



17th April 2015

Dear Shareholder,

I am very pleased to report that we successfully completed the acquisition of Consort Group (www.theconsortgroup.co.uk) on Friday 10th April and introduced BGF (www.Businessgrowthfund.co.uk) as a strategic investor into the Group. I have attached the press release which provides more information on Consort, BGF and the acquisition.

The board of the Rethink Group believes that this is an important step in our journey to create a leading Talent Management and Recruitment services group and realise value for all shareholders. I look forward to writing to you again as the Group's development progresses.

Yours sincerely,

John O'Sullivan
Chairman

Rethink Group boosts expertise in Talent Management sector with Consort acquisition

14 April, 2015: Rethink Group, the international recruitment and Talent Management (TM) specialist is set to boost its TM offering through the acquisition of Consort Group, a TM and recruitment process outsourcing business, headquartered in London.

BGF (Business Growth Fund), the UK's largest provider of growth capital, has invested £2.5m in Rethink to facilitate this acquisition and anticipates further funding to support strategic acquisitions and organic growth in the company.

Rethink specialises in both traditional recruitment and TM services. The demand for TM and recruitment process outsourcing services is expected to outpace growth in the broader recruitment sector as customers increasingly seek longer-term, strategic relationships with their talent partners. Rethink is now ideally placed to gain market share as the sector continues to evolve.

Rethink works with large corporates including Skype and Admin Re.

The combined business is expected to generate revenues in excess of £130m in the year ending December 2015 and will employ over 200 people across the group.

The strategic acquisition of Consort, a complementary TM business, will significantly boost Rethink's service offering in this growing market. Consort specialises in the financial services and retail sectors and the acquisition will extend Rethink's TM expertise and enable it to provide Consort's service offering to its client base, as well as offering its own established TM offering to Consort's clients.

Further growth in Rethink is anticipated organically and through further selective acquisitions, a number of which have already been identified by the company and that BGF could finance in the future.

Rethink was founded in 2005 by the senior team of Best International Group, a recruitment business built to £130m turnover in 18 months and sold to Spring Group in 2003. Rethink floated on AIM in 2008 before delisting in 2014 to seek alternative forms of financing for growth. Rethink's other significant acquisition was Irish and Singapore based Berkley Group, in 2011.

Rethink's TM division has long-term relationships with major clients and offers a range of services including employer branding and attraction, talent pooling and management, on-boarding, performance management, managed services and recruitment process outsourcing solutions.

Its recruitment division focuses on the business & technology and life sciences & pharma sectors, servicing clients across the UK and Ireland and has international operations in Singapore, Dubai, Australia and the US.

Joe Wilson will join the Rethink Board as a Non-Executive Director on behalf of BGF.

Stephen Wright, CEO, Rethink Group said: “The newly enlarged Rethink Group now has greater critical mass in the TM sector where we are seeing significant and exciting growth prospects. Having delisted from AIM, we were keen to engage with an equity investor that could allow us to retain control of our business but also provide us with the necessary capital for expansion of the Group, of which Consort is the first acquisition under our new strategy. Recruitment and TM is very much a people orientated business and I think this chimes with the BGF approach to investing. We were attracted by BGF’s ability to make follow-on investments and their capacity to support Rethink Group more broadly as a private company.”

Joe Wilson, BGF said: “This is a fantastic opportunity to back Rethink in the continued evolution of its business model from an open market recruitment business to a leading talent management firm. What a funder wants to see in any potential acquisition is a strong cultural fit, clear financial rationale and a shared vision for growth. Rethink’s acquisition of Consort has all of these qualities and we are delighted to be part of the future growth story of the enlarged group.”

The investment was led for BGF by Joe Wilson, Mark Nunny and Alistair Brew.

The advisers to the transaction were:

For Rethink Group:

Legal: Osborne Clarke LLP

Tax: BDO LLP

For BGF:

Legal: Colley (UK) LLP

Financial Due Diligence: BDO LLP

Notes to editors:

About Business Growth Fund:

Business Growth Fund has been established to help Britain’s growing businesses. Growth potential is the key criteria. BGF will invest between £2m and £10m per business in return for a minority equity stake and a seat on the board for a BGF director. BGF will provide long-term equity investment for those growing companies that today do not have access to this source of capital. As such BGF hopes to be a catalyst for growth among smaller UK companies.

BGF is an independent company with capital of up to £2.5 billion, backed by five of the UK’s main banking groups - Barclays, HSBC, Lloyds, RBS, and Standard Chartered. BGF is managed completely autonomously with an independent management team.

www.bgf.co.uk