

## AIM SCHEDULE 1 – PRE-ADMISSION ANNOUNCEMENT

Please forward this form to [aimregulation@londonstockexchange.com](mailto:aimregulation@londonstockexchange.com)  
In the case of queries please contact AIM on +44 (0) 20 7797 4154

ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH AIM RULE 2
<b>ALL APPLICANTS MUST COMPLETE THE FOLLOWING:</b>
COMPANY NAME:
The Character Group plc
COMPANY ADDRESS:
Registered Office: 4 Chiswell Street London
COMPANY POSTCODE:
EC1Y 4UP
COUNTRY OF INCORPORATION:
England
COMPANY BUSINESS OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTMENT STRATEGY TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (J) OF THE AIM RULES:
The Character Group plc is engaged in the design, development and international distribution of toys, games, gifts and digital cameras.
DETAILS OF SECURITIES TO BE ADMITTED (i.e. where known, number of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares):
52,827,909 ordinary shares of 5 pence each
CAPITAL TO BE RAISED ON ADMISSION:
Nil
FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS:
Richard King ( <i>Chairman and Joint Managing Director</i> ) Kirankumar Premchand Shah ( <i>Group Finance Director and Joint Managing Director</i> ) Joseph John Patrick Kissane ( <i>Managing Director – Character Options Limited</i> ) Jonathan James Diver ( <i>Group Marketing Director</i> ) Ian Stanley Fenn ( <i>Senior Non-Executive Director</i> ) Lord Birdwood ( <i>Non-Executive Director</i> ) Aldo Horvat ( <i>Non-Executive Director</i> ) David Harris ( <i>Non-Executive Director</i> )
PERSON(S) INTERESTED IN 3% OR MORE OF THE ISSUER'S CAPITAL, EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL BEFORE AND AFTER ADMISSION:
<b><u>Before Admission</u></b>
Giochi Preziosi S.p.A 22.50% Sarissa Holdings Limited** 10.64% Mittel Generale Investments S.p.A 10.05% R King 5.94% Cedarberg Investments Limited* 3.57% TOPS Pension Scheme*** 3.27% J J Diver 3.20% Sweet Briar Investments Limited 3.17%

**After Admission**

Giochi Preziosi S.p.A 22.50%  
Sarissa Holdings Limited\*\* 10.64%  
Mittel Generale Investments S.p.A 10.05%  
R King 5.94%  
Cedarberg Investments Limited\* 3.57%  
TOPS Pension Scheme\*\*\* 3.27%  
J J Diver 3.20%  
Sweet Briar Investments Limited 3.17%

\*R King has a beneficial interest

\*\*K P Shah has a beneficial interest

\*\*\*Each of R.King, K P Shah and J J Diver is a trustee and a beneficiary under such pension scheme arrangements.

**NAMES AND ADDRESSES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES:**

N/A

**ANTICIPATED ACCOUNTING REFERENCE DATE:**

31 August

**EXPECTED ADMISSION DATE:**

**30 December 2005**

**NAME AND ADDRESS OF NOMINATED ADVISER:**

Collins Stewart Limited  
9<sup>th</sup> Floor  
88 Wood Street  
London EC2V 7QR

**NAME AND ADDRESS OF BROKER:**

Collins Stewart Limited  
9<sup>th</sup> Floor  
88 Wood Street  
London EC2V 7QR

**DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES:**

Full details about the applicant and the admission of its securities is available from:

[www.thecharacter.com](http://www.thecharacter.com)

**DATE OF NOTIFICATION:**

**1 December 2005**

NEW/ UPDATE (see note):

**UPDATE**

**QUOTED APPLICANTS MUST ALSO COMPLETE THE FOLLOWING:**

**THE NAME OF THE AIM DESIGNATED MARKET UPON WHICH THE APPLICANT'S SECURITIES HAVE BEEN TRADED:**

Official List

**THE DATE FROM WHICH THE APPLICANT'S SECURITIES HAVE BEEN SO TRADED:**

22 June 1995

**CONFIRMATION THAT, FOLLOWING DUE AND CAREFUL ENQUIRY, THE APPLICANT HAS ADHERED TO ANY LEGAL AND REGULATORY REQUIREMENTS INVOLVED IN HAVING ITS SECURITIES TRADED UPON SUCH A MARKET:**

The Directors of The Character Group plc confirm that, following due and careful enquiry, the Company has adhered to the legal and regulatory requirements involved in having its securities traded on the Official List

**AN ADDRESS OR WEB-SITE ADDRESS WHERE ANY DOCUMENTS OR**

ANNOUNCEMENTS WHICH THE APPLICANT HAS MADE PUBLIC OVER THE LAST TWO YEARS (IN CONSEQUENCE OF HAVING ITS SECURITIES SO TRADED) ARE AVAILABLE:
<a href="http://www.thecharacter.com">www.thecharacter.com</a>
DETAILS OF THE APPLICANT'S STRATEGY FOLLOWING ADMISSION INCLUDING, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTMENT STRATEGY:
<p>The Group will continue to build its Toys, Games and Gifts division organically in the UK as well as in overseas territories.</p> <p>The Digital division shall concentrate on designing, developing and supplying digital cameras to customers worldwide.</p> <p>The Group will consider acquisitions where these complement the existing business and strengthen international sales.</p> <p>The Board is considering the possible de-merger of its Digital business, carried on by World Wide Licenses Limited ("WWL"), and simultaneously seeking an Admission to trading on AIM for WWL's shares, or of any entity formed for the purpose, in their own right.</p>
A DESCRIPTION OF ANY SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION OF THE APPLICANT, WHICH HAS OCCURRED SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH AUDITED STATEMENTS HAVE BEEN PUBLISHED:
Other than the positive trading update announced on 29 November 2005, there has been no significant change in financial or trading position of the Company, which has occurred since 31 August 2005.
A STATEMENT THAT THE DIRECTORS OF THE APPLICANT HAVE NO REASON TO BELIEVE THAT THE WORKING CAPITAL AVAILABLE TO IT OR ITS GROUP WILL BE INSUFFICIENT FOR AT LEAST TWELVE MONTHS FROM THE DATE OF ITS ADMISSION:
The Directors of The Character Group plc have no reason to believe that the working capital available to it or its group will be insufficient for at least twelve months from the date of its Admission.
DETAILS OF ANY LOCK-IN ARRANGEMENTS PURSUANT TO RULE 7 OF THE AIM RULES:
None
A BRIEF DESCRIPTION OF THE ARRANGEMENTS FOR SETTLING THE APPLICANT'S SECURITIES:
SEAQ/CREST
A WEBSITE ADDRESS DETAILING THE RIGHTS ATTACHING TO THE APPLICANT'S SECURITIES:
<a href="http://www.thecharacter.com">www.thecharacter.com</a>
INFORMATION EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT WHICH IS NOT CURRENTLY PUBLIC:
Additional information may be found at <a href="http://www.thecharacter.com">www.thecharacter.com</a>
A WEBSITE ADDRESS OF A PAGE CONTAINING THE APPLICANT'S LATEST ANNUAL REPORT AND ACCOUNTS WHICH MUST HAVE A FINANCIAL YEAR END NOT MORE THEN NINE MONTHS PRIOR TO ADMISSION AND FULLY AUDITED INTERIM RESULTS WHERE APPLICABLE. THE ACCOUNTS MUST BE PREPARED ACCORDING TO UK OR US GAAP OR INTERNATIONAL ACCOUNTING STANDARDS:
<a href="http://www.thecharacter.com">www.thecharacter.com</a>
The Report and accounts of the Group for the year ended 31 August 2005 are available for viewing on the Company's website.
THE NUMBER OF EACH CLASS OF SECURITIES HELD IN TREASURY:
None

Note: THIS FIELD SHOULD INDICATE THAT THE ANNOUNCEMENT IS 'NEW' AND ALL RELEVANT FIELDS SHOULD BE COMPLETED. OTHERWISE WHERE THE FORM IS

REQUIRED TO BE COMPLETED IN RESPECT OF AN 'UPDATE' ANNOUNCEMENT, THIS SHOULD BE INDICATED. IN SUCH CASES, ALL THE ORIGINAL INFORMATION SHOULD BE INCLUDED WITH ANY AMENDED FIELDS **EMBOLDENED**.