THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), who specialises in advising on the acquisition of shares and other securities.

If you have sold or transferred all of your registered holding of Ordinary Shares, you should forward this document, together with the accompanying form of proxy, immediately to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Ordinary Shares are admitted to trading on AIM. Conditional upon completion of the Placing, an application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that admission to trading on AIM and dealings in the New Ordinary Shares will occur on 15 June 2015.

The Company and the Directors, whose names are set out on page 2, accept responsibility, both collectively and individually, 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.

Publishing Technology PLC  
(Incorporated and registered in England and Wales no.00837205)  
Proposed Placing of up to 7,500,000 Placing Shares  
at 120 pence per share to raise £9.0 million  
Offer of up to 833,333 Offer Shares at 120 pence per share to raise £1.0 million  
Notice of General Meeting

This document does not constitute a public offer of securities and accordingly is not a prospectus, neither does it constitute an admission document drawn up in accordance with the AIM Rules. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the “Securities Act”) or qualified for sale under the laws of any state of the United States or under the applicable laws of any of Canada, Australia, the Republic of Ireland, South Africa or Japan and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the Securities Act) or to any national, resident or citizen of Canada, Australia, the Republic of Ireland, South Africa or Japan. The distribution of this document in other jurisdictions may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this document may not be distributed, directly or indirectly in or into the United States, Canada, the Republic of Ireland, South Africa Australia or Japan. Overseas Shareholders and any person (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

Notice of a General Meeting of Publishing Technology PLC to be held on 12 June 2015 at 10.00am is set out at the end of this document. Whether or not you intend to be present at the General Meeting you are urged to complete and return the Form of Proxy, in accordance with the instructions printed thereon, so as to arrive as soon as possible and in any event by no later than 10.00am on 10 June 2015. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

Cenkos Securities Plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the proposed Placing and Offer and Admission and is not acting for any other person nor will otherwise be responsible to any person for providing the protections afforded to customers of Cenkos, or for advising any other person in respect of the proposed Placing and Offer or Admission. Cenkos’ responsibilities as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire Ordinary Shares in the Company in reliance on any part of this document. No representation, express or implied, is made by Cenkos as to any of the contents of this document (without limiting the statutory rights of any person to whom this document is issued). Cenkos has not approved the contents of, or any part of, this document and no liability whatsoever is accepted by Cenkos for the accuracy of any information or opinions contained in this document of for the omission of any information.
DIRECTORS AND ADVISORS

Directors
- Martyn Rose (Non-Executive Chairman)
- Michael Cairns (Chief Executive Officer)
- Alan Moug (Chief Financial Officer)
- Mark Rowse (Non-executive director)

Company Secretary
- Alan Moug

Nominated adviser and broker
- Cenkos Securities plc
  6.7.8 Tokenhouse Yard
  London
  EC2R 7AS

Legal advisers to the Company
- Memery Crystal LLP
  44 Southampton Buildings
  London WC2A 1AP

Legal advisers to Cenkos Securities
- Brabners LLP
  55 King Street
  Manchester
  M2 4LQ

Receiving Agent
- Capita Asset Services
- Corporate Actions
- The Registry
- 34 Beckenham Road
- Beckenham
- Kent BR3 4TU

Registrar
- Capita Asset Services
- The Registry
- 34 Beckenham Road
- Beckenham
- Kent BR3 4TU
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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Offer Record Date 22 May 2015
Announcement of the Placing and Offer date of this document and posting of the Application Form 26 May 2015
Return of proxy by 10.00 a.m. on 10 June 2015
General Meeting of Shareholders 10.00 a.m. on 12 June 2015
Latest time and date for receipt of completed Application Forms and payment in full under the Offer 11.00 a.m. 11 June 2015
Expected date of announcement of the result of the Offer via Regulatory Information Service 12 June 2015
Allotment and Issue of EIS Placing Shares after 5.00 p.m. on 12 June 2015
Allotment of New Ordinary Shares (other than the EIS Placing Shares) before 8.00 a.m. on 15 June 2015
Admission and dealings in the Placing Shares expected to commence on AIM 8.00 a.m. 15 June 2015
CREST accounts expected to be credited for the Placing Shares in uncertificated form 15 June 2015
Admission and dealings in the Offer Shares expected to commence on AIM 8.00 a.m. on 15 June 2015
CREST accounts expected to be credited for the Offer Shares in uncertificated form as soon as practicable after 8.00 a.m. on 15 June 2015
Expected date for posting of share certificates for the Offer in certificated form pursuant to the Offer by 29 June 2015

Notes:
(1) References to times in this document are to London time (unless otherwise stated).
(2) The dates and timing of the events in the above timetable and in the rest of this document are indicative only and may be subject to change.
(3) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement through an RNS.
### KEY STATISTICS

#### PLACING & OFFER STATISTICS

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue price of each Placing Share</td>
<td>120 pence</td>
</tr>
<tr>
<td>Number of Placing Shares</td>
<td>7,500,000</td>
</tr>
<tr>
<td>Estimated net proceeds receivable by the Company</td>
<td>£8.5 million</td>
</tr>
<tr>
<td>Issue price of each Offer Share</td>
<td>120 pence</td>
</tr>
<tr>
<td>Maximum number of Offer Shares</td>
<td>833,333</td>
</tr>
<tr>
<td>Gross proceeds from the Offer(^1)</td>
<td>£1,000,000</td>
</tr>
<tr>
<td>Enlarged issued share capital following the Placing and Offer(^2)</td>
<td>16,746,943</td>
</tr>
<tr>
<td>New Ordinary Shares as a percentage of the Enlarged Share Capital(^2)</td>
<td>49.8%</td>
</tr>
<tr>
<td>Market capitalisation of the Company immediately following the Placing and Offer at the Issue Price(^1)</td>
<td>£20.1m</td>
</tr>
</tbody>
</table>

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1. Assuming that the Offer is fully subscribed.
2. Assuming that the Offer is fully subscribed and the issue of all Placing Shares.
The following definitions apply throughout this document, unless the context otherwise requires:

“Act” the Companies Act 2006 (as amended from time to time)

“Admission” admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules

“AIM” the market of that name operated by London Stock Exchange

“AIM Rules” the rules for companies with a class of securities admitted to AIM and their nominated advisers governing the admission to and operation of AIM as published by London Stock Exchange from time to time

“Application Form” an application form enclosed with this document for use by Qualifying Shareholders in connection with the Offer;

“Business Day” a day not being a Saturday or a Sunday or a bank or public holiday in England on which clearing banks are open for business in the City of London

“Capita Asset Services” a trading name of Capita Registrars Limited, registrars and receiving agent to the Company;

“Cenkos” Cenkos Securities Plc, nominated adviser and broker to the Placing and Offer

“Company” or “Publishing Technology” Publishing Technology PLC

“CREST” the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertificated form which is administered by Euroclear UK & Ireland Limited;

“CREST Manual” the rules governing the operation of CREST consisting of the CREST Reference Manual, the CREST International Manual, the CREST Central Counterpart Service Manual, the CREST Rules, the CCSS Operations Manual, the Daily Timetable, the CREST Application Procedures and the CREST Glossary of Terms (as updated in November 2001);

“CREST Member” a person who has been admitted to CREST as a system-member (as defined in the CREST manual);

“CREST member account ID” the identification code or number attached to a member account in CREST;

“CREST participant” a person who is, in relation to CREST, a system-participant (as defined in the CREST regulations);

“CREST participant ID” shall have the meaning given in the CREST Manual issued by Euroclear;

“CREST payment” shall have the meaning given in the CREST Manual issued by Euroclear;

“CREST Regulations” the Uncertificated Securities Regulations 2001 (as amended) (SI 2001/3755)

“CREST sponsor” a CREST participant admitted to CREST as a CREST sponsor;

“CREST sponsored member” a CREST member admitted to CREST as a sponsored member;

“Directors” or “the Board” the directors of Publishing Technology whose names are set out on page 2 of this document;

“EIS” the Enterprise Incentive Scheme under Part 5 of the Income Tax Act 2007

“EIS Placing Shares” 262,084 New Ordinary Shares that the Board has allocated to receive EIS relief
“Euroclear” Euroclear UK & Ireland Limited, the operator of CREST
“Group” the Company, its subsidiaries and its subsidiary undertakings
“General Meeting” the meeting to be held at 10.00 a.m. on 12 June 2015 at the Company’s offices, 8100 Alec Issigonis Way, Oxford, OX4 2HU
“Issue Price” the price of 120 pence per New Ordinary Share
“Loan Note” a £1.5 million loan note held by a trust of which Martyn Rose (Chairman) is a trustee
“London Stock Exchange” London Stock Exchange plc, its subsidiaries and its subsidiary undertakings
“New Ordinary Shares” the new Ordinary Shares to be issued and allotted conditional on Admission (save for the EIS Shares) pursuant to the Placing and the Offer
“Offer” the Offer to Shareholders, constituting an invitation to apply for the Offer Shares on the terms and subject to the conditions set out in this document and in the Application Form
“Offer Maximum” the aggregate maximum subscription under the Offer of £1,000,000
“Offer Record Date” the record date in relation to the Offer, being 5.00 p.m. on 22 May 2015
“Offer Shares” up to 833,333 New Ordinary Shares which are subject of the Offer
“Ordinary Shares” ordinary shares of 10 pence each in the capital of the Company
“Overseas Shareholder” any Shareholder resident in any jurisdiction (including the Restricted Jurisdiction) other than the UK
“Placees” subscribers for Placing Shares pursuant to the Placing Agreement
“Placing” the conditional placing of the Placing Shares to the Placees pursuant to the Placing Agreement announced by the Company on 26 May 2015
“Placing Agreement” the conditional agreement dated 25 May 2015 between the Company and Cenkos relating to the Placing, details of which are set out in this document
“Placing Shares” the 7,500,000 New Ordinary Shares to be issued, conditional on Admission, in connection with the Placing
“Proposals” the proposed Placing and Offer
“Prospectus Rules” the Prospectus Rules published by the FCA
“Qualifying Shareholders” Shareholders whose Ordinary Shares are on the register of members of the Company at the close of business on the Record Date with the exclusion (subject to exemptions) of persons with a registered address or located or resident in the Restricted jurisdictions
“Registrar” Capita Asset Services
“Receiving Agent” Capita Asset Services
“Restricted Jurisdictions” each and any of Australia, Canada, Japan, the Republic of Ireland, United States, the Republic of South Africa and New Zealand
“Shareholders” holders of Ordinary Shares
“UK” or “United Kingdom” the United Kingdom of Great Britain and Northern Ireland
“US” the United States of America, each state thereof, its territories and possessions, and all areas subject to its jurisdiction
“Use” unmatched stock event
“£” and “p” pounds and pence sterling, respectively, the lawful currency of the United Kingdom
PART I

Letter from the Chairman

Publishing Technology PLC

(Registered in England no. 00837205)

Registered Office
8100 Alec Issigonis Way
Oxford Business Park
North Oxford
OX4 2HU

Directors
Martyn Rose, Non-Executive Chairman
Michael Cairns, Chief Executive Officer
Alan Moug, Chief Financial Officer
Mark Rowse, Non-Executive Director

26 May 2015

Dear Shareholder

Placing of 7,500,000 Placing Shares at a price of 120 pence per share,
Offer of up to 833,333 Offer Shares at a price of 120 pence per share
Notice of General Meeting

Introduction

The Company has today announced a proposed placing of up to 7,500,000 Placing Shares at 120 pence per share to raise up to £9 million for the Company (before expenses).

The proceeds of the Placing will be used to pay down the Company's existing debt facility with HSBC (approximately £2.6 million at the date of this document) and provide working capital for the business. In addition, a further loan note which arose on the reverse takeover of Ingenta in 2007 (approximately £1.5 million) will be repaid and certain directors who provided short term loan finance between August 2014 and March 2015 (approximately £1.25 million) will be repaid.

The Board considers it important to allow existing Shareholders to participate at the same price as investors who participated under the Placing and to that end, the Company is providing all Qualifying Shareholders with the opportunity to subscribe at the Offer Price for an aggregate of 833,333 Offer Shares, to raise up to £1 million. The Directors have undertaken not to apply for any Offer Shares.

The Offer is conditional on the Placing but the Placing is not conditional upon any minimum level of acceptances under the Offer. Both are conditional, inter alia, on the passing of the Resolutions at the General Meeting.

Shareholders should be aware that, if the Resolutions are not approved at the General Meeting, the net proceeds of the Placing and Offer will not be received by the Company and therefore the Company would need to explore alternative financing arrangements to ensure that it has sufficient working capital.

The Issue Price is at a discount of 18.6 per cent. to the closing middle market price of 147.5 pence per Ordinary Share on 22 May 2015 (being the last practicable date before publication of this document).

The purpose of this document is to provide you with information about the background to and the reasons for the Proposals, to explain why the Board considers the Proposals to be in the best interests of the Company and its Shareholders as a whole and why the Directors recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which are set out at the end of this document.
Publishing Technology

Publishing Technology is a global provider of enterprise software and related consulting services to blue chip customers. The Company is an important supplier to the publishing industry in the U.S.A and Europe, with a presence in São Paulo, Beijing, Sydney and New Delhi. Publishing Technology has a fully developed product set with new and expanded market opportunities, and a long-term recurring revenue model. The Company counts McGraw Hill Education, Elsevier, BioOne Research, American Institute of Physics, HarperCollins, Penguin Books, and Cambridge University Press among more than four hundred clients. Publishing Technology’s software suite tracks the full publishing revenue cycle, including contracts, management, royalties, rights, permissions, digital and print distribution, e-commerce, access and entitlement and content management.

The Directors believe that following investment of £20 million over the past ten years into its software, the Company is now in a strong position for rapid expansion. The current order book is robust, the pipeline is growing in the U.S.A and Europe and the Company’s joint venture is increasing its market presence as a publishing solutions provider in China. The Directors believe that the Company’s core market is currently under-penetrated for Enterprise Resource Planning (“ERP”) solutions. Publishing Technology has developed advance, a modular-based ERP software solution with support for digital content management, to replace Vista, the original ERP software publishing solution. The Directors also believe that there is significant potential for its Partnership and Value-Added Reseller (VAR) programme, offering implementation, sales and marketing leverage in a proven packaged software model. The Directors see a prime opportunity to expand into other media segments with VARs. Common publishing practices exist in the newspaper, magazine and broadcast market sectors. Partnerships will be sought out in ancillary markets such as Scandinavia, the Netherlands, Germany and Australasia.

Reasons for the Placing, Offer and use of proceeds

The Placing will raise approximately £8.5 million, net of expenses. As detailed above, the Company will utilise this to pay down debts accrued during the product build phase of its growth cycle; £1.5 million will repay the outstanding balance (including all accrued interest) of the Loan Note, £1.25 million will repay director’s loans, and the remainder will be used to repay its bank overdraft with HSBC and provide additional working capital to the Company to facilitate growth.

On 21 January 2015 the Company announced that had been discussing a minority investment in the Company with an overseas Investor. However, following careful consideration, the Board now believes that it is in the best interests of the Company to undertake the Placing and Offer instead. The Company’s existing overdraft facility is due to be refinanced at the end of June 2015 and the Directors believe that the Placing offers the Company and investors a stable platform for growth with a balance sheet free from any debt.

Directors’ Subscription

Certain Directors of the Company have subscribed for shares in the Placing at the Issue Price as set out below.

<table>
<thead>
<tr>
<th>Shareholding prior to Placing and Offer</th>
<th>Percentage Shareholding</th>
<th>Shareholding following Placing**</th>
<th>Percentage Shareholding</th>
<th>Shareholding following Placing and Offer*</th>
<th>Percentage Shareholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martyn Rose</td>
<td>2,508,112</td>
<td>29.8%</td>
<td>4,453,112</td>
<td>28.0%</td>
<td>4,453,112</td>
</tr>
<tr>
<td>Alan Moug</td>
<td>476,795</td>
<td>5.7%</td>
<td>643,795</td>
<td>4.0%</td>
<td>601,795</td>
</tr>
<tr>
<td>Mark Rowse</td>
<td>273,277</td>
<td>3.2%</td>
<td>398,27</td>
<td>2.5%</td>
<td>439,944</td>
</tr>
</tbody>
</table>

*Assumes full take up of the Offer and all Placing Shares issued
**Assumes all Placing Shares are issued
Results
The results for the financial period ended 31 December 2014 were announced earlier today. In summary, Publishing Technology achieved total revenues of £14.4 million, 76% of which were recurring revenue streams, including multi-year contracts and managed services. Core products such as Vista were highly profitable. The Company made after-tax losses of £3.6 million, compared to profits of £0.9 million the previous year. This loss was primarily due to a realignment of revenue and a provision for research and development costs which brings future losses into the current year, both of which relate to an onerous contract, as well as additional development costs incurred in the year. As noted in the Company’s announcement of 21 January 2015, following the appointment of Michael Cairns, the Board, in conjunction with its auditors, undertook a review of its existing contracts and the appropriate revenue recognition. The Company retains important intellectual property from the aforementioned contract and the Directors believe that the losses have now been fully absorbed and will not negatively affect future years.

Current trading
Despite additional investment during the year to 31 December 2014 which was a transition year, the Board have restructured the business for future scalability to achieve a return on the substantial investments in advance and pub2web.

The management team has seen considerable change with Michael Cairns taking over as CEO in April 2014 and the hiring of new skills required especially in the positions of Chief Technology Officer and Global Projects Director. The Board are confident that they have built the right team to ensure the success of the Company.

The Board believes that the business has made good progress in pursuing the strategy to date with products in good shape, services clearly understood, and the right team to deliver real growth in revenue and profit across the business.

Trading in the first few months of 2015 is on target with a robust order book for the new product set.

Repayment of Loan Note
The Loan Note was inherited from Vista International Limited on the reverse takeover of Ingenta plc in February 2007. The Loan Note was originally a convertible loan note for £2.5 million. £1 million of the loan note was previously converted to equity. The remaining £1.5 million loan note is no longer convertible and currently carries an interest rate of 12%. The Loan Note and any accrued interest will be repaid from the proceeds of the Placing.

Repayment of Directors’ Loans
On 25 November 2015 the Company announced that it had entered into unsecured loan note instruments for an aggregate of £1.25 million from Martyn Rose, Alan Moug and Mark Rowse. Following receipt of the proceeds of the Placing, these loans will be repaid in full.

These loans were drawn down between August 2014 and March 2015. All short term directors’ loans carry an interest rate of 12% per annum. Interest was paid up to 4 February 2015. Interest between 5 February 2015 and redemption will be paid on redemption.

The Placing and the Placing Agreement
The Company proposes to raise approximately £9 million (before expenses) through the Placing, conditional on (inter alia) Admission, of the Placing Shares at the Issue Price through Cenkos. The Issue Price represents a discount of 18.6% to the closing middle market price of 147.50 pence per Ordinary Share on 22 May 2015, being the last practicable date prior to the announcement of the Placing.

Pursuant to the terms of the Placing Agreement, Cenkos, as broker to the Company, has conditionally agreed to use its reasonable endeavours, as agent for the Company, to place the Placing Shares at the Issue Price with certain institutional and other investors. The Placing Agreement is conditional upon, inter alia, Admission of the Placing Shares becoming effective on or before 8.00 a.m. on 15 June 2015 (or such later time and/or date as the Company and Cenkos may agree, but in any event by no later than 8.00 a.m. on 29 June 2015). The Placing Agreement contains warranties from the Company in favour of Cenkos in relation to, inter alia, the accuracy of the information contained in this document and certain other matters relating to the Group and its business. In addition, the
Company has agreed to indemnify Cenkos in relation to certain liabilities they may incur in respect of the Placing and Offer. Cenkos has the right to terminate the Placing Agreement in certain circumstances prior to Admission of the Placing Shares, including, for force majeure or in the event of a material breach of the warranties set out in the Placing Agreement.

**Conditionality**

The Placing in respect of the EIS Placing Shares is conditional, *inter alia*, on:

- the passing, without amendment, of the Resolutions at the General Meeting; and
- the performance by the Company of its obligations under the Placing Agreement insofar as the same are required to be performed prior to the allotment and issue of the EIS Placing Shares

The Placing in respect of the Placing Shares (other than the EIS Placing Shares) and the Offer are conditional, *inter alia*, upon the following:

- the passing, without amendment, of the Resolutions at the General Meeting;
- Admission occurring by not later than 8.00 a.m. on 15 June 2015 (or such later date as may be agreed between the Company and Cenkos); and
- the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms.

The EIS Placing Shares will not be issued conditional on their admission to trading on AIM. Accordingly, although unlikely in the opinion of the Directors, there is a possibility that the EIS Placing Shares may not be admitted to trading on AIM following their allotment. As the EIS Placing Shares will be allotted before the allotment of the other Placing Shares and the Offer Shares, it is possible, although unlikely in the opinion of the Directors, that the allotment of the EIS Placing Shares could occur and, due to unforeseen circumstances in the intervening time, the allotment of the other Placing Shares and Offer Shares may not occur.

**The Offer**

The Board considers it important that Qualifying Shareholders have an opportunity to participate on the same terms as investors in the Placing. Qualifying Shareholders can subscribe for, in aggregate, up to £1.0 million, the Offer Maximum, or 833,333 Offer Shares. The Directors may use their absolute discretion to scale back applications under the Offer as they see fit.

Qualifying Shareholders can apply for as many Offer Shares as they wish. However, the Directors reserve the right to exercise their absolute discretion in the allocation of successful applications, including, without limitation, to ensure that no Offer Shares are issued so as to exceed the Offer Maximum.

The Offer is only open to Qualifying Shareholders and, save as set out in the preceding paragraph, there is a minimum subscription of £1,000 per application, and thereafter multiples of £100. No Qualifying Shareholder may subscribe for Offer Shares in excess of the Offer Maximum. Qualifying Shareholders who are joint Shareholders may only apply for Offer Shares as joint applicants.

The Offer is conditional on Admission of the Placing Shares and Offer Shares occurring on 15 June 2015 (or such later date, being not later than 29 June 2015, as the Company may decide). If Admission of the Offer Shares has not occurred by such time and date, applications will be returned without interest by crossed cheque in favour of the applicant(s) (at the applicant’s risk) through the post as soon as practicable. The Offer will close at 11.00 a.m. on 11 June 2015 unless previously closed or extended. The Offer is not being underwritten. The Application Form and accompanying procedure for application sets out, in detail, how Qualifying Shareholders may participate under the Offer.

Applications must be made on the terms and conditions set out in Part III of this document and in the Application Form and by duly completing and returning the Application Form and appropriate remittance

In order to apply for Offer Shares, Qualifying Shareholders should complete the Application Form in accordance with the instructions set out thereon.

The Placing Shares and Offer Shares will represent in aggregate approximately 49.8% of the Company’s issued ordinary share capital immediately following Admission (assuming full take up under the Offer and issue of all of the Placing Shares).
Dealings and Settlement on AIM

The Offer and Placing Shares will be allotted and issued fully paid and will, on issue, rank *pari passu* with the existing Ordinary Shares, including the right to receive, in full, all dividends and other distributions thereafter declared, made or paid after the date of issue together with all rights attaching to them and free from all liens, charges and encumbrances of any kind. Application will be made to the London Stock Exchange for the Offer and Placing Shares to be admitted to trading on AIM. Admission of the Offer Shares to trading on AIM is expected to occur at 8.00 a.m. on 15 June 2015.

Enterprise Investment Scheme and Venture Capital Trusts

On issue, neither the Placing or the Offer Shares will not be treated as either “listed” or “quoted” securities for relevant tax purposes.

The following information is based upon the laws and practice currently in force in the UK and may not apply to persons who do not hold their Ordinary Shares as investments.

The Directors believe that the Placing Shares and Offer Shares should be eligible (subject to the circumstances of investors) for tax reliefs under EIS and for investment by VCTs. The Company has received advance assurance from HM Revenue & Customs, based on information provided, that: (i) following receipt of a properly completed form EIS 1, they will be able to authorise the Company to issue certificates under section 204(1) Income Tax Act 2007 in respect of the Placing Shares and the Offer Shares and (ii) the Placing Shares and the Offer Shares will be eligible shares for the purpose of section 285(3A) of the Income Tax Act 2007 and may be part of a qualifying holding for the purposes of Chapter 4 of Part 6 of the Income Tax Act 2007.

Although the Company currently expects to satisfy the relevant conditions for EIS and VCT investment, neither the Directors nor the Company give any warranty or undertaking that relief will be available in respect of any investment in the Placing Shares and the Offer Shares pursuant to this document, nor do they warrant or undertake that the Company will conduct its activities in a way that qualifies for or preserves its status.

Companies can raise up to £5 million from State Aid investment sources, including under the combined EIS and from VCTs, in any 12 month period. As the rules governing EIS and VCT reliefs are complex and interrelated with other legislation, if Shareholders, Qualifying Shareholders or any potential investors are in any doubt as to their tax position, require more detailed information than the general outline above, or are subject to tax in a jurisdiction other than the United Kingdom, they should consult their professional adviser.

Related Party Transaction

The aggregate subscription of the Directors in the Placing will be more than 5% of the market capitalisation and is considered a related party transaction under the AIM Rules. Michael Cairns, Chief Executive Officer, has not participated in the Directors’ subscription and is therefore deemed to be independent under the AIM Rules for the purposes of considering the related party transaction (the “Independent Director”). The Independent Director, having consulted with Cenkos Securities plc, the Company’s nominated adviser, considers that the terms of the participation in the Placing by the Directors is fair and reasonable insofar as the Company’s shareholders are concerned.

Recommendation

The Directors believe that the Proposals are in the best interests of the Company and accordingly, they unanimously recommend that Shareholders vote in favour of the Resolutions as they intend to do in respect of their Shareholdings in the Company amounting to 3,288,584 Ordinary Shares equivalent to 39.1 per cent of the Ordinary Shares in issue at the date of this document.

Action to be taken

The Form of Proxy for use at the General Meeting is enclosed with this document. Whether or not you intend to be present at the General Meeting, Shareholders are required to complete the Form of Proxy and return it to the Company’s registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, as soon as possible and in any event by 10.00 a.m. on 10 June 2015. Alternatively, CREST members who wish to appoint a proxy or proxies via CREST may do so in accordance with the procedures set out in the Notice of General Meeting and the Form of Proxy.

The return of the Form of Proxy (or appointment of a proxy via CREST) will not prevent Shareholders from attending the General Meeting and voting in person should they so wish.
Qualifying Shareholders wishing to participate in the Offer should carefully read the Application Form and accompanying instructions and send their completed Application Form along with the appropriate remittance to Capita at the address specified in the instructions.

Martyn Rose

Chairman
PART II

RISK FACTORS

An investment in the Company involves significant risks and is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may be equal to the whole amount invested) which may result from such an investment. Prospective investors should carefully review and evaluate the risks and the other information contained in this document before making a decision to invest in the Company. If in any doubt, prospective investors should immediately seek their own personal financial advice from their independent professional adviser authorised under the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition of shares and other securities or other advisers such as legal advisers and accountants.

If any of the following risks actually occur, the Company’s business, financial condition, capital resources, results and/or future operations could be materially and adversely affected. In such circumstances, the trading price of the New Ordinary Shares could decline and investors may lose all or part of their investment. Additional risks and uncertainties not currently known to the Board may also have an adverse effect on the Company’s business and the information set out below does not purport to be an exhaustive summary of the risks affecting the Company or the Group. There can also be no guarantee that the Company’s objectives will be achieved. Prospective investors should be aware that the value of New Ordinary Shares and the income from them may go down as well as up and that they may not be able to realise their investment. In addition, it is possible that the market price of New Ordinary Shares in the Company may be less than the underlying net asset value per New Ordinary Share.

References to the Company are also deemed to include, where appropriate, each member of the Group.

Software development

The Company undertakes significant software development activity with the aim of launching new and improved products and services. There are significant technical risks inherent to this process, which may result in delays, unforeseen costs or failure.

Customer acceptance

Success is contingent upon customer acceptance of the Company’s products. The products may not meet business-specific requirements, customers may be slow to adopt new products and technological advancements, vested interests may impede market penetration and products may not achieve commercial success.

Product development timelines

Software product development timelines are at risk of delay, particularly as customers may require high levels of specification of software. Whilst the Directors seek to minimise the risk of delays by careful management of projects, there is a risk that future product development could take longer than expected. If such delays occur the Company may require further working capital.

Markets and customers

Whilst the the Company continually monitors the market place, the Company’s products must be accepted by the market, which requires the continuing support of existing business partners and sales channels. A risk remains that the impact of general economic conditions creates uncertainty around potential customers plans for implementation of new software and this could adversely affect the Company.

Competition

It is possible that another software company within the sector might develop rival products that prove to be superior or more cost effective than those being developed by the Company.

Liquidity of the New Ordinary Shares

The future success of AIM and liquidity in the market for the New Ordinary Shares cannot be guaranteed. In particular, the market for the New Ordinary Shares may be, or may become, relatively illiquid and, therefore, the New Ordinary Shares may be or may become difficult to sell. Admission to AIM does not imply that there will always be a liquid market for the New Ordinary Shares.
**EIS and VCT status**

The Company has received advanced clearance from HM Revenue & Customs that the Company should be a “qualifying holding” for the purposes of the EIS and for investment by a VCT under Chapter 4 Part 6 of the UK Income Tax Act 2007. The advance clearance only relates to the qualifying status of the Company and its shares and will not guarantee that any particular investor, including any VCT investor, will qualify for relief in respect of an acquisition of Ordinary Shares. Any investor who is a Qualifying Employee (or an associate of a Qualifying Employee for EIS purposes) will not be entitled to claim EIS relief, nor will any Qualifying Shareholder who has been an employee of the Company (or an associate of an employee) within the two year period prior to the date of Subscription. The continuing availability of EIS relief and the status of the relevant New Ordinary Shares as a qualifying holding for VCT purposes will be conditional amongst other things, on the Company continuing to satisfy the requirements for a qualifying company throughout the period of three years from the date of the investor making its investment (under EIS) and, for VCT purposes, throughout the period the Ordinary Shares are held as a “qualifying holding”. Neither the Company nor the Company’s advisers are giving any warranties or undertakings that any relief under the EIS or that VCT qualifying status will be available in respect of the Placing, Subscription or Offer, or that in due course such relief or status will not be withdrawn.

Any person who is in any doubt as to their taxation position should consult their professional tax adviser in order that they may fully understand how the rules apply in their individual circumstances.

**Risks relating to the Placing and Offer**

Shareholders will experience dilution in their ownership of the Company regardless of whether a Qualifying Shareholder subscriber in the Offer, the effect of the Placing will be a reduction of his proportionate ownership and voting interests in the Company. The Placing Shares are not being offered to Qualifying Shareholders under the Offer. Shareholders will experience greater dilution in their ownership of, and voting interest in, the Company depending on the extent of their participation in the Offer.

Overseas Shareholders may not be eligible to participate in the Offer Securities laws of certain jurisdictions may restrict the Company’s ability to allow participation by Overseas Shareholders in the Offer. In particular, holders of Ordinary Shares who are located in the US may not be able to exercise their pre-emption rights unless a registration statement under the Securities Act is effective with respect to such rights or an exemption from the registration requirements is available thereunder. The Placing and Offer will not be registered under the Securities Act. Securities laws of certain other jurisdictions may restrict the Company’s ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Company. Qualifying Shareholders who have a registered address in or who are resident in, or who are citizens of, countries other than the UK 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 apply for and/or receive New Ordinary Shares.
PART III

TERMS AND CONDITIONS OF THE OFFER

The contract created by the acceptance by the Company (at the absolute discretion of the Directors) of applications from Qualifying Shareholder(s) under the Offer is conditional upon Admission of the Offer Shares occurring on 15 June 2015 (or such later date, being not later than 29 June 2015, as the Company may decide) and is governed by the following terms:

a) The right is reserved by the Company to present all cheques and bankers’ drafts for payment on receipt and on which no interest will be payable to the applicant and to retain surplus application monies pending clearance of successful applicants’ cheques. Applications for less than £1,000 and multiples of £100 thereafter will be rejected. The Company also reserves the right to reject, in whole or in part, any other application. If any application is not accepted in full or if any contract created by acceptance does not become unconditional, the application monies or as the case may be the balance thereof, will be returned by crossed cheque in favour of the applicant, through the post at the sole risk of the person entitled thereto (on which no interest will be payable), within 10 days of the closing of the Offer.

b) By completing and delivering an Application Form each Qualifying Shareholder who applies for Offer Shares:

i. offers to subscribe for the amount of Offer Shares specified in such applicant’s Application Form (or such lesser amount for which such applicant’s application is accepted) on the terms of, and subject to, this document, including (without limitation) these terms and conditions, the articles of association of the Company and the terms and conditions set out in the Application Form;

ii. represents and agrees that, in consideration of the Company agreeing that it will not, prior to the closing date of the Offer, issue any Offer Shares to any person other than by means of the procedures referred to in this document, such applicant’s application shall not be revoked and this paragraph shall constitute a collateral contract between such applicant and the Company which will become binding upon despatch by post to, or (in the case of delivery by hand) on receipt by, Capita Asset Services of such applicant’s Application Form;

iii. represents and warrants that such applicant’s remittance will be honoured on first presentation and agrees that, if it is not so honoured, such applicant will not be entitled to receive the Offer Shares applied for unless and until such applicant makes payment in cleared funds for such Offer Shares and such payment is accepted by the Company in its absolute discretion (which acceptance may be on the basis that such applicant indemnifies the Company against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of such applicant’s remittance to be honoured on first presentation) and such applicant agrees that, at any time prior to the unconditional acceptance(s) by the Company, the Company may (without prejudice to any other rights(s)) avoid the agreement to issue such Offer Shares and may issue such Offer Shares to some other person, in which case such applicant will not be entitled to any payment in respect of such Offer Shares;

iv. agrees that, in respect of those Offer Shares for which such applicant’s application has been received and is not rejected, acceptance of such applicant’s application shall be constituted, at the election of the Company by notification of acceptance thereof to Capita Asset Services;

v. agrees that any monies returnable to such applicant may be retained by Capita Asset Services pending clearance of such applicant’s remittance and the completion of any verification of identity required by the Money Laundering Regulations 2007 and/or any amendment, modification, and/or re-enactment of the same (the “Regulations”) and that such monies will not bear interest;

vi. authorises Capita Asset Services to send a share certificate or other evidence in respect of the number of Offer Shares for which such applicant’s application is accepted and/or to send a crossed cheque for any monies returnable, by post, at the sole risk of the person entitled thereto, to the address of the person named as the applicant in the Application Form;
vii. represents and warrants that, if such applicant signs an Application Form on behalf of somebody else, such applicant has due authority to do so on behalf of that other person and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained herein and such applicant further undertakes to enclose such applicant’s power of attorney or a copy thereof duly certified by a solicitor with the Application Form;

viii. agrees that all applications, acceptances of applications and contracts resulting therefrom under the Offer shall be governed by and construed in accordance with English law, and that such applicant submits to the jurisdiction of the English Courts and agrees that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

ix. confirms that, in making such application, such applicant is not relying on any information, representation and/or warranty in relation to the Company other than the information contained in this document and, accordingly, such applicant agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such other information, representation and/or warranty;

x. agrees that, having had the opportunity to read this document, such applicant shall be deemed to have had notice of all information concerning the Company contained herein including, without limitation, the Risk Factors set out in Part II of this document;

xi. in the case of any Qualifying Shareholder who is a joint Shareholder, agrees that such joint Shareholder applicants may only apply for Offer Shares as joint applicants;

xii. confirms, represents and warrants that such applicant has read and complied with paragraph (e) below;

xiii. represents and warrants that such applicant is not a person who, by virtue of being resident in, or a citizen of, any country outside the United Kingdom, is prevented by the law of any relevant jurisdiction from lawfully applying for Offer Shares;

xiv. represents and warrants that such applicant is a Qualifying Shareholder;

xv. confirms, represents and warrants that such applicant has read the restrictions contained in paragraph (f) below and represents and warrants as provided therein;

xvi. represents and warrants that such applicant is not under the age of 18;

xvii. represents and warrants that such applicant is a person of the kind described in Article 43 or Article 60 of the Financial Promotion Order, being a Shareholder or employee of the Group at the Record Date; and

xviii. agrees that all documents and cheques sent by post, by or on behalf of the Company or Capita Asset Services, will be sent at the risk of the person(s) entitled thereto.

c) All payments must be in pounds sterling and made by cheque or banker’s draft made payable to “Capita Registrars Limited re: Publishing Technology plc – Offer for Subscription A/C plc” and crossed “A/C Payee Only”. Cheques should be drawn on the personal account to which the applicant has sole or joint title to such funds. Cheques or banker’s drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker’s drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner and must be for the full amount payable on application. Third party cheques will not be accepted with the exception of building society cheques or banker’s drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the back of the cheque or draft to such effect. The account name should be the same as that shown on the Application Form. Post-dated cheques will not be accepted. Cheques or banker’s drafts will be presented for payment upon receipt. The Company reserves the right to instruct Capita Asset Services to seek special clearance of cheques and banker’s drafts to allow the Company to obtain value for remittances at the earliest opportunity. It is a term of the Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid
acceptances applications in respect of which cheques are not so honoured. All documents, cheques and banker’s drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or banker’s drafts are presented for payment before all of the conditions of the Offer are fulfilled, the application monies will be kept in a separate non-interest bearing bank account.

If the Offer does not become unconditional, no Offer Shares will be issued and all monies will be returned (at the applicant’s sole risk), without payment of interest, to applicants as soon as reasonably practicable following the lapse of the Offer.

d) To ensure compliance with the Regulations, Capita Asset Services may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the “verification of identity requirements”).

If Capita Asset Services determines that the verification of identity requirements apply to any application, the relevant Offer Shares (notwithstanding any other term of the Offer) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. Capita Asset Services is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any application and whether such requirements have been satisfied, and neither Capita Asset Services nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, Capita Asset Services has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Offer will be returned (at the applicant’s risk) without interest to the account of the bank or building society on which the relevant cheque or banker’s draft was drawn.

The verification of identity requirements will not usually apply:

● if the applicant is an organisation required to comply with the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005) on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing; and

● if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant’s name; or

● if the aggregate subscription price for the Offer Shares is less than €15,000 (approximately £11,300).

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

i. if payment is made by cheque or banker’s draft in pounds sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to “Capita Registrars Limited re: Publishing Technology plc – Offer for Subscription A/C” in respect of an application by a Qualifying Shareholder and crossed “A/C Payee Only”. Third party cheques may not be accepted with the exception of building society cheques or banker’s drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the back of the cheque/banker’s draft to such effect. However, third party cheques will be subject to the Regulations which would delay applicants receiving their Offer Shares. The account name should be the same as that shown on the Application Form; or

ii. if the Application Form(s) is/are in respect of Offer Shares with an aggregate subscription price of €15,000 (approximately £11,300) or more and is/are lodged by hand by the applicant in person, or if the Application Form(s) in respect of Offer Shares is/are lodged by hand by the applicant and the accompanying payment is a banker’s draft or building society cheque, he or she should ensure that he or she has with him or her evidence of
identity bearing his or her photograph (for example, his or her passport) and separate
evidence of identity of his or her address. If, within a reasonable period of time following
a request for verification of identity, and in any case, Capita Asset Services has not
received evidence satisfactory to it as aforesaid, Capita Asset Services may, at its absolute
discretion, as agent of the Company, reject the relevant application, in which event the
monies submitted in respect of that application will be returned without interest to the
account at the drawee bank from which such monies were originally debited (without
prejudice to the rights of the Company to undertake proceedings to recover monies in
respect of the loss suffered by it as a result of the failure to produce satisfactory evidence
as aforesaid).

e) No person receiving a copy of this document and/or any Application Form 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 Application Form unless, in the relevant territory,
such an invitation or offer could lawfully be made to him or such Application Form could
lawfully be used without contravention of any registration or other legal requirements. It is the
responsibility of any person outside the United Kingdom wishing to make an application
hereunder to satisfy himself as to full observance of the laws of any relevant territory in
connection therewith, including (without limitation) obtaining any requisite governmental or
other consents, observing any other formalities requiring to be observed in such territory and
paying any issue, transfer or other taxes required to be paid in such territory.

f) The Offer Shares have not been and will not be approved or disapproved by the US Securities
and Exchange Commission, any state securities commission in the United States or any other
United States regulatory authority, nor have any of the foregoing authorised, passed upon or
endorsed the merit of the Offer or the accuracy or adequacy of this document. Any
representation to the contrary is a criminal offence in the United States. The Offer Shares have
not been and will not be registered under the United States Securities Act of 1993 (as amended)
(the “Securities Act”) or under the securities laws of any state or other jurisdiction in the
United States, neither do they qualify for distribution under any of the relevant securities laws
of Canada, Australia, South Africa or Japan.

Persons subscribing for Offer Shares shall be deemed and shall be required to represent and
warrant to the Company that they are not a person in the United States, Canada, Australia,
South Africa and/or Japan and that they are not subscribing for such Offer Shares for the
account of any such person and will not offer, sell, renounce, take up, transfer or deliver,
directly or indirectly, such Offer Shares in the United States or to any such person or into
Canada, Australia, South Africa and/or Japan.

Applicants are encouraged to submit their Application Forms early. In the event that
applications are received for an amount in excess of £1 million, the Directors reserve the right
to exercise their absolute discretion in the allocation of successful applications. The right is also
reserved to reject in whole or in part any application or any part thereof for any reason
whatsoever, including (without limitation) a breach of any of the terms, conditions,
representations and/or warranties set out in this document and/or the Application Form and to
treat as valid any application not in all respects completed in accordance with the instructions
relating to the Application Form.

Save where the context otherwise requires, words and expressions defined in this document have
the same meaning when used in the Application Form and any explanatory notes in relation
thereto.

If you have any questions relating to this document, the General Meeting, the completion and
return of the form of proxy and the Application form, please contact Capita Asset Services on
0371 664 0321 or if calling from outside the UK on +44 (0) 208 639 3399. Calls are charged at
the standard geographic rate and will vary by provider. Calls outside the United Kingdom will
be charged at the applicable international rate. We are open between 9.00 a.m. to 5.30 p.m.,
Monday to Friday excluding public holidays in England and Wales. Please note that Capita
Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and
monitored for security and training purposes.
NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of the Company will be held at 10 a.m. on 12 June 2015 at the Company’s offices, 8100 Alec Issigonis Way, Oxford, OX4 2HU to consider, and if thought fit, passing the following resolutions of which Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution:

ORDINARY RESOLUTION

1. That the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the “Act”) to exercise the powers of the Company to allot Relevant Securities (as defined in this resolution), up to a maximum nominal amount of £850,000, provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire on the annual general meeting of the Company to be held in 2015, save that the Company may at any time before such expiry make an offer or agreement which might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities to be allotted in pursuance of such offer or agreement notwithstanding that the authority hereby conferred has expired. This authority is in addition to all previous authorities conferred on the Directors in accordance with section 551 of the Act. In this resolution, ‘Relevant Securities’ means any shares in the capital of the Company and the grant of any right to subscribe for, or to convert any security into, shares in the capital of the Company (“Shares”) but does not include the allotment of Shares or the grant of a right to subscribe for Shares in pursuance of an employee’s share scheme or the allotment of Shares pursuant to any right to subscribe for, or to convert any security into, Shares.

SPECIAL RESOLUTION

2. That, subject to and conditional upon the passing of Resolution 1 above (and in addition to all existing powers of the Directors under section 570 of the Act, which shall continue in full force and effect), the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash as if section 561(1) of the Act did not apply to any such allotment pursuant to the general authority conferred on them by Resolution 1 above (as varied from time to time by the Company in general meeting) provided that such power shall be subject to the continuance of the authority conferred by Resolution 1 above and limited to the allotment of equity securities up to an aggregate nominal amount of £850,000 pursuant to the Placing and the Open Offer (as such terms are defined in the Circular dated 26 May 2015 of which this notice forms part) and such power shall expire on the date of the annual general meeting of the Company to be held in 2015, but may be previously revoked or varied from time to time by special resolution so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied.

By order of the board

Chairman
Registered office:
8100 Alec Issigonis Way,
Oxford,
OX4 2HU
Date: 26 May 2015
Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members
registered on the Company’s register of members at 5:00 p.m. on 10 June 2015 or, if the General Meeting is adjourned, 48 hours
prior to the adjourned General Meeting (no account being taken of any part of a day which is not a working day) shall be entitled
to attend and vote at the General Meeting.

2. A form of proxy is enclosed. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a
proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting. You can only appoint a proxy using
the procedures set out in these notes and the notes to the form of proxy.

3. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to
appoint the Chairman of the General Meeting or another person as your proxy using the form of proxy are set out in the notes to
the form of proxy. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own
choice of proxy (not the Chairman) and give your instructions directly to him or her.

4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the
resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will
vote, or abstain from voting, as he or she thinks fit in relation to any other matter which is put before the General Meeting.

5. In the case of joint shareholders, the person whose name appears first in the register of members has the right to attend and vote at
general meetings to the exclusion of all others.

6. The notes to the form of proxy explain how to direct your proxy how to vote on each resolution. To appoint a proxy using the
form of proxy, the form must be completed, signed and sent or delivered to the Company’s registrars, Capita Asset Services, PXS,
34 Beckenham Road, Beckenham, Kent, BR3 4TU, so as to be received no later than 10.00 a.m. on 10 June 2015. In the case of a
member which is a company, the form of proxy must be executed under its common seal or signed on its behalf by an officer of the
company.

7. To change your proxy instructions please submit a new proxy appointment. Note that the cut-off time for receipt of proxy
appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off
time will be disregarded. If you submit more than one valid proxy appointment, the appointment received last before the latest
time for the receipt of proxies will take precedence.

8. Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a
proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

9. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its
powers as a member provided that no more than one corporate representative exercises powers over the same share.

10. Except as provided above, members who have general queries about the Meeting should use the following electronic address of the
Company’s secretary (no other methods of communication will be accepted):

11. You may not use any electronic address provided either:
   a. in this notice of general meeting; or
   b. any related documents (including the Chairman’s letter and proxy form)
   to communicate with the Company for any purpose other than those expressly stated.

12. As at 5.00 p.m. on the day immediately prior to the date of posting of this notice, the Company’s issued share capital comprised
8,413,610 ordinary shares of £0.10 each and. Each ordinary share carries the right to one vote at a general meeting of the Company.