between the Company (1) and Peter Simmonds (2) for the transfer of the dotMailer Option to the Company in exchange for the Consideration Option
“Ordinary Shares”	ordinary shares of 0.1p each in the share capital of the Company
“Panel”	the Panel on Takeovers and Mergers, the regulatory body that administers the City Code
“PLUS” or “PLUS Markets”	PLUS Markets plc, a recognised investment exchange under section 290 of the Financial Services and Markets Act

"PLUS-quoted market"	the primary market for unlisted securities operated by PLUS
"PLUS Rules"	the PLUS Rules for Issuers, which sets out the admission and disclosure standards for companies on the PLUS-quoted market
"Proposed Directors"	Peter Anthony Simmonds, Ian Rhys Taylor, David Ivy and Simon Bird
"Resolutions"	the resolutions set out in the Notice of EGM at the end of the Document
"UK Listing Authority"	the FSA, acting in its capacity as the competent authority for the purposes of Part 8 of the Financial Services and Markets Act 2000
"Vendors"	the persons listed in the Document as the Vendors of all of the issued shares of dotMailer under the Acquisition Agreement
"Waiver"	the conditional waiver to be granted by the Panel, subject to the passing of Resolution No. 1 on a poll of Independent Shareholders at the EGM of the obligation of the Concert Party (or any member thereof) which would otherwise arise under Rule 9 of the Takeover Code to make a mandatory cash offer for the issued Ordinary Shares not already owned by the Concert Party (or relevant member thereof) on or after Admission