

Company number: 05255086 (the “Company”)

CIRCULAR TO SHAREHOLDERS AND NOTICE OF GENERAL MEETING

Part 1—Letter from the Chairman

Dear Shareholder

The Company is seeking the approval of its shareholders (the **Shareholders**) to re-register from a public company to a private limited company (the **Re-Registration**).

The purpose of this document is to convene a general meeting at which the resolution to re-register will be proposed (the **General Meeting**), and to provide you with a background to the proposed Re-Registration.

The Re-Registration

Public companies are subject to more extensive administrative requirements than private companies, including the requirement for an annual audit, and they are not permitted to use several simplified procedures under the Companies Act 2006 (the **CA 2006**) that private companies benefit from.

Consequently, the directors of the Company have decided to re-register the Company as a private company because we consider that the administrative burden involved with being a public company outweighs the benefits, and in particular at this stage of the Company’s life, whilst we are re-building the profitability of the Company, having suffered the loss of significant revenue from the NHS. It is important to your Board that we concentrate on minimising expenses, and accordingly the annual cost of an audit at approximately £16,000 p.a. is considered too much to pay and out of balance with the current revenue of the Company.

The recent approval by Shareholders to withdraw from the ISDX Growth Market has already enabled the Company to make considerable cost savings so together with the re-registration this increases our opportunity for further cost reductions going forward.

In order to re-register as a private limited company the Shareholders must pass a special resolution approving the Re-Registration. The General Meeting is being convened for that purpose.

Adoption of new articles of association

As part of the Re-Registration, the directors propose to adopt new articles of association to replace the Company's existing articles of association with effect from Re-Registration. A separate resolution is proposed for this purpose. The reason for adopting new articles of association is to ensure that they (a) are updated in line with the Companies Act 2006 (the current Articles date back to 2004), (b) are appropriate for a private company and (c) can take advantage of some of the simplified procedures available to private companies.

The City Code on Takeovers and Mergers

The City Code on Takeovers and Mergers (the **Code**) currently applies to the Company. The Code does not generally apply to private companies, other than in certain limited circumstances, which do in fact apply to the Company. This is due to sections 3(a)(ii)(A) to (C) of the Introduction to the Code, which are applicable as:

(A) the Company's securities have been admitted to trading on a regulated market (i.e. ISDX) or a multilateral trading facility in the United Kingdom during the 10 years prior to the date of the proposed Re-Registration; or

(B) dealings and/or prices at which persons were willing to deal in any of the Company's securities will have been published on a regular basis for a continuous period of at least six months in the 10 years prior to the date of the proposed Re-Registration, via the Asset Match market (which is an electronic price quotation system for the purposes of the Code); and

(C) some of the Company's securities have been subject to a marketing arrangement as described in section 693(3)(b) of the Act at any time during the 10 years prior to the date of the proposed Re-Registration.

Shareholders should note that, if the resolution to re-register the Company as a private company becomes effective, they will however still continue to receive the protections afforded by the Code in the event that there is a subsequent offer to acquire their shares.

In the event that any of the Conditions cease to be applicable, i.e. essentially if shares in the Company cease to be able to be traded on the Asset Match market or any equivalent market, then the Code will automatically cease to apply to the Company 10 years from such date, depending on the provisions of the Code at the relevant time.

[Brief details of the Takeover Panel (the **Panel**), the Code and the protections given by the Code are described below. **Before giving your consent to the Re-Registration, you may want to take independent professional advice from an appropriate independent financial adviser.**

The Code

The Code is issued and administered by the Panel. The Company is a company to which the Code applies and its Shareholders are accordingly entitled to the protections afforded by the Code.

The Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatments by an offeror. The Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

The General Principles and Rules of the Code

The Code is based upon a number of General Principles which are essentially standards of commercial behaviour. For your information, these General Principles are set out in Part 1 of the Appendix. The General Principles apply to all transactions with which the Code is concerned. They are expressed in broad general terms and the Code does not define the precise extent of, or the limitations on, their application. They are applied by the Panel in accordance with their spirit to achieve their underlying purpose.

In addition to the General Principles, the Code contains a series of Rules, of which some are effectively expansions of the General Principles and examples of their application and others are provisions governing specific aspects of takeover procedure. Although most of the Rules are expressed in more detailed language than the General Principles, they are not framed in technical language and, like the General Principles, are to

be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as their letter. The Panel may derogate or grant a waiver to a person from the application of a Rule in certain circumstances.

Giving up the protection of the Code

A summary of key points regarding the application of the Code to takeovers generally is set out in Part 2 of the Appendix. **You are encouraged to read this information carefully as it outlines certain important protections which you will be giving up if you agree to the re-registration of the Company as a private company AND the Code ceases to apply as described above. Such cessation would however not occur for 10 years from the date that a trading facility is not available to the Shareholders. The Board wishes to include this information for the sake of ensuring that you are fully informed in relation to present and possible future ramifications of Re-Registration.**

General Meeting

The notice convening the General Meeting is set out on page 4 of this document. The General Meeting is to be convened at 10am on Thursday 28 July 2016 at the Company offices at Unit 1, Rivermead, Pipers Way, Thatcham, Berkshire, RG19 4EP at which the Re-Registration resolution and associated resolutions will be proposed.

If these resolutions are passed by the Shareholders at the General Meeting, and there are no objections to the re-registration, it is anticipated that the Company will be re-registered as a private company with effect from 1 September 2016.

Action to be taken

Enclosed with this document is a form of proxy. Whether or not you propose to attend the General Meeting personally, you are urged to complete and return the form of proxy in accordance with the instructions printed on the form as soon as possible. To be valid, a completed form of proxy must be received by the Company Secretary at the Company's registered office address at Unit 1, Rivermead, Pipers Way, Thatcham, Berkshire, RG19 4EP by no later than 10am BST on 26 July 2016. Completion of a form of proxy will not preclude you from attending and voting at the General Meeting in person should you wish to do so.

Yours faithfully,

John French

Chairman

Tel: 07836 722482

Part 2—Notice of general meeting

NOTICE is given that a general meeting of the Company will be held at 10am on Thursday 28 July 2016 at the Company offices at Unit 1, Rivermead, Pipers Way, Thatcham, Berkshire, RG19 4EP for the following purposes:

SPECIAL RESOLUTIONS

To consider and, if thought fit, approve the following resolutions that will be proposed as special resolutions:

- 1 THAT the Company be re-registered as a private limited company (the **Re-Registration**).
- 2 THAT, subject to the passing of Resolution 1 above, and conditional upon the Re-Registration becoming effective, the draft new articles of association of the Company in the form produced to the General Meeting and signed by the Chairman for the purpose of identification be adopted as the articles of association of the Company in substitution for the existing articles of association.

By order of the Board

Stephen Coke, Company Secretary

Unit 1 Rivermead, Pipers Way, Thatcham, Berkshire, RG19 4EP
Company number: 05255086

27 June 2016

NOTES:

- 1 A shareholder is entitled to appoint another person as that shareholder's proxy to exercise all or any of that shareholder's rights to attend and to speak and vote at the meeting. A shareholder may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy does not need to be a shareholder of the Company.
- 2 A form of proxy is enclosed with this notice. Completion and return of the form of proxy will not prevent a shareholder from attending and voting in person at the meeting. To be effective, the instrument appointing a proxy and any authority under which it is executed (or a notarially certified copy of such authority) must be lodged with the Company at Unit 1 Rivermead, Pipers Way, Thatcham, Berkshire, RG19 4EP not later than 10am BST on 26 July 2016.

Appendix

The General Principles of the Code

- 1 All holders of the securities of an offeree company of the same class must be afforded equivalent treatment; moreover, if a person acquires control of a company, the other holders of securities must be protected.
- 2 The holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the bid; where it advises the holders of the securities, the board of the offeree company must give its views on the effects of implementation of the bid on employment, conditions of employment and the locations of the company's place of business.
- 3 The board of an offeree company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the bid.
- 4 False markets must not be created in the securities of the offeree company, of the offeror company or of any other company concerned by the bid in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted.
- 5 An offeror must announce a bid only after ensuring that he/she can fulfil in full any cash consideration, if such is offered, and after taking all reasonable measures to secure the implementation of any other type of consideration.
- 6 An offeree company must not be hindered in the conduct of its affairs for longer than is reasonable by a bid for its securities.

Detailed application of the Code

The following is a summary of key provisions of the Code which apply to transactions to which the Code applies. **You should note that, by agreeing to the re-registration of the Company as a private company AND in the event that the Code ceases to apply as described above you will be giving up the protections afforded by the Code. Such cessation would however not occur for 10 years from the date that a trading facility is not available to the Shareholders. The Board wishes to include this information for the sake of ensuring that you are fully informed in relation to present and possible future ramifications of Re-Registration.**

Equality of treatment

General Principle 1 of the Code states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment. Furthermore, Rule 16 requires that, except with the consent of the Panel, special arrangements may not be made with certain shareholders in the Company if there are favourable conditions attached which are not being extended to all shareholders.

Information to shareholders

General Principle 2 requires that holders of securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on a bid. Consequently, a document setting out full details of an offer must be sent to the offeree company's shareholders.

The opinion of the offeree board and independent advice

The board of the offeree company is required by Rule 3.1 of the Code to obtain competent independent advice on an offer and the substance of such advice must be made known to its shareholders. Rule 25.1 requires that the board of the offeree company must send to the offeree company's shareholders and persons with information rights its opinion on the offer and its reasons for forming that opinion. That opinion must include the board's views on: the effects of implementation of the offer on all the company's interests, including, specifically, employment; and on the offeror's strategic plans for the offeree company and their likely repercussions on employment and the locations of the offeree company's places of business.

The circular from the offeree company must also deal with other matters such as interests and recent dealings in the securities of the offeror and the offeree company by relevant parties and whether the directors of the offeree company intend to accept or reject the offer in respect of their own beneficial shareholdings.

Rule 20.1 states that information about the companies involved in the offer must be made equally available to all offeree company shareholders as nearly as possible at the same time and in the same manner.