

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in Ireland, is authorised or exempted pursuant to the European Communities (Markets in Financial Instruments) Regulations, 2007 or, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 (“FSMA”)**

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document, together with the accompanying documents, at once to the relevant purchaser or transferee or to the bank, stockbroker, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Collins Stewart Europe Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as nominated adviser to WorldSpreads Group plc in connection with the Disposal and is acting for no one else in connection with the Disposal and will not be responsible to anyone other than WorldSpreads Group plc for providing the protections afforded to clients of Collins Stewart Europe Limited nor for providing advice in relation to the Disposal or any other matter referred to herein. Its responsibilities as the WorldSpreads Group plc's nominated adviser under the AIM Rules for Nominated Advisors will be owed solely to the London Stock Exchange plc and not to WorldSpreads Group plc, to any of its directors, or to any other person in respect of a decision to vote in favour of the Resolution. Collins Stewart Europe Limited has not authorised or approved the contents, or any part, of this document and no representation or warranty, express or implied, is made by Collins Stewart Europe Limited as to any of its contents.

Bloxham, which is regulated in Ireland by the Financial Regulator, is acting as IEX Adviser to WorldSpreads Group plc in connection with the Disposal and is acting exclusively for WorldSpreads Group plc and no one else in connection with the Disposal and will not be responsible to anyone other than WorldSpreads Group plc for providing the protections afforded to clients of Bloxham nor for providing advice in relation to the Disposal. Its responsibilities as WorldSpreads Group plc's IEX Adviser under the IEX Rules will be owed solely to the Irish Stock Exchange Limited and not to the Company, to any of its directors, or to any other person in respect of a decision to vote in favour of the Resolution. Bloxham has not authorised or approved the contents, or any part of this document and no representation or warranty, express or implied, is made by Bloxham as to any of its contents.

It is emphasised that neither the London Stock Exchange, the Irish Stock Exchange, the FSA nor the Financial Regulator has examined or approved the contents of this document.

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**WorldSpreads Group plc**

(Incorporated and registered in the Republic of Ireland under  
the Companies Acts, 1963 to 2009 and registered number 340357)

**Proposed Disposal of WorldSpreads (Ireland) Limited**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

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**Your attention is drawn to the letter of recommendation from the Independent Directors of WorldSpreads Group plc which is set out on pages 6 to 12 of this document and which recommends you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting referred to below. The action to be taken is set out on page 12 of this document.**

The Independent Directors, whose names appear on page 6 of this document, and the Company accept, individually and collectively, responsibility for the information contained in this document, including individual and collective responsibility for compliance with the AIM Rules and IEX Rules. To the best of the knowledge and belief of the Independent 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 contains no omission likely to affect the import of such information.

Notice of the Extraordinary General Meeting of WorldSpreads Group plc to be held at the Davenport Hotel, Merrion Square, Dublin 2, Ireland on the 4<sup>th</sup> September 2009 at 9.30 a.m. is set out at the end of this document. To be valid, the enclosed form of proxy for use at the Extraordinary General Meeting should be completed, signed and returned as soon as possible in accordance with the instructions printed thereon so as to be received by the Company's registrars, Computershare at Heron House, Corrig Road, Sandyford Industrial Estate, no later than 9.30 a.m. on the 2<sup>nd</sup> September 2009. The completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting should they wish to.

This document does not constitute an offer to sell, nor the solicitation of an offer to subscribe for or buy, shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on WorldSpreads Group plc or Collins Stewart Europe Limited or Bloxham.

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### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of this document	12 <sup>th</sup> August 2009
Latest time and date for receipt of forms of proxy	9.30 am on 2 <sup>nd</sup> September 2009
Extraordinary General Meeting	9.30 am on 4 <sup>th</sup> September 2009

All references in this document are to Dublin times unless otherwise stated.

If any details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.

## DEFINITIONS

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

"Act"	the Companies Acts 1963 - 2009;
"AIM"	the market of that name operated by the London Stock Exchange Plc;
"AIM Rules"	rules published by the London Stock Exchange governing, inter alia, admission to AIM and the continuing obligations of companies admitted to AIM and their nominated advisers, as amended from time to time;
"Articles"	the articles of association of the Company as at the date of this document;
"Board" or "Directors"	the directors of the Company;
"Bloxham"	Bloxham, a member of the Irish Stock Exchange and London Stock Exchange and regulated by the Financial Regulator;
"Collins Stewart"	Collins Stewart Europe Limited;
"Company" or "WorldSpreads"	WorldSpreads Group plc;
"Completion"	completion of the Sale and Purchase Agreement in accordance with its terms;
"Conditions"	the conditions upon which Completion is expressed to be conditional, including the receipt of satisfactory approval by the Financial Regulator pursuant to Part XIV of the European communities (Markets in Financial Instruments) Regulations 2007, as amended, and the passing of the Resolution;
"Consideration"	the full amount of the consideration received by the Company under the Sale and Purchase Agreement including the Placing Proceeds as described in more detail on page 8 below;
"Continuing Group"	the Group following the Disposal;
"Disposal"	the disposal of the Irish Business in accordance with the terms of the Sale and Purchase Agreement;
"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company to be convened by the Notice set out at the end of this document;
"Financial Regulator"	the Financial Regulator in Ireland (formerly known as the Irish Financial Services Regulatory Authority);
"FSA"	Financial Services Authority;
"Group"	the Company and its subsidiaries;
"IEX"	the market of that name operated by the Irish Stock Exchange;
"IEX Rules"	rules published by the Irish Stock Exchange governing, inter alia, admission to IEX and the continuing obligations of companies admitted to IEX and their IEX advisers as amended from time to time;
"Independent Directors"	the Board, with the exception of Mr. Brian O'Neill;
"Irish Business"	the business of WIL;

<b>"Local Management"</b>	the existing management of WIL including Director of the Company, Mr. Brian O'Neill;
<b>"Memorandum"</b>	the memorandum of association of the Company as at the date of this document;
<b>"Notice"</b>	the notice of meeting in respect of the EGM set out at the end of this document;
<b>"Ordinary Shares"</b>	ordinary shares of €0.015 each in the capital of the Company;
<b>"Placing Agent"</b>	means Collins Stewart;
<b>"Placing Agreement"</b>	means the conditional agreement between the Placing Agent and the Purchaser under which the Placing Agent has agreed to place the Sale Shares as agent of the Purchaser, as further described on page 9 below;
<b>"Placing Period"</b>	commences on the date of the Placing Agreement becomes unconditional in accordance with its terms and concludes when the last of the Sale Shares have been placed;
<b>"Placing Proceeds"</b>	means the total amount of the proceeds received by the Placing Agent from the sale of the Sale Shares pursuant to the terms of the Placing Agreement, net of fees and commissions of the Placing Agent as determined under the Placing Agreement as further described on page 9 below;
<b>"Proxy" or "Form of Proxy"</b>	the form of proxy in respect of the EGM set out at the end of this document;
<b>"Purchaser"</b>	OR Spreadbetting Limited, the newly formed Irish private limited company owned by, amongst others, the Local Management;
<b>"Resolution"</b>	the resolution to be proposed to the Shareholders at the EGM approving the Disposal to proceed as set out in the Notice of EGM;
<b>"Sale and Purchase Agreement"</b>	the conditional sale and purchase agreement dated 8 <sup>th</sup> August 2009 between the Company, the Purchaser and others as described in more detail on pages 8 to 9 of this document;
<b>"Sale Shares"</b>	the 1,885,579 Ordinary Shares currently owned by the Local Management to be sold by the Placing Agent pursuant to the Placing Agreement;
<b>"Shareholders"</b>	the holders of Ordinary Shares; and
<b>"WIL"</b>	WorldSpreads (Ireland) Limited, a company incorporated in Ireland under registration number 362897, whose registered office is at 77 Sir John Rogerson's Quay, Dublin 2.

## LETTER FROM THE INDEPENDENT DIRECTORS

### WorldSpreads Group plc

(Incorporated in the Republic of Ireland with registration number 340357)

#### *Directors*

Conor Martin Foley (*Chief Executive Officer*) \*  
Brian Andrew O'Neill (*Chief Operations Officer*)  
Niall O'Kelly (*Chief Financial Officer and Company Secretary*) \*  
Lindsay James McNeile (*Non-executive Chairman*)\*  
Michael Vincent Foley (*Non-executive Director*)\*  
Kevin Bernard Moran (*Non-executive Director*)\*  
David Noel Leonard (*Non-executive Director*)\*

#### *Registered Office*

77 Sir John Rogerson's Quay  
Dublin 4  
Republic of Ireland

\* *Independent Directors*

12<sup>th</sup> August 2009

*To Shareholders and for information purposes only to holders of options over Ordinary Shares.*

Dear Shareholder,

### **Proposed disposal of the Irish Business of WorldSpreads Group plc and Notice of Extraordinary General Meeting of the Company**

#### **Introduction**

The Company announces it has signed the Sale and Purchase Agreement for the proposed sale of its Irish Business to the Purchaser for a Consideration of approximately €9.9 million in cash (€3.25 million of which is deferred ("**Deferred Consideration**")) together with the proceeds from any placing of 1,885,579 Sale Shares. Further details of the Consideration are set out below.

The Disposal constitutes a "substantial transaction" under Rule 12 of the AIM Rules and the IEX Rules as well as a "related party transaction" under Rule 13 of the AIM Rules and the IEX Rules, due to the shareholding and directorship role of the Company's Chief Operations Officer, Mr. Brian O'Neill in the Purchaser. Additionally, the Disposal amounts to a "disposal resulting in a fundamental change of business" under Rule 15 of the AIM Rules. Accordingly, completion of the Disposal is conditional, amongst other things, on approval by Shareholders at a general meeting of the Company.

The purpose of this circular is to provide you with, amongst other things, the background to, and the reasons for, the proposed Disposal and requirement to hold the EGM.

Formal notice of the EGM is set out on pages 13 to 14 of this document.

#### **Background**

The Group is a provider of financial spread betting products with centres of operation in both Dublin and London. These products enable retail clients to place spread bets on a range of securities in financial

markets and are distributed by the Company under the name "WorldSpreads", through its subsidiaries WorldSpreads UK Limited in London and WIL in Dublin.

The Group is also pursuing an international expansion strategy under which it has opened white label websites for third parties in a variety of international jurisdictions including Spain, Poland, Hungary and Greece amongst others (the "**International Business**"). The International Business is the Group's fastest growing operation in terms of activity and profit contribution and due to lack of competition in these territories, the Group is able to charge higher margins on its spread betting products offered in these new territories. The list of the Group's international white label partners is continuing to grow and this strategic roll out programme is a major element of the Group's future growth plan.

### **Reasons for the Disposal**

In late 2008, the Board began to consider ways to rationalise the Group's core cost base as it was felt that the maintenance of two fully fledged and separately regulated trading desks in the same time zone, and the attendant duplication of cost and functions, had become onerous and inefficient.

Thus, the Board began engaging with management to explore various options to reconfigure the operational structure of the Group. The aim was to achieve material overhead and regulatory cost savings by removing duplicated functions and expense and, at the same time, improve efficiencies in the area of risk management. It was during the initial stages of this rationalisation process that the Local Management approached the Board and proposed that an alternative was for the Local Management to purchase the Irish Business.

In parallel, the Board was concerned with the effect on the Irish Business of a further weakening in the underlying Irish economy as a result of the global recession. It was also concerned whether the Irish Business, which has for several years produced a strong and growing income stream, could maintain its performance in the face of such deterioration in the Irish economy. The Board was also mindful that, in the course of building its International Business, it has become apparent that the Group's UK FSA regulatory regime was the preferred regulatory umbrella in the eyes of overseas partners. Since the Group's international expansion programme is proceeding rapidly, as further overseas partners are identified and engaged, the need for the maintenance of a full service London trading operation is paramount.

The Board believes that the proposed sale of the Irish Business would deliver to the Company many of the cost rationalisations sought from the proposed overhead review without the expense associated with a costly redundancy programme and without the staff of the Irish Business losing their jobs.

The Board, having considered all these factors, has decided that in the interests of maximising value for Shareholders the best course of action is to proceed with the proposed sale of the Irish Business and to deploy the substantial proceeds from the Disposal towards supporting the funding and other resources required to accelerate the medium term growth strategies in the ongoing UK and International Business.

### **Information on WIL and its financial performance**

The Board has therefore agreed, subject to Shareholder and regulatory approval, to dispose of the Irish Business, which is currently owned by WIL, to the Purchaser. The Purchaser is owned and controlled by the Local Management and other private investors as explained below.

WIL was incorporated in 2002 and commenced trading in January 2003. WIL offers financial spread betting to clients in the Irish market and almost all of its clients are located in Ireland. The Irish Business is operated on a stand-alone basis from the UK and International Business of the Group, although there is some intra-group hedging activity. WIL has shown steady and consistent growth over the last four years and benefited from a significant spike in activity in the last six months of calendar year 2008, primarily as a result of the unprecedented levels of volatility in the world's financial markets and the dramatic fall in the values of Irish publicly quoted companies.

The financial information on WIL derived from the unaudited accounts of WIL for the twelve months ended 31 March 2009 and the audited accounts for 31 March 2008 were:

*Profits of WIL (12 months for year ending March '09)*      *Profits of WIL (12 months for year ending March '08)*

	€'000	€'000
Revenue	7,977	4,763
EBITDA	4,413	2,309
Profit Before Tax	4,311	2,201

The value of the net assets of WIL is approximately €3 million.

Following the Disposal, the Group will no longer have any Irish operations or business in Ireland.

### **Purchaser and Related Parties**

The Purchaser is a newly formed Irish private limited company, which is owned by a consortium of parties including Mr. Brian O'Neill, Mr. Fergus Rice, former Senior Executive of WIL, and other private and institutional investors.

Mr. O'Neill is the Chief Operating Officer and a Director of the Company and is interested in the Disposal by virtue of his shareholding and directorship in the Purchaser. Thus, the Disposal is a related party transaction for the purposes of the AIM Rules and the IEX Rules. Mr. Brian O'Neill owns, at the date of this Circular, 1,075,069 Ordinary Shares representing 2.73 per cent of the issued share capital of the Company. As a consequence of his interest in, and directorship of, the Purchaser, Mr. O'Neill did not take part in any consideration of the Disposal by the Board.

### **Summary of the Sale and Purchase Agreement**

The parties to the Sale and Purchase Agreement are the Company, the Purchaser, the owners of the Sale Shares and WIL. The material terms of the Sale and Purchase Agreement are as follows:

- completion is expressed to be conditional upon the receipt of satisfactory approval by the Financial Regulator pursuant to Part XIV of the European communities (Markets in Financial Instruments) Regulations 2007, as amended and the passing of the Resolution (the "**Conditions**");
- the purchase price will be paid as follows:
  - €6,680,095 in cash on completion;
  - any Placing Proceeds realised by the placing of the Sale Shares by the Placing Agent in accordance with the terms of the Placing Agreement (more fully described below);
  - a deferred consideration of €1,575,000 on the first anniversary following Completion; and
  - a further deferred consideration of €1,650,000 on the second anniversary following Completion.
- between signing of the Sale and Purchase Agreement and Completion, the Company (in conjunction with the Local Management) is obliged to continue to operate the Irish Business in the ordinary course of business and will not carry out a number of prescribed matters without the express consent of the Purchaser;
- the Sale and Purchase Agreement contains general tax and business warranties from the Company to the Purchaser. The aggregate liability of the Company to the Purchaser (including any costs suffered or incurred) is limited to the total consideration received by the Company for the sale of the Irish Business (including any Placing Proceeds from the sale of the Sale Shares). The Company will also enter into a deed of tax indemnity with the Purchaser whereby the Company indemnifies WIL and the Purchaser in respect of tax liabilities of WIL which arise from WIL's operations pre-Completion;

- the liability of the Company under the warranties (tax and non-tax) is subject to a number of customary limitations including: a time limit on bringing non-tax warranty claims of 2.5 years; a time limit on bringing tax warranty claims of 4 years; and a provision that provides that no claim or claims can be brought unless any claim or claims when aggregated amount to at least €30,000;
- the Company has agreed to indemnify the Purchaser in respect of regulatory matters by way of a specific indemnity against administrative sanctions imposed by the Financial Regulator under the Central Bank Act 1942 (the “1942 Act”) as amended by the Central Bank and Financial Services Authority of Ireland Act 2004 (the “2004 Act”) which relate to the status, acts or omissions of the Company prior to Completion (the “**Indemnity**”);
- when the deferred consideration is due and payable, where the Purchaser has given notice to the Company that the Purchaser considers that any of the warranties (tax or non-tax) have been breached or a claim is payable under the deed of tax indemnity, the Sale and Purchase Agreement provides for a retention mechanism which may allow the Purchaser to place relevant funds from the deferred consideration in a retention account jointly operated by the parties' solicitors pending the relevant issue being determined;
- the Company undertakes not to directly carry on a business in competition with the Irish Business or to market, advertise or promote WorldSpreads’ commercial activities in Ireland for a period of two years from the date of Completion. Such arrangement does not however prevent the Company from providing white label services to existing third party companies nor from the undertaking of any public limited company, shareholder and stock market publicity. Further the Company has entered into a standard non-solicit undertaking for a two year period;
- the Purchaser equally undertakes not to compete with the Company in the UK, Spain, Hungary or Greece for a period of two years and has also entered into a standard non-solicit undertaking for a two-year period;
- the Purchaser also agrees to cease trading under the name "WorldSpreads" within five months from the date of Completion;
- the Company will continue to operate the pages of the Company's website (namely, [www.worldspreads.ie](http://www.worldspreads.ie)) (the “Website”) which relate to WIL for a period of five months post Completion.. The Website shall be operated by the Company during this period exclusively for the benefit of WIL. For a period from the date that is five months after Completion to twenty-four-months after Completion a static page shall be placed by the Company on the Website, giving details of the transaction and providing a relevant link to a website nominated by the Purchaser and the link provided shall redirect the user directly to the said website and shall in no way link to any Company website or webpage. For a period from the date that is twenty-four-months after Completion, a static page shall be placed by the Company on the Website stating: “This page is no longer available”;
- the Company has entered into an information technology service level Agreement (“SLA”) under the terms of which the Company will provide the Purchaser on an arm’s length basis, a fully serviced trading platform for an agreed fee. The SLA is terminable by the Purchaser at 6 months’ notice and by the Company at 12 months’ notice; and
- the Sale and Purchase Agreement is governed by Irish law.

### **Summary of the Placing Agreement**

The parties to the Placing Agreement are the Purchaser and the Placing Agent. Under the terms of the Placing Agreement, the Placing Agent is irrevocably appointed by the Purchaser to place the Sale Shares on behalf of the Purchaser on a reasonable endeavours basis, subject to law and having regard to its overriding responsibility to ensure an orderly market in the Ordinary Shares of the Company. Upon the sale of the Sale Shares, the Placing Agent will upon receipt of the Placing Proceeds account for the entire amount to the Company, net of its commission, which is 4 per cent. if Ordinary Shares are placed with non-Shareholders of the Company and 2 per cent. if placed with Shareholders.

The obligations of the parties to the Placing Agreement are subject to the Conditions being satisfied.

Until such time as the Sale Shares are all sold by the Placing Agent, the Purchaser or Brian O'Neill and others shall retain the right to vote the Sale Shares and receive any dividends declared and paid in relation to any unplaced Sale Shares. The Placing Agreement shall continue until such time as all the Sale Shares are sold.

The Placing Agent is irrevocably empowered to place the Sale Shares as it sees fit and is not required to seek the permission or approval of the Purchaser or the Company before placing the Sale Shares.

The Sale Shares are presently owned by Mr. O'Neill and others but will be immediately transferred to the Purchaser once the Conditions are satisfied and no later than Completion.

The Placing Agreement is governed by English law.

### **Future strategy and use of the Consideration by the Company**

After the Disposal is completed, the Group will comprise of WorldSpreads UK Limited, the FSA authorised trading arm of the Group, which will target growth in the International Business.

The Consideration will be applied by the Company principally to fund the further medium term growth of the International Business through investment in the existing international operations and the widening of the Group's geographic coverage through the establishment of new operations in territories which are not part of the Group's existing International Business.

The Company estimates that its net cash position on receipt of the Consideration, including the Deferred Consideration (prior to receiving any net proceeds from the sale of the Sale Shares) will be approximately €18 million.

### **Impact of the Disposal on the Continuing Group's business operations**

The Continuing Group will continue to be headed up by Chief Executive Conor Foley who will be based in London and will manage a team of eighteen people. The main trading desk will be in London and the settlement and support activities associated with all of the International Business will also be managed out of London. The directors do not consider that the Company will be classed as an investing company under Rule 15 of the AIM Rules.

The effect on the Continuing Group is that it will no longer have any Irish based trading operations. The Continuing Group will only maintain a small support business in Ireland to manage the IT platform and related infrastructure in addition to maintaining and managing the Continuing Group's financial controls.

### **Pro forma unaudited balance sheet of the Continuing Group post Disposal**

The following unaudited pro forma balance sheet of the Continuing Group has been prepared to illustrate the impact of the Disposal on the Continuing Group as if it had occurred on 31 March 2009. The pro forma financial information is based on the financial information relating to the Continuing Group as at 31 March 2009 extracted from the Group's unaudited preliminary results for the year ended 31 March 2009 as announced on 30 June 2009.

**This unaudited pro forma balance sheet of the Continuing Group has been prepared for illustrative purposes only and, by its nature, may not give a true picture of the financial position or results of the Continuing Group.**

	€000's
<b>Non-current assets</b>	
Tangible assets	281
Intangible assets	695
Deferred tax asset	393
	<hr/> 1,369
<b>Current assets</b>	
Assets held for sale	111
Prepayments and accrued income	972
Derivative financial instruments	7,172
Trade and other receivables	7,991
Cash and cash equivalents	24,627
	<hr/> 42,242
	=====
<b>Equity</b>	
Issued share capital	590
Share premium	17,683
Retained earnings	5,986
Other reserves	(1,681)
Share option scheme	341
	<hr/> 22,919
	=====
<b>Current liabilities</b>	
Trade and other payables	14,451
Derivative financial instruments	2,824
Interest bearing loans and borrowings	2,013
Current tax liabilities	35
	<hr/> 19,323
	=====
<b>Total equity and liabilities</b>	<hr/> 42,242
	=====

Note: In the preparation of the unaudited pro forma balance sheet only the cash consideration of €6,680,095 been included. The possible benefit accruing to the Group from any placing of the Sale Shares has not been included in the unaudited pro forma balance sheet.

#### Notification

To ensure an orderly market in the Company's Ordinary Shares, the Company will release a regulatory information service notification each time that Sale Shares are placed by the Placing Agent. If any Sale Shares remain unplaced at the end of the Company's half year (namely 30 September 2009) or at the end of the Company's financial year (namely 31 March 2010), the cash due to the Company in the form of the balance of the Placing Proceeds will be valued in the Company's balance sheet by multiplying the number of unplaced Sale Shares by the average of the last 30 trading days closing mid market price.

#### Board Changes

It is the intention that, should the Conditions be satisfied and the Disposal occur, Mr. Brian O'Neill will resign from the board of the Company and all of its remaining subsidiary undertakings at Completion. During the period prior to satisfaction of the Conditions Mr. O'Neill, who is a Director of Purchaser:

- will continue to fulfil such of his duties under his employment contract as the Company may direct from time to time;
- will remain as an executive director of WIL; and
- will remain as a Director of the Company but will refrain from voting, participating in discussions, attending meetings or requesting access to any Board papers or minutes in respect of any matter that could give rise to any conflict of interest.

The Board is satisfied that the Company has enough experience at senior management level to manage the Continuing Group's business following the departure of Mr. Brian O'Neill, but will consider the requirement to appoint a successor as appropriate.

### **The Extraordinary General Meeting**

A notice convening the EGM to be held at 9.30 a.m. on Friday the 4<sup>th</sup> September 2009 at the Davenport Hotel, Merrion Square Dublin 2, Ireland is set out on pages 13 to 14 of this document (the "**Notice of EGM**"). At the EGM you will be asked to approve the Resolution which is an ordinary resolution (to enable the Disposal to be completed).

### **Action to be taken**

Whether or not you intend to be present at the EGM, you are requested to complete and return the enclosed Form of Proxy as soon as possible and in any event so as to be received by the Company's registrars, Computershare at Heron House, Corrig Road, Sandyford Industrial Estate, by not later than 9.30 a.m. on Wednesday the 2<sup>nd</sup> September 2009. Completion and return of the Form of Proxy will not preclude you from attending the EGM and voting in person should you so wish.

### **Recommendation**

The Independent Directors, having consulted with Collins Stewart and with Bloxham, the Company's nominated adviser and IEX adviser respectively, consider the terms of the Disposal to be fair and reasonable as far as the Shareholders are concerned. In providing such advice, Collins Stewart and Bloxham have taken into account the Independent Directors' commercial consideration in respect of the Disposal.

Accordingly the Independent Directors unanimously recommend Shareholders to vote in favour of the Resolution, as they (and the Company Secretary) intend to do in respect of their holdings of 8,836,814 Ordinary Shares in aggregate representing approximately 34 per cent. of the existing issued ordinary share capital of the Company.

Yours faithfully,

Mr. Lindsay McNeile

*Chairman of the Board and the Committee of Independent Directors*

**Company Number: 340357**

**WORLDSPREADS GROUP PLC**  
**(the "Company")**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS GIVEN** that an **EXTRAORDINARY GENERAL MEETING** of the Company will be held at the Davenport Hotel, Merrion Square, Dublin 2, Ireland on Friday the 4<sup>th</sup> of September 2009 at 9.30 a.m. for the purpose of considering and, if thought fit, passing the following resolution an ordinary resolution which will be proposed:

**THE RESOLUTION**

To consider and, if thought fit, pass the following resolution:

That the transaction comprising the disposal of WorldSpreads (Ireland) Limited to OR Spreadbetting Limited be and is hereby approved for the purposes of Rule 15 of the AIM Rules for Companies as issued by the London Stock Exchange plc and for the purposes of Rule 15 of the IEX Rules for Companies of the Irish Stock Exchange and that the Independent Directors of the Company be and are hereby empowered to do all such acts and take all such steps as are required to give effect to the conditional sale and purchase agreement entered into between OR Spreadbetting Limited, WorldSpreads (Ireland) Limited, the Company, Mr. Fergus Rice, Mr. Brian O'Neill and Merrion Capital Group Limited as summarised in the circular to shareholders dated 12<sup>th</sup> August 2009.

**BY ORDER OF THE BOARD**

12<sup>th</sup> August 2009

Niall O' Kelly - Company Secretary

**Notes:**

- (i) A member entitled to attend and vote at the Meeting convened by the above Notice is entitled to appoint one or more proxies to attend and, on a poll, to vote in his place. A proxy need not be a member of the Company.
- (ii) To appoint a proxy you may use the Proxy enclosed with this Notice of Extraordinary General Meeting. To be valid, the Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be deposited by 9.30 a.m. on the 2<sup>nd</sup> September 2009, with the Company's registrars, Computershare at Heron House, Corrig Road, Sandyford Industrial Estate. Completion of the Proxy will not prevent you from attending and voting in person.
- (iii) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (iv) Pursuant to regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations 1996, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the date of the meeting (or in the case of an adjournment as at close of business on the day which is two days before the time of the adjourned meeting). Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

- (v) As at the 11<sup>th</sup> August 2009 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 39,363,322 ordinary shares, carrying one vote each.

**By Order of the Board**

Niall O'Kelly

Secretary

Dated: 12<sup>th</sup> August 2009

Registered office: 77 Sir John Rogerson's Quay, Dublin 2, Ireland

**WorldSpreads Group plc**

("Company")

**Extraordinary General Meeting to be held on Friday, the 4<sup>th</sup> September 2009**

**PROXY FORM**

I/We ..... of ..... , being a member(s) of the Company, appoint the chairman of the meeting or (see Note 1) ..... as my/our proxy to attend and vote for me/us on my/our behalf at the Extraordinary general meeting of the Company to be held at the Davenport Hotel, Merrion Square, Dublin 2 on Friday, the 4<sup>th</sup> September 2009 at 9.30 a.m. and at every adjournment of it. In the event of a poll I/we desire my/our votes to be cast as indicated with an **X** in the space provided.

	<b>Resolution</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
1	That the transaction comprising the disposal of WorldSpreads (Ireland) Limited to OR Spreadbetting Limited be and is hereby approved for the purposes of Rule 15 of the AIM Rules for Companies as issued by the London Stock Exchange plc and for the purposes of Rule 15 of the IEX Rules for Companies of the Irish Stock Exchange and that the Independent Directors of the Company be and are hereby empowered to do all such acts and take all such steps as are required to give effect to the conditional sale and purchase agreement entered into between OR Spreadbetting Limited, WorldSpreads (Ireland) Limited, the Company, Mr. Fergus Rice, Mr. Brian O'Neill and Merrion Capital Group Limited as summarised in the circular to shareholders dated the 12 <sup>th</sup> August 2009.			

**Notes**

1. You may delete the words "chairman of the meeting" and insert the name of your own choice of proxy, who need not be a member of the Company. Please initial any such alteration.
2. In the absence of any instructions on the resolutions referred to above your proxy will vote or abstain as he or she thinks fit. Your proxy will also vote or abstain as he or she thinks fit on any other matter coming before the meeting.
3. To be valid a completed appointment of proxy must be returned to the Company by hard copy form by post, by courier or by hand to Computershare at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 1and must be received not less than 48 hours before the time fixed for the meeting.

Please note that electronic communication sent to the Registrars in respect of the appointment of a proxy that is found to contain a computer virus will not be accepted.

4. The return of a completed proxy form, other such instrument will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
5. In the case of joint registered holders, any joint holder may sign this proxy form, but the vote of the person whose name appears first in the register of members in respect of the holding or his proxy will be accepted to the exclusion of the votes of other joint holders or their proxies.

6. If this proxy form is executed under a power of attorney or other authority, the power of attorney or other authority (or a notorially certified copy of it) it must be lodged with the Company with the proxy form.
7. Pursuant to regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations 1996, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the date of the meeting (or in the case of an adjournment as at close of business on the day which is two days before the time of the adjourned meeting). Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Signature .....

Date.....