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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. When considering what 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 duly authorised under the Financial Services Act 1986.

If you no longer hold any shares in Tottenham Hotspur plc please send this document, together with the accompanying Provisional Allotment Letter, at once, to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Copies of this document, which comprises a prospectus relating to Tottenham Hotspur plc in accordance with the listing rules made under Part IV of the Financial Services Act 1986, have been delivered for registration to the Registrar of Companies in England and Wales in accordance with Section 149 of that Act. Application has been made to the London Stock Exchange for the New Ordinary Shares to be admitted to the Official List. It is expected that admission will become effective and that dealings in the New Ordinary Shares, nil paid, will commence on Thursday, 25 April 1996. ✓



Tottenham Hotspur plc ✓

1 for 4 rights issue
of 4,004,763 new ordinary shares of 25p each
at 280p per share

Henry Ansbacher, which is regulated in the United Kingdom by The Securities and Futures Authority, is acting exclusively for Tottenham Hotspur plc in relation to the Rights Issue. Henry Ansbacher is not acting for any other person and will not be responsible to any other person for providing the protections afforded to customers of Henry Ansbacher nor for advising them in relation to the Rights Issue or the contents of this document.

The latest time for acceptance and payment in full under the Rights Issue is 3.00 pm on Wednesday, 15 May 1996. The procedure for acceptance and payment is set out in Part II of this document and in the accompanying Provisional Allotment Letter.

DEFINITIONS

In this document and the accompanying Provisional Allotment Letter, unless the context requires otherwise, the following definitions are used:

"Tottenham Hotspur" or "Company"	Tottenham Hotspur plc
"Tottenham Hotspur Group"	Tottenham Hotspur and its subsidiaries
"Club"	The Tottenham Hotspur Football & Athletic Company Limited, a wholly owned subsidiary of the Company
"Board" or "Directors"	the board of directors of the Company
"Henry Ansbacher"	Henry Ansbacher & Co. Limited
"Issue Price"	280p being the price at which a New Ordinary Share may be subscribed under the Rights Issue
"London Stock Exchange"	London Stock Exchange Limited
"New Ordinary Shares"	new Ordinary Shares to be issued pursuant to the Rights Issue
"Official List"	the Official List of the London Stock Exchange
"Ordinary Shares"	ordinary shares of 25p each in the share capital of the Company
"Overseas Shareholders"	shareholders who are resident in, or citizens of, countries other than the United Kingdom of Great Britain and Northern Ireland
"Provisional Allotment Letter"	the letter of provisional allotment relating to the Rights Issue
"Qualifying Shareholders"	holders of Ordinary Shares on the register of the Company on the Record Date other than certain Overseas Shareholders to whom the Company is prohibited from offering New Ordinary Shares
"Record Date"	close of business on Wednesday, 17 April 1996 being the record date for the Rights Issue
"Rights Issue"	the issue of 4,004,763 New Ordinary Shares to be offered by way of rights to Qualifying Shareholders as described in this document
"Share Option Schemes"	the 1994 Share Option Scheme of the Company and the 1995 Share Option Scheme of the Company

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date	Wednesday, 17 April 1996
Dealings expected to commence in the New Ordinary Shares, nil paid	Thursday, 25 April 1996
Latest time and date for splitting, nil paid	3.00 pm, Monday, 13 May 1996
Latest time and date for acceptance and payment in full	3.00 pm, Wednesday, 15 May 1996
Dealings expected to commence in the New Ordinary Shares, fully paid	Thursday, 16 May 1996
Latest time and date for splitting, fully paid	3.00 pm, Tuesday, 4 June 1996
Latest time and date for registration of renunciation	3.00 pm, Thursday, 6 June 1996
Despatch of definitive certificates for New Ordinary Shares	Thursday, 13 June 1996

PART I

Tottenham Hotspur plc

Registered in England and Wales No 1706358

Directors:

Alan Sugar (*Chairman*)
Claude Littner (*Chief Executive*)
John Sedgwick (*Finance Director*)
Antony Berry (*Non-Executive Deputy Chairman*)
Douglas Alexiou (*Non-Executive*)
Colin Sandy (*Non-Executive*)

748 High Road,
Tottenham,
London N17 0AP

24 April 1996 ✓

To all shareholders

Dear Shareholder,

INTRODUCTION

It was announced today that your Company proposes to raise £10.9 million, net of expenses, by way of a rights issue of 4,004,763 New Ordinary Shares on the basis of one New Ordinary Share at 280p per share for every four existing Ordinary Shares held on 17 April 1996. The net proceeds of the Rights Issue will be used to continue the development of the stadium including, in particular, the construction of a new North Stand.

The Rights Issue has been fully underwritten by Henry Ansbacher. Collins Stewart & Co. is the broker to the Rights Issue.

BACKGROUND TO THE RIGHTS ISSUE

Over the last two seasons, the fortunes of your Company have been transformed. Last season, the Club made significant progress in the Premiership, finishing seventh, and reached the semi-finals of the FA Cup. This season the Club has continued to perform well in the Premiership and reached the fifth round of the FA Cup competition. Off the field, your Board has continued with the development of the stadium, notably the construction of the new South Stand a year ago. The new development included a Jumbotron giant video screen and scoreboard, which has been well received, and catering and other facilities for spectators. So far this season the average attendance at Premiership games has been in excess of 30,000. In addition, new four year sponsorship deals have been signed with Hewlett-Packard as the Club's main sponsor and Pony as kit sponsor.

The Company has also benefited from structural changes in the industry over the last four years, notably the formation of the Premier League and consequent increased television coverage and enhanced revenue from television companies. This growth in interest has created increased merchandising opportunities, in particular the sale of replica kits. We have recently opened a 3,000 square feet extension to an existing retail outlet immediately outside the ground and we are also pursuing further opportunities to exploit the "Tottenham Hotspur" brand beyond its traditional marketplace.

Alongside these developments, there has been a strengthening of the management team with the appointment in November 1993 of Mr Claude Littner as Chief Executive and, more recently, of Mr John Sedgwick as Finance Director. Emphasis is being placed on control of costs, improving management systems and exploiting new business opportunities with a view to improving the Company's credibility as a leisure business with football as its core activity.

The majority of the Company's revenue, excluding player trading, is now being generated from sources other than gate receipts. The Company benefits from a relatively stable core revenue stream which includes season ticket sales (presently numbering 12,000), sponsorship deals, television income, hospitality facilities and club memberships.

The combination of the team's success, the developments within the football industry and your Board's efforts over the last two seasons is giving rise to excellent results for shareholders. The results for the year to 31 May 1995, announced on 20 September 1995, demonstrated the potential of the Company with the achievement of pre-tax profits of £5.4 million on turnover of £25.1 million. It is particularly encouraging that £4.8 million of this profit figure was generated through the core operations of your Company such as gate receipts, television, sponsorship and merchandising, rather than the effects of player trading.

REASONS FOR THE RIGHTS ISSUE

Construction of the new South Stand was completed in April 1995 at a cost of £11.4 million, including installation of the Jumbotron giant video screen and scoreboard in the roof of the new stand. In my statement in the 1995 annual report I indicated that, when funds were available, we would turn our attention to developing the North Stand and the Rights Issue proceeds will be applied towards this.

We have secured planning permission and will be seeking tenders for the construction during next season so that work can commence at the end of the 1996/97 season. It is estimated that the development of the North Stand will increase capacity from some 33,000 to approximately 36,000 and it is envisaged that it will incorporate a range of new bar and catering facilities. On completion, we will have a superb, well equipped stadium providing excellent facilities and comfort.

As at the indebtedness date, being 29 March 1996, the Tottenham Hotspur Group's borrowings stood at approximately £5.8 million. In the short term, the proceeds of the Rights Issue will be applied to reducing the level of borrowings and increasing the level of cash balances but will also be deployed towards continuing expenditure on other parts of the ground, including reconstruction of the pitch and the addition of restaurant and bar facilities overlooking the pitch in the South Stand.

Your Board regards development of the stadium as a substantial and non-recurring part of our capital expenditure programme and considers that the Rights Issue is the appropriate means of funding this expenditure. Ongoing strengthening of our playing squad will be financed from retained profits generated by the Company including any profits arising from player trading.

ACCOUNTING TREATMENT FOR PLAYERS' REGISTRATIONS

The recent Bosman ruling suggests that a player may, at the end of his contract, move to a new club within the European Union without his current club being able to demand a transfer fee. Whilst the wider implications of the ruling remain unclear, your Board has taken the opportunity to consider our current accounting treatment of players' registrations, in any event.

Your Board believes that accounting for players' registrations as an intangible asset on our balance sheet is appropriate as they are key assets in the operation of the business. Our current policy is to capitalise the cost of registrations of players purchased by the Club and then to amortise those values over the life of the individual contracts to an estimated residual value. These estimated residual values, which are set by reference to UEFA tables, reflect considerations such as the players' ages and remuneration packages, and assume a transfer fee can be secured at the end of each contract period.

In your Board's view, the Bosman ruling could impact upon the existing carrying value of the players. As at 30 November 1995, some £20.3 million of players' registrations were carried in our balance sheet as intangible assets. For the purposes of our year end accounts your Board is considering an adjustment of approximately £6.8 million to reduce player values contained in the balance sheet immediately following the Bosman ruling. This adjustment reflects our current assessment of the permanent diminution in value that

the ruling potentially causes and would be dealt with as a one-off exceptional charge to the current year's profit and loss account. This charge would simply be an accounting adjustment and would have no effect in cash terms or on the level of distributable reserves.

The balance sheet values remaining immediately following the Bosman ruling would then be written off fully over the remaining duration of the players' contracts. The cost of new players' registrations would in future be written off fully over the duration of the players' contracts.

It should be emphasised that 'home grown' players who have been developed through the Club's youth policy, presently totalling 28 of the Club's 45 professional footballers, will continue to be carried at a zero value for accounts purposes.

CURRENT TRADING AND DIVIDEND FORECAST

The interim results released in January 1996 reflect the continuation of our encouraging progress, with a pre-tax profit of £7.1 million (1994 – £2.1 million) on turnover of £20.1 million (1994 – £11.7 million). The underlying pre-tax profit from the core operations of the Company was £2.3 million (1994 – £0.6 million) with a profit from player trading of £4.8 million (1994 – £1.5 million). These interim results are particularly encouraging as the Premiership and Cup fixtures fall mainly within the second half of our financial year.

As I mentioned earlier, the Club has performed well this season and your Board is therefore confident of achieving satisfactory results for the year.

In the absence of unforeseen circumstances, your Board intends to recommend a final dividend for the current year ending 31 May 1996 of not less than 3p (net) per share. Taken together with the interim dividend of 1.5p (net) per share, this would represent a total dividend for the year of 4.5p (net) per share, compared with 3p (net) per share for the year ended 31 May 1995.

TERMS OF THE RIGHTS ISSUE

The Board is offering, by way of rights, 4,004,763 New Ordinary Shares at 280p per share payable in full on acceptance to Qualifying Shareholders on the following basis:

**1 New Ordinary Share
for
every 4 Ordinary Shares held**

and so in proportion for any greater or lesser number of Ordinary Shares held on the Record Date. The allotment and issue of the New Ordinary Shares is made upon and subject to the terms and conditions set out in this document and the accompanying Provisional Allotment Letter. Where necessary, entitlements to New Ordinary Shares have been rounded down to the nearest whole New Ordinary Share. Fractional entitlements have not been allotted to shareholders, but will be aggregated and sold in the market for the benefit of the Company.

The New Ordinary Shares will, when fully paid, rank *pari passu* in all respects with the existing Ordinary Shares including entitlement to the final dividend for the current financial year ending 31 May 1996.

Application has been made to the London Stock Exchange for the New Ordinary Shares to be admitted to the Official List. Admission is expected to become effective and dealings in the New Ordinary Shares (nil paid) are expected to commence on 25 April 1996.

The Rights Issue, which has been fully underwritten by Henry Ansbacher, is conditional upon the admission of the New Ordinary Shares to the Official List and such admission becoming effective.

INTENTION OF THE MAJORITY SHAREHOLDER

Through my company, Amshold Limited, I currently hold 8,150,535 Ordinary Shares, representing 50.88 per cent. of the current issued share capital of the Company. I invested in Tottenham Hotspur in June 1991 at a time when its viability and future prospects were uncertain. Now that the prospects for the Company are much stronger, I have agreed not to take up my entitlement to New Ordinary Shares under the Rights Issue. This action will reduce my interest in Tottenham Hotspur to 40.7 per cent. following the Rights Issue and provides an opportunity to enhance the profile of our shareholder register by introducing new institutional investors.

Arrangements have been made with Henry Ansbacher and Collins Stewart & Co. for my entitlement under the Rights Issue, amounting to 2,037,633 New Ordinary Shares, to be placed firm with institutional investors who will then subscribe for such New Ordinary Shares pursuant to the Rights Issue. Under the rules of the London Stock Exchange, the consideration which I will receive for placing my entitlement in this way is limited to 12p per New Ordinary Share.

ACTION TO BE TAKEN

A nil paid Provisional Allotment Letter containing full instructions regarding acceptance, payment, renunciation, splitting and registration is enclosed with this document. If you wish to take up your entitlement to New Ordinary Shares, in whole or in part, the Provisional Allotment Letter, together with a remittance for the full amount of the subscription monies for the New Ordinary Shares you are taking up, must be lodged in accordance with the instructions printed thereon with Independent Registrars Group Limited, New Issues Department, Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ, by post or by hand (only during normal business hours) by 3.00 pm on 15 May 1996, the latest time for acceptance and payment in full.

TAXATION

Information on United Kingdom taxation with regard to the Rights Issue is set out in paragraph 7 of Part II of this document. If you are in any doubt as to your tax position, you should consult a professional adviser without delay.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in Parts II to IV of this document. Further details of the Rights Issue, including the procedure for acceptance and payment and the procedure in respect of rights not taken up, are set out in Part II of this document and in the Provisional Allotment Letter. The attention of Overseas Shareholders is drawn to paragraph 8 of Part II of this document.

Yours faithfully,



Alan Sugar
Chairman

PART II

FURTHER DETAILS OF THE RIGHTS ISSUE

1. DETAILS OF THE RIGHTS ISSUE

The New Ordinary Shares are being offered by way of rights at 280p each to holders of Ordinary Shares on the register on the Record Date, other than certain Overseas Shareholders. The New Ordinary Shares have been provisionally allotted on the following basis:

1 New Ordinary Share for every 4 Ordinary Shares held

and so in proportion for any greater or lesser number of Ordinary Shares held.

Entitlements of Qualifying Shareholders have been rounded down to the nearest whole number of New Ordinary Shares. The fractional entitlements which would otherwise have arisen will be aggregated and sold for the benefit of the Company.

The Rights Issue has been fully underwritten by Henry Ansbacher and is conditional upon the admission of the New Ordinary Shares to the Official List becoming effective by 8.30 am on Thursday, 25 April 1996 (or such later time and/or date as Henry Ansbacher and the Company may agree).

Provisional Allotment Letters are being despatched today, together with a copy of this document, to the shareholders entitled thereto.

Application has been made to the London Stock Exchange for the New Ordinary Shares to be admitted to the Official List. It is expected that admission will become effective and dealings in the New Ordinary Shares will commence, nil paid, on the London Stock Exchange on Thursday, 25 April 1996.

The New Ordinary Shares will, when fully paid, rank *pari passu* in all respects with the existing issued Ordinary Shares including the right to receive the final dividend for the year ending 31 May 1996.

All documents and remittances will be sent to or by the allottees or their renounees (or their agents, as appropriate) at the risk of the person(s) entitled thereto.

2. PROCEDURE FOR ACCEPTANCE AND PAYMENT

Persons wishing to subscribe for all or any of the New Ordinary Shares to which they are entitled should lodge the Provisional Allotment Letter, together with the appropriate remittance for the full amount payable on acceptance, in accordance with the instructions thereon, by post or by hand with **Independent Registrars Group Limited, New Issues Department, Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ** so as to arrive not later than 3.00 pm on Wednesday, 15 May 1996.

Cheques and bankers' drafts must be in pounds sterling and made payable to "Independent Registrars a/c Tottenham Hotspur" and be crossed "a/c payee only" and drawn on a bank or building society in the United Kingdom which is either a settlement member of the Cheque & Credit Clearing Company Limited or the CHAPS & Town Clearing Company Limited or a member of either of the committees of the Scottish or Belfast Clearing Houses, or which has arranged for its cheques and bankers' drafts to be cleared through the facilities provided for the member of any of those companies or committees and must bear the appropriate sort code in the top right-hand corner. No interest will be allowed on payments made before they are due and any interest earned will accrue for the benefit of the Company. Return of the Provisional Allotment Letter with the appropriate remittance will constitute a warranty that the remittance will be honoured on first presentation. The Company may elect not to treat as valid any acceptances in respect of which cheques are notified to it or its agent as not having been so honoured. The Company reserves the right to have cheques and bankers' drafts presented on receipt and to instruct Independent Registrars Group Limited to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity.

The Company may (in its sole discretion) treat a Provisional Allotment Letter as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required. If payment in full is not received by 3.00 pm on Wednesday, 15 May 1996, the provisional allotment will be deemed to have been declined and will lapse. The Company reserves the right, but shall not be obliged, to treat as valid acceptances in respect of which remittances are received prior to 3.00 pm on Wednesday, 15 May 1996 from an authorised person (as defined in the Financial Services Act 1986) specifying the New Ordinary Shares concerned and undertaking to lodge the relevant Provisional Allotment Letter duly completed in due course, or in respect of which Provisional Allotment Letters and accompanying remittances are received through the post not later than 10.00 am on the business day following the last date for acceptance and payment in full (the envelope bearing a legible postmark prior to 3.00 pm on the last date for acceptance and payment in full). References in this document to the rights to New Ordinary Shares having been taken up include rights which are treated as having been validly taken up pursuant to the procedures described in this paragraph.

3. MONEY LAUNDERING REGULATIONS

To facilitate compliance with the Money Laundering Regulations 1993, Independent Registrars Group Limited may require, at its absolute discretion, verification of identity from any person lodging a Provisional Allotment Letter. If the value of an application exceeds £10,000 (or is one of a series of linked applications the aggregate value of which exceeds that amount), verification of the identity of the applicant(s) for New Ordinary Shares will be required if payment is made other than by the applicant(s). If verification of the identity of the applicant(s) is required and satisfactory evidence of identity is not provided, this may result in delays in the despatch of share certificate(s) and may then result in the application being rejected. In order to avoid this, applicants should ideally make payment by their own cheque. If this is not practicable and applicants use a cheque drawn by a building society or another third party or a banker's draft, they should:

- (i) write their own name and address on the back of the building society cheque, banker's draft or cheque, and record their date of birth against their name; and
- (ii) if a building society or banker's draft is used, ask the building society or bank to endorse on the cheque the name and account of the person whose building society or bank account is being debited.

If an applicant is lodging a Provisional Allotment Letter as agent for one or more persons and is not a United Kingdom or EU regulated person or institution, then, irrespective of the value of the aggregate subscription price for the relevant New Ordinary Shares, Independent Registrars Group Limited is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf the Provisional Allotment Letter is being lodged. Applicants making such an application as agent should specify on the Provisional Allotment Letter if they are a UK or EU regulated person or institution.

If the verification or identity requirements apply, failure to provide the necessary evidence of identity may result in an acceptance being treated as invalid or in delays in the despatch of a receipted Provisional Allotment Letter and a share certificate.

All queries in connection with Provisional Allotment Letters should be addressed to Independent Registrars Group Limited quoting the reference number on the Provisional Allotment Letter.

4. SPLITTING AND TRANSFER

A shareholder may wish to split his/her Provisional Allotment Letter in order to dispose of part of his/her entitlement or to dispose of the whole to more than one person. A Provisional Allotment Letter may be split (in accordance with the instructions printed on it) if lodged, by post or by hand, with Independent Registrars Group Limited, New Issues Department, Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ by 3.00 pm on Monday, 13 May 1996 (nil paid) or 3.00 pm on Tuesday, 4 June 1996 (fully paid).

The right to accept allotment of all New Ordinary Shares comprised in any Provisional Allotment Letter or split Provisional Allotment Letter may, save as required by the laws of certain foreign jurisdictions, be transferred by renouncing such right (by completing Form X on the Provisional Allotment Letter) and handing the Provisional Allotment Letter intact to the person through whom or to whom the New Ordinary Shares are being sold. Once renounced a Provisional Allotment Letter will become a negotiable document in bearer form.

The latest time and date for registration of renunciation is 3.00 pm on Thursday, 6 June 1996.

5. DOCUMENTS OF TITLE

Where a Provisional Allotment Letter has been accepted and paid for in accordance with the provisions of paragraph 2 above, the receipted allotment letter will be returned to the person making the payment who, unless he is the original allottee, must have completed the paying agent's box at the foot thereof.

After Thursday, 6 June 1996, and pending the issue of definitive share certificates, transfers will be certified by Independent Registrars Group Limited against the surrender of the registration receipt bearing the stamp of Independent Registrars Group Limited. New Ordinary Shares will thereafter be in registered form and transferable by instrument of transfer complying with the Company's Articles of Association. It is expected that definitive share certificates will be despatched by second class post by Thursday, 13 June 1996.

6. PROCEDURE IN RESPECT OF RIGHTS NOT TAKEN UP

If payment in full for any New Ordinary Shares provisionally allotted has not been received by 3.00 pm on Wednesday, 15 May 1996 (whether from the original allottee or any person in whose favour the rights have been renounced), the provisional allotment will be deemed to have been declined, in which event it will lapse. Henry Ansbacher, acting as agent for the Company, will endeavour to procure subscriber(s) for all such shares by not later than 3.00 pm on Friday, 17 May 1996 if a price which is not less than the aggregate of the Issue Price and expenses of procuring subscriber(s) (including VAT) can be obtained.

If subscriber(s) for New Ordinary Shares are procured on such basis, the shares will be re-allotted at the Issue Price to such subscriber(s) and any premium (after deduction of the Issue Price and expenses of procuring subscriber(s)) will be paid to the provisional allottees who have not taken up their entitlements *pro rata* to their lapsed provisional allotments, except that amounts of £3.00 or less will not be paid to such persons but will be aggregated and paid to the Company.

Henry Ansbacher may, at any time after the latest date for acceptance and payment in full, at its own discretion decide not to endeavour to procure subscribers on the terms described above if it has been informed by Collins Stewart & Co. that it is unlikely that subscribers can be procured on such terms.

Neither the Company nor Henry Ansbacher nor any person procuring such subscribers shall be responsible for any loss arising from the terms or timing of any subscription. If subscribers cannot be procured on the basis described above, the New Ordinary Shares will be re-allotted to Henry Ansbacher or any sub-underwriters procured by it at the Issue Price.

7. UNITED KINGDOM TAXATION

(a) *Taxation of chargeable gains*

The following paragraphs are intended as a general guide for individuals who are resident or ordinarily resident in the United Kingdom for tax purposes holding Ordinary Shares as investments and not as securities to be realised in the course of a trade and are based on current legislation and Inland Revenue practice.

For the purposes of United Kingdom tax on chargeable gains, the issue of the New Ordinary Shares pursuant to the Rights Issue should be regarded as a reorganisation of the share capital of the Company. Accordingly,

a shareholder should not be treated as making a disposal of all or part of his existing holding of Ordinary Shares by reason of not taking up all or part of his rights under the Rights Issue.

On the above basis, to the extent that a shareholder takes up New Ordinary Shares provisionally allotted to him, the New Ordinary Shares so allotted and the shareholder's existing holding of Ordinary Shares will, for the purposes of tax on chargeable gains, be treated as the same asset and as having been acquired at the same time as the existing holding was acquired. The amount paid for the New Ordinary Shares will be added to the allowable expenditure for the shareholder's existing holding and the aggregated amount will, on a subsequent disposal of any shares comprised in the composite holding of Ordinary Shares and New Ordinary Shares, be apportioned between the number of shares disposed of and the number remaining by reference to the market value of Ordinary Shares at the date of disposal. The amount paid for New Ordinary Shares subscribed under the Rights Issue will be eligible for indexation allowance, but only from the date at which payment for the New Ordinary Shares is made.

If a shareholder disposes of all or part of his rights to subscribe for New Ordinary Shares or if he allows or is deemed to have allowed his rights to lapse and a cash payment is received in return, a liability to tax on chargeable gains may, depending on his circumstances, arise. If the proceeds resulting from the disposal or lapse of rights are "small" as compared to the value of the Ordinary Shares in respect of which the rights arose, the Inland Revenue may direct that the shareholder is not to be treated as making a disposal for the purposes of tax on chargeable gains. No liability to tax on chargeable gains will then arise as a result of the disposal or lapse of the rights, but the proceeds will be deducted from the base cost of the shareholder's existing holding of Ordinary Shares. The Inland Revenue interprets "small" as five per cent. or less of the market value of the Ordinary Shares in respect of which the rights arose on the date of disposal or lapse of entitlement.

(b) Taxation of dividends

The following summary assumes that the Company will not elect for any of its dividends to be treated as foreign income dividends (in accordance with the provisions of the Finance Act 1994). The Board has no present intention of electing that dividends be treated as foreign income dividends. Dividends which are treated as foreign income dividends will not entitle the recipient to a tax credit.

Under current United Kingdom taxation legislation there is no United Kingdom withholding tax on dividends, but whenever the Company pays a dividend it will be liable to account to the Inland Revenue for advance corporation tax ("ACT") in respect of the dividend except to the extent that the dividend is paid out of franked investment income. The rate of ACT is related to the lower rate of income tax, and is currently equal to one-quarter of the dividend.

A holder of an Ordinary Share who is an individual resident (for tax purposes) in the United Kingdom and who receives a dividend paid by the Company will generally be entitled to a tax credit of an amount equal, currently, to one-quarter of the dividend. The individual will be taxable on the total of the dividend and the related tax credit, which will be regarded as the top slice of the individual's income. The tax credit will, however, be treated as discharging the individual's liability to income tax in respect of the dividend, unless and except to the extent that tax at the higher rate on the aggregate of the dividend and related tax credit exceeds the tax credit. If the tax credit exceeds the individual's liability to income tax on the total of the dividend and the tax credit, he will be able to claim payment of the excess.

Trustees of discretionary trusts liable to account for tax at the rate applicable to trusts of 35 per cent. (and, from 6 April 1996, at the rate of 34 per cent.) on the trust's income will also be required to account for additional tax.

Subject to special rules applying to some insurance companies with overseas business, a holder of an Ordinary Share that is a company resident (for tax purposes) in the United Kingdom and that receives a dividend paid by the Company will be entitled to a tax credit in respect of the dividend and will not be

taxable on it. The dividend and related tax credit will be treated as franked investment income. The value of the tax credit will be an amount equal to one-quarter of the dividend.

Subject to certain exceptions for Commonwealth citizens, citizens of the Republic of Ireland (and, from 6 April 1996, nationals of the European Economic Area), residents of the Isle of Man or the Channel Islands and certain others, the right of a holder of an Ordinary Share who is not resident (for tax purposes) in the United Kingdom to a tax credit in respect of a dividend received from the Company and to claim payment of any part of that tax credit will depend on the existence and terms of any double tax convention between the United Kingdom and the country in which the holder is resident. A non-UK resident holder of an Ordinary Share may be subject to foreign taxation on dividend income in his country of residence. Holders who are not resident in the United Kingdom should consult their own tax advisers concerning their tax liabilities on dividends received, whether they are entitled to claim any part of the tax credit and, if so, the procedure for doing so.

(c) Stamp Duty and Stamp Duty Reserve Tax

Except in relation to depository receipt arrangements or clearance services, where special rules apply:

- (i) no stamp duty or stamp duty reserve tax ("SDRT") will be payable on the issue of Provisional Allotment Letters or split letters of allotment;
- (ii) the purchase of rights to the New Ordinary Shares represented by a Provisional Allotment Letter (whether nil paid or fully paid) on or before the latest time for registration of renunciation will not be liable to stamp duty but will be liable to SDRT at the rate of 50p for every £100 (or part thereof) of the actual consideration paid. Where such a purchase is effected through a stockbroker or other financial intermediary, that person should normally account for the liability to SDRT and should indicate that this has been done in any contract note issued to a purchaser. In other cases, the purchaser of rights to the New Ordinary Shares represented by a Provisional Allotment Letter is liable to pay the SDRT and must account for it to the Inland Revenue;
- (iii) no stamp duty or SDRT will be payable on the registration of the New Ordinary Shares by the original holders of Provisional Allotment Letters or by their renounees; and
- (iv) the purchase of New Ordinary Shares after the latest time for registration of renunciation will generally give rise to liability on the purchaser to ad valorem stamp duty or (if an unconditional agreement to transfer such shares is not completed by a duly stamped transfer within two months) to SDRT, at the rate of 50p for every £100 (or part thereof) of the actual consideration paid (and, from 1 July 1996, at the flat rate of 0.5 per cent. of the actual consideration paid on the day the agreement is made.)

The above is intended only as a guide to the general tax position as at the date of this document. A shareholder who is in any doubt as to his tax position or who is subject to tax in a jurisdiction other than the United Kingdom should consult a professional adviser.

8. OVERSEAS SHAREHOLDERS

(a) General

No person receiving this document or a Provisional Allotment Letter in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use such allotment letter unless, in the relevant territory, such an invitation or offer could lawfully be made to him and such an allotment letter could lawfully be used without contravention of any unfulfilled registration or other legal requirements.

Any person (including, without limitation, a nominee or trustee) outside the United Kingdom wishing to accept the offer of New Ordinary Shares comprised in a Provisional Allotment Letter must satisfy himself as

to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territory.

Persons resident in overseas territories should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up the New Ordinary Shares provisionally allotted to them. Receipt of a Provisional Allotment Letter will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and in such circumstances a Provisional Allotment Letter will be deemed to have been sent for information only. The Company reserves the right to treat any provisional allotment represented by a Provisional Allotment Letter as having been declined if it appears to the Company or its agents to have been executed or despatched or requires delivery in a manner which may involve a breach of the legal or regulatory requirements of any jurisdiction or if it believes that acceptance of such allotment may violate applicable legal or regulatory requirements.

All payments must be received by Independent Registrars Group Limited on behalf of the Company in pounds sterling.

Any shareholder who is in any doubt about his position should consult his professional adviser without delay.

(b) United States and Canada

Neither the New Ordinary Shares nor the Provisional Allotment Letters have been nor are they being registered under the Securities Act of 1933 of the United States as amended, or under the securities laws of any state of the United States nor have the relevant clearances been, nor will they be, obtained from the securities commission of any province or territory of Canada in accordance with the relevant Canadian securities laws and, therefore, except in certain limited circumstances, the New Ordinary Shares and the Provisional Allotment Letters may not be offered for subscription or purchase, sold, taken up, renounced, transferred or delivered, directly or indirectly, in or into North America or to or for the account or benefit of a North American Person. Provisional Allotment Letters will not be sent to any Shareholder with a registered address in North America, unless such shareholder satisfies the Company by the latest time for acceptance and payment in full that doing so is permitted pursuant to an exemption to the securities laws referred to above, in which case he shall be treated as a Qualifying Shareholder. If a Provisional Allotment Letter is received by a North American Person or by the agent of a North American Person, such a person must not seek to take up his entitlement except pursuant to an express agreement with the Company.

Payment under a Provisional Allotment Letter will constitute a representation and warranty that the person entitled to the same is not a North American person (unless such person satisfies the Company that an applicable exemption exists from the securities laws referred to above) and an agreement that such person will not offer or sell, directly or indirectly, any of the New Ordinary Shares in North America or to or for the account or benefit of a North American Person. The Company reserves the right to treat as invalid any Provisional Allotment Letter that appears to the Company to have been executed in or despatched from North America or that provides an address in North America for delivery of a definitive fully paid share certificate for the New Ordinary Shares provisionally allotted pursuant to the Rights Issue or where the person entitled to the Provisional Allotment Letter does not make the warranty set out in the Provisional Allotment Letter.

Save in the case of Qualifying Shareholders as set out above, the rights attributable to persons with registered addresses in North America will be treated as not having been taken up and paragraph (f) below will apply.

For the purposes of this document, "North America" means the United States of America and Canada and each province thereof and "North American Person" means a citizen or resident of North America, including

the estate of any such person or any corporation, partnership or other entity created or organised under the laws of North America or any constitutional sub-division thereof.

(c) Australia

No document in relation to the New Ordinary Shares has been or will be lodged with, or registered by, the Australian Securities Commission. Subject to certain limited exceptions, neither the New Ordinary Shares nor the Provisional Allotment Letters may be offered for subscription or purchase, sold, taken up, renounced, transferred or delivered, directly or indirectly, nor may any invitation to subscribe for or to buy or sell New Ordinary Shares be issued or any draft or definitive document in relation to any such offer, sale or invitation be distributed, in or into Australia or to or for the account or benefit of an Australian Person. Accordingly, no offer of New Ordinary Shares is being made under this document or the Provisional Allotment Letter to Shareholders with registered addresses in, or to residents of, Australia and such persons will not be sent a Provisional Allotment Letter.

Payment under a Provisional Allotment Letter will constitute a representation and warranty that the person entitled to the same is not an Australian Person (unless such person satisfies the Company that an applicable exemption exists from the relevant securities laws) and an agreement that such person will not offer or sell, directly or indirectly, any of the New Ordinary Shares in Australia or to or for the account or benefit of an Australian Person. The Company reserves the right to treat as invalid any Provisional Allotment Letter that appears to the Company to have been executed in or despatched from Australia or that provides an address in Australia for delivery of a definitive fully paid share certificate for the New Ordinary Shares provisionally allotted pursuant to the Rights Issue or where the person entitled to the Provisional Allotment Letter does not make the warranty set out in the Provisional Allotment Letter.

The rights attributable to persons with registered addresses in Australia will be treated as not having been taken up and paragraph (f) below will apply.

For the purposes of this document, "Australia" means the Commonwealth of Australia, its states, territories and possessions and "Australian Person" means any person in Australia or with an address in Australia (including corporations and other entities organised under the laws of Australia, but not including a permanent establishment of any such corporation or entity located outside Australia).

(d) South Africa

In order to comply with South African law, Provisional Allotment Letters sent to shareholders with registered addresses in South Africa will not be renounceable. Such shareholders will require the approval of the South African Exchange Control authorities if they wish to take up their rights.

(e) Republic of Ireland

No document in relation to New Ordinary Shares has been or will be lodged for registration with the Registrar of Companies in the Republic of Ireland. The Provisional Allotment Letter and the New Ordinary Shares may not be offered, sold, renounced or delivered in the Republic of Ireland and, accordingly, the offer by way of rights is not being made in the Republic of Ireland and the Provisional Allotment Letters will not be sent to shareholders who have registered addresses in the Republic of Ireland. This document is being sent to such shareholders for information purposes only.

Envelopes containing Provisional Allotment Letters should not be postmarked in the Republic of Ireland or otherwise despatched from the Republic of Ireland and all subscribers for New Ordinary Shares must provide addresses outside the Republic of Ireland for the receipt of share certificates. Persons will be deemed to have declined their provisional allotments or the provisional allotments that have been renounced to them if they submit a Provisional Allotment Letter in an envelope postmarked in the Republic of Ireland, provide an address in the Republic of Ireland for receipt of share certificates or do not make the

representation and warranty set out in the Provisional Allotment Letter to the effect that such person is not in the Republic of Ireland and is not acting on a non-discretionary basis for a person in the Republic of Ireland.

Where persons with registered addresses in the Republic of Ireland are precluded from taking up their rights as a consequence of the restrictions contained in the previous paragraph, their rights will be treated as not having been taken up and paragraph (f) below will apply.

(f) Sale of rights attributable to certain Overseas Shareholders

The rights attributable to Shareholders with registered addresses in North America (other than those who have satisfied the Company that they are Qualifying Shareholders), Australia or the Republic of Ireland, will be sold in the market (nil paid) as soon as practicable following commencement of dealings, for the benefit of such persons, if a premium over the expenses of sale can be obtained. Any net proceeds (after deduction of the expenses of sale, including any VAT) will be distributed (without interest) among the relevant shareholders *pro rata* to their entitlement by cheque at their risk, except that individual amounts of less than £3.00 will not be distributed but will be paid to the Company. Any sale undertaken pursuant to this paragraph shall be deemed to have been undertaken at the request of, and as agent for, the relevant holders and neither the Company nor any person procuring or seeking to procure purchases shall be responsible for any loss arising from the terms, amount or the timing of any such sale or any failure to procure any such sale. If such a premium cannot be obtained, the New Ordinary Shares will be dealt with in accordance with the arrangements described in paragraph 6 above.

9. THE SHARE OPTION SCHEMES

In accordance with the rules of the Share Option Schemes the Directors propose to make adjustments to the options and to the numerical limits imposed by the rules to take account of the Rights Issue. Such adjustments will be made subject to written confirmation from the auditors of the Company that such adjustments are, in their opinion, fair and reasonable and will (in the case of the Inland Revenue approved schemes) be subject to prior United Kingdom Inland Revenue approval. Option holders will be informed of the adjustments in accordance with the terms of the Share Option Schemes.

PART III

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 NOVEMBER 1995

Set out below is the full text of the interim report of the Company for the six months ended 30 November 1995 which was released on 17 January 1996.

“CHAIRMAN’S STATEMENT

Results

Turnover for the half year ended 30th November 1995 was £20.11 million (1994 – £11.71 million) with profits on ordinary activities before taxation of £7.14 million (1994 – £2.06 million).

In view of these continued encouraging results the directors have decided to pay an interim dividend to shareholders on the register at 6th February 1996 of 1.5p per share (1994 interim – Nil, 1995 Final – 3p) payable on 23rd February 1996.

These record interim results are very pleasing and continue to reflect the true potential of the Company. I would draw shareholders’ attention to the fact that within the stated profit figure £4.81 million relates to player trading (1994 – £1.47 million). However, when comparing the performance over the same period last year, the growth of profits flowing from the core business is very encouraging with profit before tax, excluding player trading, of £2.33 million, (1994 – £590,000). This growth is due mainly to the increased revenues from the new sponsorship deals with Hewlett-Packard and Pony, television fees and higher league gate receipts, as well as increased profits from merchandising. Inevitably, whilst enhancing our playing squad we have incurred an increase in the wage bill.

Football

Since my statement in the last Annual Report, the team’s performance has been exceptionally good, despite an unprecedented number of injuries. In fact at the time of writing this report we have yet to field our strongest team. We expect to see many of our injured players returning in the near future so that we can make a serious challenge for a position in Europe. The team spirit is very good, and one must congratulate the coaching department, under the leadership of Gerry Francis, together with the players for this excellent performance to date.

The recent decision relating to the Bosman affair in respect to player registrations is viewed very seriously by the Board of Directors. There is a need for clarity on this matter. We are currently studying the ramifications with our advisors and with the Premier League in order for us to see a clear way forward for player purchasing and the consequent accounting treatment.

Commercial Activities

We have recently opened a new Superstore and sales of our replica kit and Tottenham Hotspur branded products have increased by 25% over the same period last year. This has been brought about by a combination of more shop space and better merchandising, together with the consistently good performance of the team. Merchandise sales, sponsorship and advertising now represent 37% of turnover (excluding player trading).

I am also pleased to announce officially the acquisition of our new training facility in Chigwell, Essex. We are currently constructing a high quality purpose built changing room, treatment and office facility at the new training ground, which has also undergone a complete replanting and refurbishment of the five exceptional quality pitches. I am convinced that this facility will enhance the efforts of our coaching department for the first team, and indeed for our very important reserves and youth teams. The facility is scheduled to be fully operational by the end of March 1996.

Current trading conditions remain buoyant. We have a strong management team in place and dedicated staff, however our performance in the second half of this current financial year compared to that of last year will depend to some extent upon our run in the current FA Cup tournament. Clearly we will continue to incur an increased wage bill in recruiting new players and re-negotiating the contracts of existing ones. Nevertheless, I am confident that our full year result will be pleasing to all shareholders.

A M Sugar
CHAIRMAN

17 January 1996

CONSOLIDATED PROFIT AND LOSS ACCOUNT

		<i>Unaudited 6 months ended 30th November</i>		<i>Audited 12 months ended 31st May 1995 £'000</i>
	<i>Note</i>	<i>1995 £'000</i>	<i>1994 £'000</i>	
Turnover (continuing operations):				
Primary football and merchandising activities		10,665	8,235	21,296
Sale of players' registrations		9,449	3,474	3,787
		<hr/>	<hr/>	<hr/>
		20,114	11,709	25,083
		<hr/>	<hr/>	<hr/>
Cost of sales and distribution costs		1,400	1,212	2,776
Player and match expenses		9,835	6,707	11,839
Administrative expenses		1,528	1,483	4,486
		<hr/>	<hr/>	<hr/>
		12,763	9,402	19,101
		<hr/>	<hr/>	<hr/>
Operating profit (continuing operations)		7,351	2,307	5,982
Net interest payable		(212)	(247)	(629)
		<hr/>	<hr/>	<hr/>
Profit on ordinary activities before taxation		7,139	2,060	5,353
Taxation on profit on ordinary activities	1	(1,672)	(680)	(443)
		<hr/>	<hr/>	<hr/>
Profit on ordinary activities after taxation		5,467	1,380	4,910
Dividends	2	(240)	—	(481)
		<hr/>	<hr/>	<hr/>
Retained profit for the period		5,227	1,380	4,429
		<hr/>	<hr/>	<hr/>
Earnings per share (pence)	3	34.1	8.6	30.7
		<hr/>	<hr/>	<hr/>

Notes:

1. The tax charge is based on the effective rate of tax which it is estimated will apply in the year ended 31st May 1996.
2. The Directors recommend the payment of an interim dividend of 1.5p (1994 interim – Nil, 1995 final – 3p) to all shareholders on the register on 6th February 1996 to be paid on 23rd February 1996.
3. The calculation of earnings per share is based on the earnings attributable to shareholders of \$5,467,000 (1994 – \$1,380,000) and on 16,019,053 ordinary shares in issue in the period (1994 – 16,019,053).
4. The financial information given above does not constitute statutory accounts within the meaning of Section 240(5) of the Companies Act 1985. The figures for the 12 months ended 31st May 1995 have been extracted from the statutory accounts for that year which have been delivered to the Registrar of Companies. The audit report on these accounts was unqualified and did not contain a statement under Section 237(2) or (3) of the Companies Act 1985.
5. These results were announced to the Stock Exchange on 18th January 1996 and will be posted on 26th January 1996 to shareholders on the register at 19th January 1996. Copies will be available to personal callers at the registered office 748 High Road, Tottenham, N17.

CONSOLIDATED BALANCE SHEET

		<i>Unaudited</i> 30th November 1995		<i>Audited</i> 31st May 1995	
	<i>Note</i>	£'000	£'000	£'000	£'000
Fixed assets:					
Intangible assets	1		20,305		15,816
Tangible assets			34,177		34,025
			<hr/>		<hr/>
			54,482		49,841
Current assets:					
Stocks		591		188	
Debtors		4,071		2,312	
		<hr/>		<hr/>	
		4,662		2,500	
		<hr/>		<hr/>	
Creditors – Amounts falling due within one year:					
Bank overdraft		1,125		3,063	
Bank loan		1,000		1,000	
Creditors		14,222		11,014	
Proposed dividend		240		—	
		<hr/>		<hr/>	
		16,587		15,077	
		<hr/>		<hr/>	
Net current liabilities			(11,925)		(12,577)
			<hr/>		<hr/>
Total assets less current liabilities			42,557		37,264
			<hr/>		<hr/>
Creditors – Amounts falling due after more than one year:					
Grants – deferred credits		2,403		2,337	
Bank loan		2,750		3,250	
Other loans		100		150	
Payments received in advance		1,165		2,122	
Corporation tax		1,672		—	
Provision for deferred tax		573		573	
Hire purchase and finance lease obligations		1,352		1,517	
		<hr/>		<hr/>	
			(10,015)		(9,949)
			<hr/>		<hr/>
			32,542		27,315
			<hr/>		<hr/>
Share capital and reserves:					
Share capital			4,005		4,005
Share premium			1,192		1,192
Revaluation reserve			2,894		2,916
Profit and loss account			24,451		19,202
			<hr/>		<hr/>
Total equity shareholders' funds			32,542		27,315
			<hr/>		<hr/>

Note:

1. Intangible fixed assets: these represent the cost of players' registrations less amortisation to 30th November 1995.

CONSOLIDATED CASH FLOW STATEMENT

	<i>Unaudited 6 months to 30th November 1995</i>		<i>Audited 12 months to 31st May 1995</i>	
	£'000	£'000	£'000	£'000
Cash inflow from operating activities		5,631		8,600
Returns from investments and servicing of finance:				
Interest received	84		14	
Interest paid	(326)		(521)	
Interest element of finance leases	(88)		(11)	
Dividend paid	(441)		(75)	
Net cash (outflow) from returns on investments and servicing of finance		(771)		(593)
Tax paid:				
Advance corporation tax	—		(19)	
Corporation tax	—		(215)	
		—		(234)
Investing activities:				
Payments to acquire players' registrations	(5,571)		(8,409)	
Receipts from sales of players' registrations	7,218		4,035	
	1,647		(4,374)	
Payments to acquire tangible fixed assets	(3,870)		(8,432)	
Receipts from sales of tangible fixed assets	55		76	
Receipts from sales of properties for resale	—		225	
	(3,815)		(8,131)	
Net cash (outflow) from investing activities		(2,168)		(12,505)
Net cash inflow/(outflow) before financing		2,692		(4,732)
Financing:				
Bank loan drawn down	—		2,400	
Other loans drawn down	—		1,800	
New finance leases	—		1,606	
Bank loan repayments	(500)		(750)	
Other loan repayments	(50)		(1,550)	
Capital element of finance lease rentals	(204)		—	
Net cash (outflow)/inflow from financing		(754)		3,506
Increase/(decrease) in cash and cash equivalents		1,938		(1,226) "

PART IV

ADDITIONAL INFORMATION

1. DIRECTORS

The names and functions of the Directors are set out below. The business address of each Director is 748 High Road, Tottenham, London, N17 0AP.

Directors

Alan Michael Sugar (Chairman)
 Claude Manuel Littner (Chief Executive)
 John Sedgwick (Finance Director)
 Antony George Berry (Non-Executive Deputy Chairman)
 Dimitris Augustis Alexiou (Non-Executive)
 Colin Torquil Sandy (Non-Executive)

2. RESPONSIBILITY

The Directors, whose names appear above, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (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.

3. INCORPORATION AND REGISTRATION

- (i) Tottenham Hotspur's registered office and head office is located at 748 High Road, Tottenham, London, N17 0AP.
- (ii) Tottenham Hotspur was incorporated in England and Wales under the Companies Acts 1948 to 1981 on 14 March 1983 as Nailage Public Limited Company with registered number 1706358 and changed its name to Tottenham Hotspur Public Limited Company on 23 May 1983.
- (iii) As at 24 April 1996 the Company had the following subsidiary undertakings which are all registered and operate in England and Wales:

<i>Name</i>	<i>Class of share</i>	<i>Holding</i>
The Tottenham Hotspur Football & Athletic Company Limited	Ordinary	100%
Cockerel Books Limited	Ordinary	100%
Fieldquest Limited	Ordinary	100%
Martex Limited	Ordinary	100%
Stardare Limited	Ordinary	100%
Stumps Limited	Ordinary	100%
Superleague Limited	Ordinary	100%
Tottenham Hotspur Financial Limited	Ordinary	100%

4. SHARE CAPITAL

The following table sets out the authorised and the issued and fully paid share capital of Tottenham Hotspur plc as at 24 April 1996 and as it will be immediately following the issue of the New Ordinary Shares.

<i>Ordinary shares of 25p each</i>	<i>Number</i>	<i>£</i>
Authorised	21,600,000	5,400,000
Allotted and fully paid:		
—Existing	16,019,053	4,004,763
—Proposed	20,023,816	5,005,954

5. DIRECTORS' AND OTHER INTERESTS

- (i) The interests of the Directors in the share capital of the Company as at 23 April 1996 (being the latest practicable date prior to the publication of this document) which (i) are required to be shown in the register maintained under the provisions of section 325 of the Companies Act 1995 (the "Act"); or (ii) have been notified to the Company pursuant to section 324 or 328 of the Act; or (iii) are interests of a person connected with a Director (within the meaning of section 346 of the Act) which, if such person were a Director, would be required to be disclosed under (i) or (ii) above and the existence of which is known to or could with reasonable diligence be ascertained by that Director are as follows:

<i>Director</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of existing issued share capital</i>
A M Sugar	8,150,535	50.88%
C M Littner	23,000	0.14%
J Sedgwick	—	—
A G Berry	290,000	1.81%
D A Alexiou	35,199	0.22%
C T Sandy	1,571	0.01%

The interests are all beneficial.

The 8,150,535 Ordinary Shares in which Mr A M Sugar is interested are registered in the name of Amshold Limited, a Jersey incorporated company which is wholly owned by Mr A M Sugar. The 35,199 Ordinary Shares in which Mr D A Alexiou is interested include 6,914 Ordinary Shares owned by persons connected with him.

The 290,000 Ordinary Shares in which Mr A G Berry is interested are registered in the name of Tony Berry Inc., a company incorporated in Belize.

- (ii) In addition to the interest of Amshold Limited referred to in the previous paragraph, so far as the Directors are aware the following persons are interested in 3% or more of the issued ordinary share capital of the Company:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of existing issued share capital</i>
CTCI Perpetual UK Growth	990,000	6.18
Provident Mutual Life Assurance Limited	725,000	4.53

6. SHARE OPTION SCHEMES

The Company has two share option schemes, the 1994 Share Option Scheme and the 1995 Share Option Scheme, under which options may be granted to Directors and full time employees of the Group. Pursuant to the Share Option Schemes, options to subscribe for Ordinary Shares have been granted and remain unexercised as set out below:

<i>Date of grant</i>	<i>Number of Ordinary Shares</i>	<i>Exercise price</i>	<i>Exercise period</i>
1994 scheme: 30 March 1994	260,000	£0.82	1997 to 2004
1995 scheme: 18 October 1995	140,000	£1.585	1998 to 2005

The options were granted for a consideration of £1.

Mr C M Littner has been granted options over 70,000 Ordinary Shares under the 1994 Share Option Scheme and options over 50,000 Ordinary Shares under the 1995 Share Option Scheme. Mr J Sedgwick has been granted options over 30,000 Ordinary Shares under the 1995 Share Option Scheme. These options are included in the above numbers.

Except in accordance with the Share Option Schemes, no share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option.

7. INTERESTS IN TRANSACTIONS

- (i) None of the Directors has any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of Tottenham Hotspur or its subsidiaries and which was effected by Tottenham Hotspur or its subsidiaries during the current or preceding financial year or during an earlier financial year and which remains in any respect outstanding or unperformed.
- (ii) None of the Directors has outside business interests which are considered to be significant with respect to Tottenham Hotspur or its subsidiaries.

8. SUMMARY OF RIGHTS ATTACHING TO THE NEW ORDINARY SHARES

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Ordinary Shares now in issue.

The Articles of Association of the Company contain, *inter alia*, provisions to the following effect:

- (i) Voting

Subject to disenfranchisement in the event of non-compliance with a statutory notice requiring disclosure as to beneficial ownership, on a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative who is not himself a member entitled to vote, shall have one vote, and on a poll every member shall have one vote for every share of which he is the holder.

- (ii) Dividends

Subject to any special rights attaching to any shares issued by the Company in the future, the holders of Ordinary Shares are entitled *pari passu* amongst themselves, but in proportion to the amount paid up on the shares held by them, to share in the whole of the profits of the Company paid out as dividends.

Any dividend which has remained unclaimed for 12 years from the date when it becomes due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

- (iii) Distribution of assets on liquidation

On a winding-up, the holders of Ordinary Shares are entitled *pari passu* amongst themselves, but in proportion to amounts paid up upon the shares held by them, to share in the whole of any surplus.

(iv) Transfer of shares

Every transfer of shares must be in writing in any usual form or in any other form which the Directors approve. An instrument of transfer must be executed by or on behalf of the transferor and, where the share being transferred is not fully paid, by or on behalf of the transferee. The Directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share which is not fully paid. The Directors may also refuse to register the transfer of any share unless the instrument of transfer is (i) duly lodged and stamped; (ii) in respect of only one class of shares; and (iii) in favour of not more than four transferees.

(v) Variation of rights

The rights attached to any class of share may be varied with the consent in writing of the holders of three quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of shares of that class.

(vi) Changes in capital

The Company may by ordinary resolution increase its share capital, consolidate, divide or sub-divide its shares and cancel any unissued shares. Subject to the provisions of the Act, the Company may reduce its share capital.

9. WORKING CAPITAL

The Directors are of the opinion that, taking into account the bank and other facilities available to the Tottenham Hotspur Group and the net proceeds of the Rights Issue, the Tottenham Hotspur Group has sufficient working capital for its present requirements.

10. INDEBTEDNESS

At the close of business on 29 March 1996 Tottenham Hotspur and its subsidiaries had outstanding borrowings or indebtedness in the nature of borrowings of £5,821,977, comprising secured loans of £3,500,000, secured overdrafts of £295,400, leases of £1,876,577 and unsecured loans of £150,000.

Save as aforesaid, and apart from intra-group liabilities, at the close of business on 29 March 1996, Tottenham Hotspur and its subsidiaries had no loan capital outstanding or created but unissued, term loans (whether or not guaranteed or secured) and had no borrowings or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits, mortgages, charges, hire purchases or finance lease commitments, or guarantees or other contingent liabilities.

11. SIGNIFICANT CHANGES

There has been no significant change in the financial or trading position of the Tottenham Hotspur Group since 30 November 1995 being the date to which the Company's latest unaudited interim financial statement is made up.

12. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, which are, or may be, material have been entered into by members of the Tottenham Hotspur Group within the two years immediately preceding the date of publication of this document:

- (i) a construction contract dated 4 August 1994 between the Club and John Mowlem Construction plc ("Mowlem") whereby Mowlem agreed to carry out the demolition and construction of a new South Stand at the Club's ground incorporating seating on two tiers and basic amenities in consideration of payment by the Club of £7,563,605.89.
- (ii) the underwriting agreement referred to in paragraph 13 below.

13. UNDERWRITING AGREEMENT

The Company and Henry Ansbacher have entered into an underwriting agreement dated 24 April 1996 under which Henry Ansbacher has agreed to endeavour to procure subscribers for, or failing which itself to subscribe, New Ordinary Shares not taken up under the Rights Issue (less the number of placing shares in respect of which Henry Ansbacher procures binding written subscription commitments from places pursuant to a placing agreement dated 24 April 1996 between Henry Ansbacher and Amshold Limited) ("Sub-underwritten Shares"). In consideration of its services under the agreement, Henry Ansbacher will be paid a commission equal to 0.75 per cent of the total issue price of the New Ordinary Shares together with a further commission of 1.25 per cent of the total issue price of the Sub-underwritten Shares. Out of such commission Henry Ansbacher will pay sub-underwriting commissions and a commission to Collins Stewart & Co. The Company will pay all other costs, charges and expenses of, or incidental to, the issue of the New Ordinary Shares, including the fees of the London Stock Exchange.

The Underwriting Agreement, which contains certain representations, warranties and indemnities by the Company in favour of Henry Ansbacher, is conditional, *inter alia*, on the admission of the New Ordinary Shares to the Official List becoming effective on or before 25 April 1996.

14. LITIGATION

There are no legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have or have had in the last 12 months a significant effect on the Tottenham Hotspur Group's financial position.

15. ORDINARY SHARE PRICES

The following table shows the middle market closing quotations for the Ordinary Shares on the first business day of each month from November 1995 to April 1996 inclusive, as derived from the Daily Official List of the London Stock Exchange, and on 23 April 1996 (being the latest practicable date prior to the publication of this document).

Date	Price
1 November 1995	198p
1 December 1995	219p
2 January 1996	234p
1 February 1996	254p
1 March 1996	339p
1 April 1996	323p
23 April 1996	310p

16. DIRECTORS' SERVICE AGREEMENTS AND DIRECTORS' EMOLUMENTS

- (i) The aggregate of the remuneration paid or payable, including pension contributions and benefits in kind granted to the Directors by the Company and any member of the Tottenham Hotspur Group during the year ended 31 May 1995, was £322,698.
- (ii) The following service contract has been entered into between a Director and a member of the Tottenham Hotspur Group:

By a letter of appointment dated 20 September 1995, Mr C T Sandy was appointed as a non-executive Director of the Company. The appointment is terminable on 18 October 1997 and Mr C T Sandy receives a fee of £10,000 plus VAT per annum. The fee in respect of Mr C T Sandy's appointment is paid to Amshold Limited, a company owned by Mr A M Sugar.

There are no other service contracts with Directors with a notice period of one year or more or with provision for predetermined compensation on termination of an amount which exceeds one year's salary and benefits in kind.

17. MISCELLANEOUS

- (i) The auditors of the Company, Touche Ross & Co (which changed its name to Deloitte and Touche with effect from 1 February 1996), Chartered Accountants and Registered Auditors, of Hill House, 1 Little New Street, London, EC4A 3TR have audited the consolidated accounts of the Company for the three financial years ended 31 May 1995 and have given unqualified audit reports within the meaning of section 271 of the Act and made no statement under section 237(2) or 237(3) of the Act.
- (ii) The Ordinary Shares are listed on the London Stock Exchange and application has been made to the London Stock Exchange for the New Ordinary Shares to be admitted to the Official List. It is expected that admission will become effective and that dealings in the New Ordinary Shares, nil paid, will commence on 25 April 1996.
- (iii) The provisions of section 89(1) of the Act (to the extent not disapplied pursuant to section 95 of the Act) confer on shareholders rights of pre-emption in respect of the allotment of equity securities (as defined in section 94(2) of the Act) which are, or are to be, paid up in cash.
- (iv) By an ordinary resolution passed on 20 September, 1995, the Directors were authorised generally and unconditionally to allot relevant securities (as defined in section 80 of the Act) up to a maximum nominal amount of £1,409,921, such authority expiring 15 months from the date of the resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company in 1996. By a special resolution passed on 20 September, 1995, the Directors were authorised to allot equity securities (within the meaning of section 94 of the Act) for cash pursuant to the authority conferred by such ordinary resolution as if section 89(1) of the Act did not apply to any such allotment, provided that the power be limited (i) to the allotment of equity securities in connection with a rights issue in favour of shareholders (notwithstanding that by reason of such exclusions as the Directors might deem necessary to deal with problems arising in any overseas territory, in connection with fractional entitlements or otherwise, the equity securities to be issued might not be offered to all such shareholders in proportion to the number of Ordinary Shares held by them); and (ii) to the allotment (otherwise than pursuant to (i) above) for cash to any person or persons of equity securities up to an aggregate maximum nominal amount of £200,238, such authority expiring 15 months from the date of the resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company in 1996.
- (v) Under the Rights Issue, the Directors have provisionally allotted 4,004,763 New Ordinary Shares of 25p each to shareholders as described in this document.
- (vi) The Ordinary Shares are, and the New Ordinary Shares will be, in registered form and freely transferable.
- (vii) The issue premium per New Ordinary Share at the subscription price of 280p is 255p over the nominal value of 25p.
- (viii) The Rights Issue is being fully underwritten by Henry Ansbacher of One Mitre Square, London, EC3A 5AN.
- (ix) The registrars and receiving bank of the Company are Independent Registrars Group Limited of Balfour House, 390/398 High Road, Ilford, Essex, IG1 1NQ.
- (x) The expenses of, or incidental to, the Rights Issue (including underwriting commissions of approximately £154,000) are payable by the Company and are estimated to amount to approximately £355,000 (exclusive of Value Added Tax).
- (xi) There are no arrangements in place under which future dividends are waived or agreed to be waived.
- (xii) None of the New Ordinary Shares will be sold or will be available in whole or in part to the public in conjunction with the application for admission to the Official List except pursuant to the Rights Issue.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company and at the offices of Herbert Smith, Exchange House, Primrose Street, London, EC2A 2HS during normal business hours on any week day (excluding Saturdays and public holidays) until Wednesday, 15 May 1996:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the material contracts referred to in paragraph 12 above;
- (c) the Director's service contract referred to in paragraph 16 above; and
- (d) the audited consolidated accounts of the Tottenham Hotspur Group for each of the two financial years ended on 31 May 1995 and the interim results for the six months ended 30 November 1995.

