THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action to be taken you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000, as amended, if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or transferred all of your Existing Ordinary Shares in Broca plc, please send this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold part only of your holding of Existing Ordinary Shares in Broca plc, you should retain these documents.

The Existing Ordinary Shares are admitted to trading on AIM, a market operated by the London Stock Exchange ("**AIM**"). Application will be made for the Placing Shares and subsequently for the Enlarged Issued Share Capital to be admitted to trading on AIM. The Existing Ordinary Shares are not traded on any other recognised investment exchange and no application has been made for the Placing Shares or the Consideration Shares to be admitted to trading on any other recognised trading exchange. It is expected that Admission of the Placing Shares to trading on AIM will become effective and that dealings in the Placing Shares will commence on AIM on 13 August 2014. It is further expected that Admission of the Consideration Shares to trading on AIM will become effective and that dealings in the Consideration Shares will commence on AIM on or around 13 August 2014 (or such later date as FCA approval is obtained).

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to London Stock Exchange plc on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. London Stock Exchange plc has not itself examined or approved the contents of this document.

The Directors and Proposed Directors, whose names appear on page 4 of this document, accept responsibility, individually and collectively, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Proposed 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.

A copy of this document, which is drawn up as an admission document in accordance with the AIM Rules, has been issued in connection with the application for admission to trading on AIM of the issued and to be issued ordinary share capital of the Company. This document does not constitute an offer to the public requiring an approved prospectus under section 85 of FSMA and, accordingly, this document does not constitute a prospectus for the purposes of FSMA and the Prospectus Rules and has not been pre-approved by the Financial Conduct Authority ("**FCA**") pursuant to section 85 of FSMA. Copies of this document will be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of Zeus Capital Limited, 82 King Street, Manchester, M2 4WQ and the registered office of the Company, Broca plc, 100 Fetter Lane, London EC4A 1BN, from the date of this document until one month from the date of Admission of the Consideration Shares in accordance with the AIM Rules.

The distribution of this document and/or the accompanying Form of Proxy in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman which is set out on pages 11 to 23 of this document and which recommends that you vote in favour of the resolutions to be proposed at the General Meeting referred to below, and the Risk Factors set out in Part III of this document.

Broca plc

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 05010663)

Proposed Acquisition of MXC Capital Advisory LLP

Placing of 850,000,000 new Ordinary Shares at a price of 1 penny per share

Change of Name to MXC Capital plc

Admission of the Placing Shares and the Consideration Shares to trading on AIM

and

Notice of General Meeting

Nominated Adviser and Broker

Zeus Capital

SHARE CAPITAL AT THE DATE OF THIS DOCUMENT AND IMMEDIATELY FOLLOWING COMPLETION OF THE PROPOSALS

	Issued and fully paid	
Current	***Number***	***Amount***
Ordinary shares of 1 penny as at the date of this document (including treasury shares)	*397,891,130*	*£3,978,911.30*
At Admission of the Consideration Shares		
Ordinary shares of 1 penny following completion of the Proposals (including treasury shares)	*1,848,446,905*	*£18,484,469.05*

Notice convening a General Meeting of Broca plc to be held at the offices of DAC Beachcroft LLP at 100 Fetter Lane, London EC4A 1BN on 12 August 2014 at 11.00 a.m. is set out at the end of this document. Shareholders will find enclosed with this document a Form of Proxy for use in connection with the General Meeting. To be valid, the Form of Proxy must be signed and returned in accordance with the instructions printed thereon so as to be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible but in any event by not later than 11.00 a.m. on 8 August 2014. Completion and posting of the Form of Proxy does not prevent a Shareholder from attending and voting in person at the General Meeting.

Zeus Capital Limited ("**Zeus Capital**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to Broca PLC and is acting for no-one else in connection with the Proposals and will not be responsible to anyone other than Broca plc for providing the protections afforded to clients of Zeus Capital nor for providing advice in connection with the Proposals or any other matter referred to herein. Zeus Capital has not authorised the contents of or any part of, this document and no liability whatsoever is accepted by Zeus Capital for the accuracy of any information or opinions contained in this document or for the omission of any information.

Apart from the responsibilities and liabilities, if any, which may be imposed on Zeus Capital by the Financial Services and Markets Act 2000, Zeus Capital accepts no responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Proposals. Zeus Capital accordingly disclaims all and any liability (whether arising in tort under contract or otherwise) (save as referred to above), which it might otherwise have in respect of this document or such statement.

This document does not constitute an offer to sell or an invitation to subscribe for, or solicitation of an offer to subscribe for or buy, Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer, invitation or solicitation. In particular, this document must not be taken, transmitted, distributed or sent, directly or indirectly, in, or into, Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa, the United States of America or transmitted, distributed or sent to, or by, any national, resident or citizen of such countries. Accordingly, the Existing Ordinary Shares may not, subject to certain exceptions, be offered or sold, directly or indirectly, in, or into, Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa, the United States of America or in any other country, territory or possession where to do so may contravene local securities laws or regulations. The Existing Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under the securities legislation of any state of the United States of America, any province or territory of Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa, and they may not be offered or sold, directly or indirectly, within Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa, the United States of America or to or for the account or benefit of any national, citizen or resident of Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa, the United States of America or to any US person (within the definition of Regulation S made under the United States Securities Act 1933 (as amended)).

The distribution of this document outside the UK may be restricted by law. No action has been taken by the Company or Zeus Capital that would permit a public offer of shares in the Company or possession of this document where action for that purpose is required. Persons outside the UK who come into possession of this document should inform themselves about the restrictions relating to the distribution of this document in their particular jurisdiction. Failure to comply with those restrictions may constitute a violation of the securities laws of such jurisdictions.

FORWARD-LOOKING STATEMENTS

Certain statements contained herein constitute forward-looking statements. The forward-looking statements contained herein include statements about the expected effects of the Proposals, the expected timing and scope of the Proposals and other statements other than in relation to historical facts. Forward-looking statements including, without limitation, statements typically containing words such as "intends", "anticipates", "targets", "estimates", "believes", "should", "plans", "will", "expects" and similar expressions or statements that are not historical facts are intended to identify those expressions or statements as forward-looking statements. The statements are based on the current expectations of Broca plc and are naturally subject to uncertainty and changes in circumstances. By their nature, forward-looking statements involve risk and uncertainty and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. There are also a number of other factors that could cause actual results or developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, local and global political and economic conditions, interest rate fluctuations (including those from any potential credit rating decline) and legal or regulatory developments and changes. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements.

Neither Broca plc, Zeus Capital, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied by any forward-looking statements contained herein will actually occur. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, the Disclosure and Transparency Rules of the Financial Conduct Authority and the City Code on Takeovers and Mergers), neither Broca plc or Zeus Capital is under any obligation and each of them expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

CONTENTS

DIRECTORS, PROPOSED DIRECTORS, SECRETARY AND ADVISERS

Directors	Andrew ("Ian") Ian Smith, (*Executive Chairman*)* Simon D'Olier Duckworth OBE DL, (*Non-Executive Director*)* Jill Collighan, (*Group Finance Director*)*
Proposed Directors	Peter Martin Rigg, (*Non-Executive Chairman*) Paul Graham Guilbert, (*Independent Non-Executive Director*) Marc Young, (*Chief Executive Officer*)
Registered Office	100 Fetter Lane London EC4A 1BN
Company Secretary	Jill Collighan
Company Website	www.brocaplc.com
Nominated Adviser and Broker	Zeus Capital Limited 23 Berkeley Square London W1J 6HE and 82 King Street Manchester M2 4WQ
Reporting Accountants to the Company	Baker Tilly Corporate Finance LLP 25 Farringdon Street London EC4A 4AB
Solicitors to the Company	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
Solicitors to the Nominated Adviser and Broker	DMH Stallard LLP 6 New Street Square New Fetter Lane London EC4A 3BF
Registrars to the Company	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE

* To resign from the Board with effect from Admission of the Placing Shares. Jill Collighan will remain with the Group in an executive capacity as Group Finance Director but will not remain on the board of the Company.

DEFINITIONS

"**Acquisition**"	the proposed acquisition by the Company of MXC Holdings' membership interest in MXC Capital Advisory, pursuant to the terms of the Acquisition Agreement
"**Acquisition Agreement**"	the conditional acquisition agreement dated 25 July 2014 between Broca and MXC Holdings in relation to the sale and purchase of MXC Holdings' membership interest in MXC Capital Advisory, further details of which are set out in paragraph 12.1.2 of Part V of this document
"**Act**"	the Companies Act 2006
"**Admission**"	admission of Ordinary Shares to trading on AIM becoming effective in accordance with rule 6 of the AIM Rules
"**AIM**"	a market operated by London Stock Exchange
"**AIM Rules**"	the AIM Rules for Companies published by London Stock Exchange from time to time (including, without limitation, any guidance notes or statements of practice) which govern the rules and responsibilities of companies whose shares are admitted to trading on AIM
"**Articles**"	the articles of association of the Company for the time being
"**Board**"	the board of directors of the Company at the date of this document
"**certificated**" or "**in certificated form**"	a share or other security recorded on the relevant register of the relevant company as being held in certificated form and title to which may be transferred by means of a stock transfer form
"**Change of Name**"	the proposed change of name of the Company to MXC Capital plc, further details of which are set out in paragraph 14 of Part I of this document
"**Company**" or "**Broca**"	Broca plc, a company registered in England and Wales with registered number 05010663
"**Completion**"	completion of the Acquisition in accordance with the terms of the Acquisition Agreement
"**Concert Party**"	those persons set out in Part II of this document
"**Consideration Shares**"	the 600,000,000 Ordinary Shares to be issued by the Company to MXC Holdings to satisfy the consideration payable under the Acquisition Agreement
"**Consultant**"	MXC Holdings
"**CREST**"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations)
"**CREST Regulations**"	the Uncertificated Securities Regulations 2001 (SI2001 No. 3755), as amended, and any applicable rules made under those regulations

"**Deferred Activemedia Consideration Shares**"	555,772 Ordinary Shares to be allotted and issued by the Company in settlement of deferred consideration relating to the acquisition of the entire issued share capital of Activemedia Technologies Limited in 2009
"**Directors**"	those persons identified as such on page 4 of this document
"**DTR**"	the Disclosure and Transparency Rules being the rules and regulations made by the FCA in its capacity as the UKLA under Part VI of FSMA, as amended, and contained in the UKLA publication of the same name
"**Enlarged Group**"	the Company, its subsidiaries and MXC Capital Advisory upon completion of the Acquisition
"**Enlarged Issued Share Capital**"	the issued share capital of the Company being the Existing Ordinary Shares, the Deferred Activemedia Consideration Shares, the Placing Shares and the Consideration Shares
"**Existing Ordinary Shares**"	existing ordinary shares of 1 penny each in the capital of the Company as at the date of this document
"**Financial Conduct Authority**" or "**FCA**"	the United Kingdom Financial Conduct Authority
"**Form of Proxy**"	the form of proxy enclosed with this document for use by Shareholders in connection with the GM
"**FSMA**"	the Financial Services and Markets Act 2000, as amended
"**General Meeting**" or "**GM**"	the general meeting of the Company, convened for 11.00 a.m. on 12 August 2014, and any adjournment thereof, notice of which is set out at the end of this document
"**Georgia Holding**"	means Georgia Holding Company, Inc., a company incorporated in Delaware with company number 98-0426764, a member of the Group
"**Group**"	the Company and its subsidiaries as at the date of this document
"**IFRS**"	International Financial Reporting Standards
"**Independent Director**"	Jill Collighan
"**Independent Shareholders**"	the holders of Existing Ordinary Shares other than any person being a member of the Concert Party
"**ISIN**"	international security identification number
"**Issue Price**"	1 penny, being the price at which the Consideration Shares and the Placing Shares are to be issued
"**Lock-in Agreements**"	the conditional agreements not to dispose of interests in Ordinary Shares save in certain circumstances dated 25 July 2014 and described in paragraph 12.1.4 of Part V of this Document
"**Locked-in Persons**"	the Directors, Proposed Directors and certain other Shareholders
"**London Stock Exchange**"	London Stock Exchange plc

"**LTIP**"	the long term incentive plan to be established by the New Board, further details of which are set out in paragraph 19 of Part I of this document
"**MXC Capital Advisory**"	MXC Capital Advisory LLP, a limited liability partnership registered in England and Wales with number OC381555
"**MXC Holdings**"	MXC Holdings Limited, a company registered in England and Wales with company number 07039551
"**New Board**"	the directors of the Company with effect from Admission of the Placing Shares, comprising the Proposed Directors
"**Notice**"	the notice of the General Meeting set out at the end of this document
"**Official List**"	the list maintained by the UKLA in accordance with section 74(1) of FSMA for the purposes of Part VI of FSMA
"**Options**"	existing options to subscribe for Ordinary Shares, further details of which are set out in paragraphs 3.26 and 20 of Part V of this document
"**Ordinary Shares**"	ordinary shares of 1 penny each in the capital of the Company
"**Panel**"	the City Panel on Takeovers and Mergers
"**Placees**"	Investors to whom Placing Shares are to be issued pursuant to the Placing
"**Placing**"	the conditional placing by Zeus Capital on behalf of the Company of the Placing Shares at the Issue Price pursuant to the Placing Agreement
"**Placing Agreement**"	the conditional agreement dated 25 July 2014 between the Company, the Directors, the Proposed Directors and Zeus Capital relating to the Placing, details of which are set out in paragraph 12.1.1 of Part V of this document
"**Placing Shares**"	the 850,000,000 Ordinary Shares which are the subject of the Placing
"**Proposals**"	the Acquisition, the Placing, the Change of Name, the General Meeting, Admission of the Placing Shares and Admission of the Consideration Shares
"**Proposed Directors**"	those persons identified as such on page 4 of this document
"**Registrars**"	Computershare Investor Services PLC of The Pavilions, Bridgwater Road, Bristol, BS13 8AE
"**Resolutions**"	the resolutions to be proposed at the General Meeting, details of which are set out in the Notice
"**RIS**"	Regulatory Information Service
"**Shareholders**"	holders of Ordinary Shares
"**Substantial Shareholder**"	has the meaning given to that term in the AIM Rules
"**Sterling**" or "**£**"	the legal currency of the UK

"T**akeover Code**" or the "**Code**"	The City Code on Takeovers and Mergers issued from time to time by or on behalf of the Panel
"**TMT**"	telecommunications, media and technology
"**UK**"	the United Kingdom of Great Britain and Northern Ireland
"**UKLA**"	the United Kingdom Listing Authority, being the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
"**uncertificated**" or "**in uncertificated form**"	a share or other security recorded on the relevant register of the relevant company as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
"**VAT**"	value added tax
"**Vendor**"	MXC Holdings
"**Whitewash Resolution**"	an ordinary resolution to approve the Panel's waiver of the obligation to make an offer under Rule 9 of the Code passed on a poll at a General Meeting by the shareholders of a company who are independent of the persons who would otherwise be required to make an offer under Rule 9 of the Code and any person acting in concert with him or her
"**Zeus Capital**"	Zeus Capital Limited, a company registered in England and Wales with company number 4417845

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2014
Admission document publication date	26 July
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 8 August
Time and date of General Meeting	11.00 a.m. on 12 August
Change of Name to become effective	12 August
Completion of the Placing, Admission of the Placing Shares (and Deferred Activemedia Consideration Shares) and commencement of dealings	13 August
CREST accounts credited in respect of the Placing Shares	13 August
Definitive share certificates dispatched in respect of the Placing Shares	21 August
Completion of the Acquisition, Admission of the Consideration Shares and commencement of dealings in the Consideration Shares	13 August*
CREST accounts credited in respect of the Consideration Shares	13 August*
Definitive share certificates dispatched in respect of the Consideration Shares	21 August*

Notes:

1. References to time in this document are to London time. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on an RIS.
2. The timing of events in the above timetable is indicative only.

* Or such later date as FCA approval is obtained.

KEY STATISTICS

Issue price per Consideration Share and per Placing Share	1 penny
Number of Existing Ordinary Shares in issue as at the date of this document (including the treasury shares)	397,891,130
Number of Existing Ordinary Shares in issue as at the date of this document (excluding treasury shares)	396,991,401
Number of Placing Shares to be issued	850,000,000
Number of Deferred Activemedia Consideration Shares to be issued	555,772
Number of Ordinary Shares in issue on Admission of the Placing Shares and Deferred Activemedia Consideration Shares***	1,247,547,176
Market capitalisation of the Company on Admission of the Placing Shares at the Issue Price	£12,475,471
Number of Consideration Shares to be issued	600,000,000
Number of Ordinary Shares in issue on Admission of the Consideration Shares***	1,847,547,176
Market capitalisation of the Company on Admission of the Consideration Shares at the Issue Price	£18,475,471
Percentage of Enlarged Issued Share Capital represented by the Consideration Shares and the Placing Shares	78.46%
Number of Ordinary Shares under option following the Acquisition and the Placing	66,660,842
Number of Ordinary Shares on a fully diluted basis following the Acquisition and the Placing***†	1,914,208,018
Existing AIM ticker symbol	BRC
New AIM ticker symbol**	MXCP
ISIN code for Ordinary Shares	GB0034312214

†on the basis that all of the Options have been exercised, but not including treasury shares

**the new AIM ticker symbol shall become effective only if the Resolutions are passed at the General Meeting

***not including treasury shares

PART I

LETTER FROM THE CHAIRMAN

Broca plc

(Incorporated in England and Wales with registered number 05010663)

Directors:
Andrew ("Ian") Ian Smith (*Executive Chairman*)
Jill Collighan (*Chief Financial Officer*)
Simon D'Olier Duckworth (*Non-Executive Director*)

Registered Office:
100 Fetter Lane
London
EC4A 1BN

26 July 2014

To the holders of Existing Ordinary Shares

Dear Shareholders,

Proposed Acquisition of MXC Capital Advisory LLP

Placing of 850,000,000 new Ordinary Shares at a price of 1 penny per share

Change of Name to MXC Capital plc

Admission of the Placing Shares and the Consideration Shares to trading on AIM

and

Notice of General Meeting

1. Introduction

On 17 July 2014, the Company announced that it had conditionally raised £8.5 million through a placing of new Ordinary Shares and also that it was in advanced discussions relating to the purchase of MXC Holdings' interest in MXC Capital Advisory. Should the Placing and Acquisition both complete, the Enlarged Group will be an investment and advisory company, seeking to generate shareholder returns by making investments in growth businesses while supporting them with advisory services and will:

- have a merchant banking ethos of shared risk and reward;
- be focused on the TMT sector;
- provide corporate finance advice to investee companies through MXC Capital Advisory; and
- have a consultancy relationship with MXC Holdings, with the remit, among other things, to introduce suitable investment opportunities to the Company.

The founders of MXC Holdings, Ian Smith and Tony Weaver, have more than 50 years' collective experience in the TMT sector and have concluded transactions with a value in excess of £400 million in the last ten years, examples of which include investments in Redcentric plc and Accumuli plc.

As the Acquisition would be deemed a reverse takeover under the AIM Rules, the Company requested that trading in its Ordinary Shares be suspended with effect from 7.30 a.m. on 17 July 2014 pending the publication of the Admission Document.

The Company has agreed terms for the acquisition of MXC Holdings' interest in MXC Capital Advisory.

The Acquisition, if completed, is of sufficient size to constitute a reverse takeover under the AIM Rules. The Acquisition is therefore subject to the approval of Shareholders at the General Meeting. As a result, a number of proposals are to be put to Shareholders at the General Meeting. This document sets out the details of, and reasons for, the Proposals. It is expected that the temporary suspension from trading in the Company's shares will be lifted and trading resume in the Company's shares at 8.00 a.m. on 28 July 2014.

Further details of the General Meeting are set out in paragraph 23 of this Part I. Further details of the terms and conditions of the Acquisition are set out in paragraph 8 of this Part I.

The consideration for the Acquisition of £6 million is to be satisfied by the issue of 600,000,000 Ordinary Shares at a price of 1 penny per share, which values the existing ordinary share capital at £3.97 million, representing a 47.5 per cent. discount to the Company's share price on 17 July 2014, the date on which trading was temporarily suspended.

The Company has raised £8.5 million (before expenses) by means of the Placing which will be used in the furtherance of its investment strategy and for general working capital purposes. Further details of the Placing are set out in paragraph 10 of this Part I.

Following implementation of the Proposals, certain Shareholders of the Enlarged Group who are deemed to be acting in concert will hold 973,000,000 Ordinary Shares, representing 52.66 per cent. of the Enlarged Issued Share Capital.

Under Rule 9 of the Takeover Code the issue of the Consideration Shares and the Placing Shares would normally result in the Concert Party being obliged to make an offer to all Shareholders (other than the Concert Party) to acquire their shares. Further details are outlined in paragraph 11 of this Part I.

Should the Placing complete, the name of the Company will be changed to MXC Capital plc.

The purpose of this document is to provide Shareholders with further information regarding the matters described above and to seek your approval of the Resolutions, at the General Meeting. The notice of General Meeting is set out at the end of this document. The Proposals are conditional, *inter alia*, on the passing of the Resolutions. If the Resolutions are approved by Shareholders, it is expected that Admission of the Placing Shares will become effective and dealings in the Placing Shares will commence on AIM on or around 13 August 2014 and it is expected that Admission of the Consideration Shares will become effective and dealings in the Consideration Shares will commence on AIM on or around 13 August 2014 (or such later date as FCA approval is obtained). The General Meeting of the Company has been convened for 11.00 a.m. on 12 August 2014 at the offices of DAC Beachcroft LLP at 100 Fetter Lane, London EC4A 1BN at which the Resolutions will be proposed.

You should read the whole of this document and not just rely on the information contained in this letter. In particular, you should consider carefully the "Risk Factors" set out in Part III of this document. Your attention is also drawn to the information set out in Parts IV to V of this document.

2. Background to and reasons for the Placing and the Acquisition

On 16 April 2014, Broca announced that it had disposed of its operating business and was now an Investing Company under Rule 15 of the AIM Rules, focused on making acquisitions and/or investments within the TMT sector.

Consistent with this policy, the Board has identified a strong pipeline of potential TMT investments and believes that undertaking a placing of new Ordinary Shares (and taking advantage of the access to further capital that having a listing on AIM affords the Company) together with the cash the Company already has at its disposal, will leave it well positioned to take advantage of the opportunities currently under evaluation.

The commercial rationale behind the Acquisition is to bring sufficient expertise in-house to allow the Company to take full advantage of a strengthened balance sheet and allow the Board to properly consider the numerous opportunities currently being evaluated, as well as enabling the Company to execute potential transactions.

3. Strategy of the Enlarged Group

The Enlarged Group's strategy will be twofold: (i) to target significant capital gains by increasing the value of future investments which the Enlarged Group proposes to make; and (ii) to generate income and profits from the advisory business.

The Enlarged Group will seek to leverage the network, expertise and experience of MXC Holdings, and Ian Smith and Tony Weaver specifically, through the consultancy, referral and licence agreement, under which

MXC Holdings will introduce all future TMT investment opportunities it generates to the Company on a first refusal basis.

The Enlarged Group will look at a wide variety of opportunities within the TMT sector but expects to focus on special situations, particularly:

- turnaround transactions – delivering strategic enhancements and/or operational improvements; and
- buy-and-build strategies – creating value through consolidation and effective integration.

Finally, the Company will take significant ownership positions, typically between 10 and 29.9 per cent. and hold these long term. It will also take an active approach towards managing its portfolio investments:

- its employees or representatives will have board representation or oversight on investee companies; and
- MXC Capital Advisory will provide corporate finance, equity and debt capital markets advice.

4. Information on MXC Capital Advisory

MXC Capital Advisory was established in 2013 by Marc Young, Ian Smith, Tony Weaver and Martin Bolland with the aim of creating a corporate advisory business focused on advising growth companies in the TMT sector and specifically investee companies of MXC Holdings. It is FCA regulated for the provision of corporate finance advice.

MXC Capital Advisory provides specialist corporate finance advice on all forms of corporate transactions including:

- buy and sell side mergers and acquisitions mandates;
- IPOs, secondary public market fundraisings and private company fundraisings;
- debt and convertible debt issuance; and
- advice on the City Code on Takeovers and Mergers.

In its first year of operation, MXC Capital Advisory successfully concluded eight transactions: most notably it originated and led the acquisition of InTechnology Managed Services Limited by Redcentric plc, concluding a £65 million placing (alongside N+1 Singer and finnCap) which was the largest fundraising on AIM in its sector in 2013 and was selected as *Transaction of the Year* at The Small Cap Awards 2014.

It has retained mandates with four AIM listed companies, relationships with a number of private companies and a significant pipeline of opportunities.

5. Information on MXC Holdings

MXC Holdings was founded by Ian Smith and Tony Weaver in 2009 as a specialist investor and consultant to growth TMT companies. MXC Holdings has a strong investment track record, generating significant realised and unrealised gains. The realised gains to date have generated a return in excess of three times the original investment, a summary of which is set out below:

Investment	*Investment Quantum (£000s)*	*Sale Proceeds (£000s)*	*Profit (£000s)*
Fujin Systems	12	1,805	1,793
Edge 7, Coms, Grapple	324	1,335	1,011
Accumuli	1,222	2,973	1,751
Redcentric	1,687	4,269	2,582
Total	3,245	10,382	7,137

Marc Young, proposed Chief Executive Officer of the Company, is interested in 7.84 per cent. of, and has an option over a further 2.16 per cent. of, the issued ordinary share capital of MXC Holdings.

Ian Smith, Executive Chairman of the Company, is interested in 38.94 per cent. of the issued ordinary share capital of MXC Holdings.

6. Relationship with MXC Holdings

The Company has entered into the following agreements, which become effective upon Admission of the Placing Shares, with MXC Holdings:

- Consultancy, referral and licence agreement dated 25 July 2014 – pursuant to the terms of this agreement, MXC Holdings has agreed to provide the Company with corporate advisory services and such other services as may be agreed by the parties from time to time. MXC Holdings has also agreed: (i) to ensure that each of the individual consultants (being Ian Smith and Tony Weaver) is available to provide the services; (ii) to seek to introduce appropriate investment opportunities in the TMT sector to the Company; and (iii) not to seek to exploit any potential investment opportunities in the TMT sector which might reasonably be considered opportunities which should properly be brought to the attention of the Company, unless the board of directors of the Company has formally resolved not to pursue the same. Further details of this agreement are set out in paragraph 12.1.6 of Part V of this document.
- Shared services agreement dated 25 July 2014 – pursuant to the terms of this agreement, MXC Holdings has agreed to provide the Company with general office and secretarial support services. In addition, the Company and MXC Holdings will share occupation of the premises at first, second and third floors, 15 Buckingham Gate, London SW1E 6LB. Further details of this agreement are set out in paragraph 12.1.5 of Part V of this document.

The Company and Zeus Capital have also entered into a relationship agreement dated 25 July 2014, which will become effective upon Admission of the Consideration Shares, with MXC Holdings, pursuant to the terms of which MXC Holdings has undertaken, *inter alia*, that it will not use the voting rights attached to its holdings of Ordinary Shares to take control of the Board or procure a de-listing from AIM. The relationship agreement will remain in place whilst MXC Holdings is interested in Ordinary Shares representing 30 per cent. or more of the issued share capital of the Company. Further details of this agreement are set out in paragraph 12.1.3 of Part V of this document.

7. Directors and Proposed Directors

Directors

The Board currently comprises of the following directors:

Ian Smith, (Executive Chairman, aged 50)

Ian has significant experience of leading and creating value in the technology industry. Ian is a founding partner of MXC Holdings, an investment and advisory group focused on the technology sector. Ian has recently led strategic change and value accretion at Redstone plc and Accumuli plc and also brings significant experience from senior positions at Cisco Systems, Foundry Networks and Cable & Wireless. Including Broca, MXC Holdings has now led 5 restructurings of quoted companies in the past three years including Redstone plc, Accumuli plc, Maxima Holdings plc and Coms plc. Ian is currently the Executive Chairman of the Company.

Ian Smith will step down from the Board with effect from Admission of the Placing Shares in order to concentrate on providing consultancy services to the Company (as described in paragraph 6 above). Ian will remain a substantial shareholder by virtue of his interest in MXC Holdings and through his SIPP's shareholding in the Company.

Simon D'Olier Duckworth OBE DL, (Non-Executive Director, aged 49)

Simon is a seasoned non-executive director with experience of guiding growth technology businesses. A Cambridge graduate, Simon has over 10 years' experience in the security sector. A former Chairman of the City of London Police Authority, Simon is a non-executive director of Accumuli plc and the Police ICT Company Ltd, and Chairman of Barings Targeted Return Fund. Simon also holds a number of non-executive directorships and appointments in the private and public sectors, including membership of the Home Office's Economic Crime Co-Ordination Board.

Simon will step down from the Board with effect from Admission of the Placing Shares. Simon will remain interested in the Company by virtue of his shareholding in the Company and MXC Holdings.

Jill Collighan, (Group Finance Director, aged 44)

Jill qualified as a chartered certified accountant in 1994, initially joining Lathams before leaving to set up her own accountancy consultancy business. Jill has worked with Broca since 2002 and has been a director since 2004. She has extensive experience of finance, human resources, investor relations and corporate finance.

Jill will step down from the Board with effect from Admission of the Placing Shares but will remain as the Group's finance director.

Proposed Directors

Peter Martin Rigg (Non-Executive Chairman, aged 65)

Peter Rigg is an experienced chairman with a background in investment banking. Currently serving as chairman of Polarcus Limited, an Oslo Listed marine seismic survey company, Peter is also an independent non-executive director of Schroders Oriental Income Fund Ltd. Peter was formerly Head of Asian Equity Capital Markets and Head of Investment Banking North Asia at Credit Suisse First Boston.

Paul Graham Guilbert (Independent Non-Executive Director, aged 53)

Paul is an experienced non-executive director with specific expertise in working on the boards of both quoted and unquoted investment companies and private equity businesses including Permira, Apollo, Alchemy and Schroders. Paul has had significant experience in fund administration having worked at Northern Trust, latterly as Senior Vice President and Global Head of Private Equity Fund Administration. Consequently Paul has substantial experience in managing investment committees. It is proposed that Paul will chair the audit and remuneration committees.

Marc Young (Chief Executive Officer, aged 35)

Marc is a corporate financier and corporate broker with a decade of experience in small cap having led numerous M&A mandates, IPOs and secondary fundraisings for quoted companies after gaining experience at both specialist brokerages and an investment bank. Latterly, Marc was a Director and Head of Technology at finnCap Limited. Marc is a chartered accountant, having trained in the Information, Communication and Entertainment division at KPMG.

8. Key personnel retained by MXC Holdings, the Consultant

Martin Bolland

Martin Bolland is chairman of MXC Holdings. Martin founded the private equity group Alchemy, serving as a Partner for 11 years. Martin is currently chairman of Capita plc, a FTSE 100 company, and is also currently chairman of Parkdean Holidays (PD Parks Holdings Limited). Martin previously held a number of senior operational roles in Lonrho and is a chartered accountant.

Ian Smith

Ian has significant experience of leading and creating value in the technology industry. Ian is a managing partner of MXC Holdings, an investment and advisory group focused on the technology sector. Ian has recently led strategic change and value accretion at Redstone plc and Accumuli plc.

Tony Weaver

Tony has an IT and communications services background that started in the mid-1980s. Tony founded his first IT business in 1988, is a founder of a number of other successful technology companies and has a very well established background in sales and management. Tony is a managing partner of MXC Holdings. Tony is currently CEO of Redcentric plc, having served as CEO of Redstone plc since August 2010, and led its restructuring with Ian Smith.

Martin Chapman

Martin Chapman is a special adviser to MXC Holdings. Martin was previously head of corporate banking in London for HSBC Bank plc. Martin provides MXC Holdings with a wealth of experience in debt advisory and structuring in support of working capital, leverage and acquisition finance. Martin also serves as a non-executive director of Weston Group plc, The Erith Group and Fulham Shore plc

Charles Vivian

Charles has worked as an Investment Executive at EPIC Private Equity and Marwyn Capital. Charles specialises in listed, small cap buy-and-build investment strategies and has led numerous acquisitions and disposals as well as managing the investments in portfolio companies. Charles worked for over six years at international law firm Freshfields Bruckhaus Deringer, where he specialised in public and private M&A and capital markets.

9. Principal Terms of the Acquisition

The Company has entered into the Acquisition Agreement, pursuant to which it has conditionally agreed to acquire MXC Holdings' membership interest in MXC Capital Advisory for a consideration of £6 million, to be satisfied by the issue of the Consideration Shares.

Completion of the Acquisition is conditional upon, amongst other things, a Rule 9 waiver being granted with respect to the issue of the Consideration Shares and approval of the FCA to Marc Young and the Company becoming members of MXC Capital Advisory and therefore can not be guaranteed. It should be noted that completion of the Acquisition is not conditional upon completion of the Placing. Contingent on the timing of the aforementioned FCA approval, it is possible that there may be a gap between completion of the Placing and completion of the Acquisition and therefore Admission of the Placing Shares may precede the Admission of the Consideration Shares, assuming the Acquisition completes at all. Should the Acquisition not complete, the New Board will look for other ways to pursue the Company's strategy, including acquisitions of other FCA regulated entities or application to the FCA for approval of their own.

Further details of the Acquisition Agreement are set out in paragraph 12.1.2 of Part V of this document.

10. Financial information

Historical financial information on MXC Capital Advisory is set out in Part IV of this document.

The Directors have taken advantage of the exemption contained in AIM Rule 28 and have therefore not included financial information on the Company in this document. Financial information equivalent to that required under Section 20.1 of Annex II to the AIM Rules can be obtained from the Company's website, www.brocaplc.com, which will be changed to www.mxccapital.com with effect from Admission of the Placing Shares.

11. The Placing

Zeus Capital has conditionally raised £8.5 million (before expenses) for the Company through the placing of the Placing Shares at the Issue Price conditional on Resolutions 2, 4, 6 and 7 being approved by Shareholders at the General Meeting and Admission of the Placing Shares. The net proceeds of the Placing are estimated at £8.2 million and will be used in the furtherance of the Company's investment strategy and for general working capital purposes. Once the Placing Shares are admitted to trading on AIM, the Placees will, in aggregate, hold approximately 68.16 per cent. of the ordinary share capital of the Company as enlarged by the issue of the Placing Shares only.

In order to facilitate the Placing and to enable the Company to raise further funds (if required), it is necessary amongst other things for the Company to increase its authority to issue shares and dis-apply pre-emption rights in relation to any such issue as detailed in Resolutions 2, 3, 4 and 5. In each case, the authorities conferred by Resolutions 2, 3, 4 and 5 shall expire fifteen months after the passing of the relevant resolutions or at the conclusion of the next annual general meeting of the Company following the passing of these resolutions, whichever occurs first. The New Board may look to raise additional funds for the Company following the General Meeting subject to the Resolutions being approved by Shareholders.

It should be noted that completion of the Placing is not conditional upon completion of the Acquisition. It is therefore proposed to complete the Placing and arrange for the Placing Shares to be admitted to trading on AIM immediately following the conclusion of the General Meeting, assuming that all of the Resolutions are duly passed.

12. The Takeover Code

The proposed Acquisition gives rise to certain considerations under the Code. Brief details of the Panel, the Code and the protections they afford are described below.

The Code is issued and administered by the Panel. The Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a listed or unlisted public company resident in the United Kingdom (and to certain categories of private limited companies). The Company is a listed public company and its Shareholders are entitled to the protections afforded by the Code.

Under Rule 9 of the Code, where any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares already held by that person and an interest in shares held or acquired by persons acting in concert with him or her) carry 30 per cent. or more of the voting rights of a company which is subject to the Code, that person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company to acquire the balance of their interests in the company.

Rule 9 of the Code also provides that, among other things, where any person who, together with persons acting in concert with him or her, is interested in shares which in aggregate carry not less than 30 per cent. but does not hold shares carrying more than 50 per cent. of the voting rights of a company which is subject to the Code, and such person, or any person acting in concert with him or her, acquires an additional interest in shares which increases the percentage of shares carrying voting rights in which he or she is interested, then such person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

An offer under Rule 9 must be in cash (or with a cash alternative) and at the highest price paid within the preceding 12 months to acquire any interest in shares in the Company by the person required to make the offer or any person acting in concert with him or her.

Rule 9 of the Code further provides, among other things, that where any person who, together with persons acting in concert with him or her holds over 50 per cent. of the voting rights of a company, acquires an interest in shares which carry additional voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares

although individual members of the Concert Party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold, without Panel consent.

Following completion of the Acquisition, the Concert Party will have increased its interest in shares carrying voting rights of the Company from approximately 29.90 per cent. to 52.66 per cent., which, without a waiver of the obligations under Rule 9, would oblige the Concert Party to make a general offer to Shareholders under Rule 9 of the Code.

Dispensation from General Offer

Under Note 1 on the Notes on the Dispensations from Rule 9 of the Code, when the issue of new securities in consideration for an acquisition or a cash subscription would otherwise result in an obligation to make a general offer under Rule 9 of the Code, (the "Rule 9 Offer") the Panel would normally grant a waiver if, *inter alia*, the shareholders of the company who are independent of the person who would otherwise be required to make an offer and any person acting in concert with him or her (the "**Independent Shareholders**") pass an ordinary resolution on a poll at a general meeting (a "**Whitewash Resolution**") approving the proposals giving rise to the obligation to make an offer and the waiver of it by the Panel. The Takeover Panel may waive the requirement for a Whitewash Resolution to be considered at a general meeting (and for a circular to be prepared in accordance with Section 4 of Appendix 1 to the Code) if Independent Shareholders holding more than 50 per cent. of the company's shares capable of being voted on such a resolution confirm in writing that they would vote in favour of the Whitewash Resolution were such a resolution to be put to the shareholders of the company at a general meeting.

Following the General Meeting, the Company intends to approach Independent Shareholders holding more than 50 per cent. of the company's shares capable of being voted on such a resolution, and attempt to obtain confirmation in writing that they would vote in favour of the Whitewash Resolution were such a resolution to be put to the shareholders of the company at a general meeting. Should this be achieved, the Company will subsequently approach the Takeover Panel and seek its permission to waive the requirement for a Whitewash Resolution to be considered at a general meeting (and for a circular to be prepared in accordance with Section 4 of Appendix 1 to the Code).

Should the agreement of Independent Shareholders holding more than 50 per cent. of the company's shares capable of being voted on such a resolution be obtained and were the Panel therefore to waive the requirement for a Whitewash Resolution to be considered at a general meeting (and for a circular to be prepared in accordance with Section 4 of Appendix 1 to the Code), the Company will issue an announcement to that effect to inform shareholders of the fact.

Shareholders should note that, following the Acquisition, the Concert Party would between them be interested in shares carrying more than 50 per cent. of the voting rights of the Company and (for so long as they continue to be treated as acting in concert) would be able to acquire further Ordinary Shares, without incurring an obligation to make an offer to Shareholders of the Company under Rule 9. However, individual members of the Concert Party will not be able to increase their percentage interest in Ordinary Shares through or between a Rule 9 threshold with Panel consent.

13. Corporate Governance and Internal Controls

The Directors recognise the importance of sound corporate governance and the Enlarged Group will comply with the provisions of the Corporate Governance Code for Small and Mid-Size Quoted Companies 2013 ("**QCA Code**"), as published by the Quoted Companies Alliance, to the extent they consider appropriate in light of the Enlarged Group's size, stage of development and resources.

The Enlarged Group will hold board meetings periodically as issues arise which require the attention of the New Board. The New Board will be responsible for the management of the business of the Enlarged Group, setting the strategic direction of the Enlarged Group and establishing the policies of the Enlarged Group. It will be the New Board's responsibility to oversee and monitor the financial position, the business and affairs of the Enlarged Group on behalf of the Shareholders, to whom the directors are accountable. The primary duty of the New Board will be to act in the best interests of the Enlarged Group at all times. The New Board will also address issues relating to internal control and the Enlarged Group's approach to risk management.

The Enlarged Group has also established a remuneration committee (the "**Remuneration Committee**") and an audit committee (the "**Audit Committee**") with formally delegated duties and responsibilities.

The Remuneration Committee, which will comprise Paul Guilbert as Chairman and Peter Rigg, will meet not less than twice each year. The committee will be responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options (or similar arrangements) with due regard to the interests of the Shareholders and the performance of the Enlarged Group.

The Audit Committee, which will comprise Paul Guilbert as Chairman and Peter Rigg, will meet not less than twice a year. The committee will be responsible for making recommendations to the New Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Enlarged Group is properly monitored and reported. In addition, the Audit Committee will receive and review reports from management and the auditors relating to the interim report, the annual report and accounts and the internal control systems of the Enlarged Group.

The Enlarged Group has adopted and will operate a share dealing code governing the share dealings in the Company's shares of the New Board and applicable employees with a view to ensuring compliance with the AIM Rules.

14. Change of Name

The Directors propose that the name of the Company be changed to MXC Capital plc with effect from Admission of the Placing Shares.

Upon the Change of Name being registered at Companies House, the Company's AIM ticker symbol will be changed to MXCP. The Company's website address will be changed to www.mxccapital.com with effect from Admission of the Placing Shares.

15. Dividend Policy

Assuming that the Proposals are approved at the General Meeting, the trading business of the Enlarged Group will be at an early stage in its development and the New Board believes that it is inappropriate to give an indication of the future dividend policy. However, should the Company generate surplus cash that is not required for the execution of the investment strategy then the New Board will consider the most effective means of returning cash to Shareholders.

16. Lock-in Arrangements

The Locked-In Persons have given undertakings in the Locked-In Agreements not to sell, charge or grant any interests over any Ordinary Shares held by them (subject to certain exemptions) during the 12 month period commencing on Admission of the Placing Shares. In addition, the Locked-In Parties have undertaken to consult Zeus Capital prior to any disposal and to make any disposal through the Company's brokers for a 12 month period thereafter so as to maintain an orderly market in the shares.

17. Options

At the date of this document the Company has a total of 66,660,842 Existing Ordinary Shares subject to Options.

Further details of the existing Options are set out in paragraphs 3.26 and 20 of Part V of this document.

18. Remuneration Policy

The remuneration policy of the Company will be set by the remuneration committee. It is anticipated that a material percentage of profit before taxation will be retained to be allocated to a bonus pool.

19. Long Term Incentive Plan

As soon as reasonably practicable, the Company intends to implement a long term incentive plan for the benefit of both the management team (from time to time) and MXC Holdings, to incentivise them as well as align their interests with those of Shareholders.

These arrangements will only reward the participants if shareholder value is created; for the purposes of the plan, "shareholder value" shall broadly mean the difference between the market capitalisation of the Company at the point in time that any assessment is made and the sum of: (i) the market capitalisation of the Company (at the Issue Price) following the Admission of the Placing Shares and the Admission of the Consideration Shares; and (ii) the aggregate value (at the subscription price) of all Ordinary Shares issued thereafter and up to the point in time that any assessment is made, in each case adjusted for dividends and capital returns to Shareholders.

Whilst the precise structure of the plan remains to be determined, the beneficiaries of the plan will be entitled to an amount of up to 12.5 per cent. of shareholder value (as defined above) created, subject to certain share price performance criteria set out below.

In the event that the Company achieves a mid-market closing share price of 1.5 pence at any point in the future, the beneficiaries shall be entitled to a quarter of this 12.5 per cent., being 3.125 per cent. of shareholder value created; the remaining quarters shall vest at 2 pence, 2.5 pence with the full amount vesting at 3 pence.

It is anticipated that: (i) the plan shall have a term of 5 years from its date of implementation (but it is possible that the performance criteria may well be satisfied in full ahead of that expiration date) and; (ii) the management team and MXC Holdings shall participate in the plan on the same terms and conditions, save that the management will be entitled to 36 per cent. of all amounts awarded pursuant to it and MXC Holdings to the balance, being 64 per cent.

Whilst it is the intention of the Company to implement a long term incentive plan along the lines mentioned above, the Company may, after further consideration, decide to implement a more traditional option scheme of similar effect.

20. Re-domicile to Guernsey

The New Board is considering the most effective means of managing and controlling the Company in light of the fact that two of the Company's directors will not be resident in the UK. Given Guernsey's strong track record in providing administrative and support functions to investment companies, the New Board is actively considering a re-domicile of the Company to Guernsey.

21. Taxation

General information regarding UK taxation is set out in paragraph 19 of Part V of this document. These details are intended only as a general guide to the current tax position under UK taxation law. If an investor is in any doubt as to his tax position, he should consult his own independent financial adviser immediately.

Investors subject to tax in other jurisdictions are strongly urged to contact their tax advisers about the tax consequences of holding Ordinary Shares.

22. CREST

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations.

The Ordinary Shares will be eligible for CREST settlement. Accordingly, following the Admission of the Placing Shares and following Admission of the Consideration Shares, settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

For more information concerning CREST, Shareholders should contact their stockbroker or Euroclear UK & Ireland Limited at 33 Cannon Street, London EC4M 5SB or by telephone on +44 (0) 20 7849 0000.

23. General Meeting

Set out at the end of this document is the notice convening the General Meeting to be held at the offices of DAC Beachcroft LLP at 100 Fetter Lane, London EC4A 1BN on 12 August 2014 at 11.00 a.m. at which the Resolutions will be proposed to approve:

- the Acquisition;
- the authorisation of the directors to allot Ordinary Shares in respect of the Placing only;
- the authorisation of the directors to allot Ordinary Shares in respect of, amongst other things, the Acquisition;
- the disapplication of the statutory pre-emption provisions to enable the directors in certain circumstances to allot Ordinary Shares for cash other than on a pre-emptive basis in respect of the Placing only;
- the disapplication of the statutory pre-emption provisions to enable the directors in certain circumstances to allot Ordinary Shares for cash other than on a pre-emptive basis in respect of, amongst other things, the Acquisition;
- the removal of the Company's authorised share capital restriction;
- amendments to the Company's Articles; and
- the change of name to MXC Capital plc.

24. Action to be taken by Shareholders

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Computershare Investor Services PLC of The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible, but in any event so as to be received by no later than 11.00 a.m. on 8 August 2014. The completion and return of a Form of Proxy will not preclude a Shareholder from attending the General Meeting and voting in person should he or she so wish.

25. Risk factors

Shareholders should be aware of the risk factors set out in Part III of this document and the section entitled "**Forward Looking Statements**" on page 2 of this document. Shareholders should, in addition to all other information set out in this document, carefully consider the risks described in those sections.

26. Related party transactions

MXC Holdings' participation in the Placing

MXC Holdings has subscribed for 300,000,000 Placing Shares in the Placing. MXC Holdings' participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules as MXC Holdings is a Substantial Shareholder in Broca and because Ian Smith is a director of both Broca and MXC Holdings.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of MXC Holdings' participation in the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

Ian Smith's participation in the Placing

Ian Smith's SIPP has subscribed for 13,000,000 Placing Shares in the Placing. Ian Smith's SIPP's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that Ian Smith is a director of Broca.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of Ian Smith's SIPP's participation in the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

Simon and Caroline Duckworth's participation in the Placing

Simon and Caroline Duckworth have subscribed for 5,000,000 Placing Shares between them in the Placing. Simon and Caroline Duckworth's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that Simon Duckworth is a Non-Executive Director of the Company.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of Simon and Caroline Duckworth's participation in the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

Helium Special Situations Fund's participation in the Placing

Helium Special Situations Fund has subscribed for 20,000,000 Placing Shares in the Placing. Helium Special Situations Fund's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that Helium Special Situations Fund is a Substantial Shareholder in Broca for the purposes of the AIM Rules.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of Helium Special Situations Fund's participation in the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

Nigel Wray's participation in the Placing

Nigel Wray has subscribed for 300,000,000 Placing Shares in the Placing. Nigel Wray's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is because Nigel Wray is a Substantial Shareholder in Broca for the purposes of the AIM Rules.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of Nigel Wray's participation in the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

Tony Weaver's participation in the Placing

Tony Weaver's SIPP has subscribed for 10,000,000 Placing Shares in the Placing. Tony Weaver's SIPP's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that Tony Weaver is a director and a shareholder of MXC Holdings, a substantial shareholder in the Company.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of Tony Weaver's SIPP's participation in the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

Peter and Nicola Rigg's participation in the Placing

Peter and Nicola Rigg have subscribed for 6,000,000 Placing Shares between them in the Placing. Peter and Nicola Rigg's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that Peter Rigg is a Proposed Director of the Company.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of Peter and Nicola Rigg's participation in the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

The Acquisition

The Acquisition is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that MXC Holdings is a Substantial Shareholder in Broca for the purposes of AIM Rules and because Ian Smith is a director of both Broca and MXC Holdings.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of the Acquisition are fair and reasonable insofar as the Company's shareholders are concerned.

Shared services agreement

On 25 July 2014, the Company entered into a shared services agreement with MXC Holdings. Ian Smith is both a director of the Company and MXC Holdings. Further details of the shared services agreement are set out in paragraph 12.1.5 of Part V of this document.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of the shared services agreement are fair and reasonable insofar as the Company's shareholders are concerned.

Consultancy, referral and licence agreement

On 25 July 2014, the Company entered into a consultancy, referral and licence agreement with MXC Holdings. Ian Smith is both a director of the Company and MXC Holdings. Further details of the consultancy, referral and licence agreement are set out in paragraph 12.1.6 of Part V of this document.

The Independent Director, who is not involved in the transaction and is therefore independent, considers, having consulted with the Company's nominated adviser, Zeus Capital, that the terms of the consultancy, referral and licence agreement are fair and reasonable insofar as the Company's shareholders are concerned.

Details of further related party transactions are set out in paragraph 13 of Part V of this document.

27. Additional Information

You should read the whole of this document, which provides additional information on the Company, MXC Capital Advisory and the Proposals, and should not just rely on the information contained in this letter. Your attention is drawn to the information set out in Parts II to V (inclusive) of this document.

28. Recommendation and Irrevocable Undertakings

The Directors are of the opinion that the Resolutions are in the best interest of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of each of the Resolutions.

Jill Collighan intends to vote in favour of the Resolutions in respect of, in aggregate, 99,116 Existing Ordinary Shares representing approximately 0.02 per cent. of the Existing Ordinary Shares. Under the Panel rules no member of the Concert Party can vote on Resolution 1, accordingly Ian Smith and Simon Duckworth through their holding controlled by MXC Holdings intend to vote in favour of resolutions 2-10. MXC Holdings own 45,000,000 Existing Ordinary Shares representing 11.34 per cent. of the Existing Ordinary Shares.

Yours faithfully

Ian Smith
Executive Chairman

PART II

INFORMATION ON THE CONCERT PARTY

1. Composition of the Concert Party

The Concert Party comprises of MXC Holdings, Ian Smith, Simon Duckworth, Caroline Duckworth and Tony Weaver. The address for each of the individual members of the Concert Party is 15 Buckingham Gate, London, SW1E 6LB.

MXC Holdings: MXC Holdings is a specialist investment and advisory group that provides funding, corporate finance advice, strategic consultancy services and structured finance solutions to companies in the technology, media and telecommunications sector. The company was founded in 2009 by its managing partners, Ian Smith and Tony Weaver who, together, have a combined experience of 50 years in this sector.

Ian Smith: Ian has significant experience of leading and creating value in the technology industry. Ian is a founding partner of MXC Holdings, an investment and advisory group focused on the technology sector.

Simon Duckworth: Simon is a non-executive director with experience of guiding growth technology businesses. A Cambridge graduate, Simon has over 10 years' experience in the security sector. A former Chairman of the City of London Police Authority, Simon is a non-executive director of Accumuli plc and the Police ICT Company Ltd, and Chairman of Barings Targeted Return Fund. Simon also holds a number of non-executive directorships and appointments in the private and public sectors, including membership of the Home Office's Economic Crime Co-Ordination Board.

Caroline Duckworth: Caroline Duckworth is Simon Duckworth's wife.

Tony Weaver: Tony has an IT and communications services background that started in the mid-1980s. Tony founded his first IT business in 1988, is a founder of a number of other successful technology companies and has a very well established background in sales and management. Tony is a managing partner of MXC Holdings.

2. Concert Party Holdings

Should the Acquisition complete, the Concert Party's holdings in the Enlarged Issued Share Capital of the Company will be as follows:

Concert Party member	*Number of shares held in the Enlarged Issued Share Capital*	*Percentage of the Enlarged Issued Share Capital held*
MXC Holdings	945,000,000	51.15%
Ian Smith	13,000,000	0.70%
Caroline Duckworth	2,000,000	0.11%
Simon Duckworth	3,000,000	0.16%
Tony Weaver	10,000,000	0.54%
Total	973,000,000	52.66%

PART III

RISK FACTORS

The investment offered in this document may not be suitable for all of its recipients. If you are in any doubt about the action you should take, you should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities.

In addition to the usual risks associated with an investment in a company, the Board consider that the factors and risks described below are the most significant in relation to an investment in the Enlarged Group and should be carefully considered, together with all the information contained in this document, prior to investing in the Ordinary Shares. It should be noted that the risks described below are not the only risks faced by the Enlarged Group and there may be additional risks that the Board currently consider not to be material or of which they are currently not aware.

If any of the events described in the following risks actually occur, the Enlarged Group's business, financial condition, results or future operations could be materially affected. In such circumstances, the price of the Ordinary Shares could decline and investors could lose all or part of their investment. The information set out below is not set out in any order of priority. The Enlarged Group's performance may be affected by changes in legal, regulatory and tax requirements in any of the jurisdictions in which it operates or intends to operate as well as overall global financial conditions.

Risks Specific to the Enlarged Group

Failure to implement strategy

It may not be possible for the Company to implement its strategy if opportunities meeting the required investment criteria do not arise. Furthermore, the TMT market sub-sectors in which the current or potential future investee companies operate could be volatile due to technological innovation, regulatory change or some other industry driven event. The Company may suffer from adverse conditions in such sectors as well as a deterioration in the factors that are considered to give it a competitive advantage. The opportunities sought will be where there is a potential for an attractive return. Such opportunities are, by their nature, often uncertain and, whilst the New Board will only make decisions after careful and informed consideration, it is possible that the impact of those uncertainties will be adverse.

Future funding

Whilst the New Board has no current plans for raising additional capital immediately after completion of the Placing and are of the opinion that the working capital available to the Company will, from completion of the Placing, have sufficient working capital for its present requirements, it is possible that the Company will need to raise extra capital in the future to develop fully the Company's business or to take advantage of investment opportunities. No assurance can be given that any such additional financing will be available or that, if available, it will be available on terms favourable to the Company or its shareholders. In addition, the further development of businesses may well depend upon the ability of its investee companies to obtain financing through engaging in joint ventures for projects, private placement financing, public financing or other means. There is no assurance that such businesses will be successful in obtaining the required financing.

If further financing is obtained by issuing equity securities or convertible debt securities, the existing shareholders' holdings of Ordinary Shares may be diluted and the new securities may carry rights, privileges and preferences superior to the Ordinary Shares. The New Board may seek debt finance to fund all or part of any future acquisition. There can be no assurance that the Company will be able to raise those debt funds, whether on acceptable terms or at all. If debt financing is obtained, the Company's ability to raise further finance and its ability to operate its business may be subject to restrictions.

A number of factors (including changes in interest rates, conditions in the banking market and general economic conditions which are beyond the Company's control) may make it difficult for the Company to

obtain new financing on attractive terms or even at all. If the Company's borrowings become more expensive, then the Company's profits will be adversely affected.

Prospective portfolio investments

The value of an investment in the Company is dependent, *inter alia*, upon the Company acquiring interests in other businesses. There can be no guarantee that suitable companies will be available for investment or acquisition or that the Company will successfully identify and invest in such businesses. Further, once the Company has acquired an interest in a business, it is likely that such asset will not be realisable immediately, particularly given the nature of the sectors of interest, the size of the targeted businesses and that targeted businesses may be private companies. In addition, smaller companies frequently lack the financial strength, diversity and resources to overcome or survive periods of economic slowdown. Furthermore, the share prices of such companies, if publicly traded, are often subject to significant fluctuations. It is the intention of the New Board that, over time, the Company will create a portfolio of businesses, thereby spreading its risk, to some degree. However, during the Company's initial stages, the number of business interests will be limited and any volatility in the value of one or more of such businesses could have a substantial impact upon the value of the Company and the Ordinary Shares. In any event, the Company would be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected. The Company is likely to have minority interests in some of the companies in which it invests, without any contractual safeguards in respect of management, operational and financial matters.

Early stage of development and limited operating history

Many of the businesses in which the Company invests may be companies at an early stage of commercial development. The commencement of such businesses' material revenues is difficult to predict and there is no guarantee that such businesses will generate any material revenues after investment by the Company or any revenues at all. The resources available to such businesses may not be sufficient to fund the businesses until they are profitable. Some of the businesses may be companies which have a limited sales and operating history upon which their performance and prospects can be evaluated and they may well face the risks frequently encountered by developing companies. These risks include the potential inability to retain key personnel, as well as uncertainty as to which areas to target for growth and expansion. In addition, there can be no assurance that the businesses' proposed operations will be profitable or produce a reasonable return, if any, on investment.

Competition in the market place

Investee companies may be companies where the markets in which such businesses operate are highly competitive and characterised by evolving customer needs and rapid technological change. Such businesses may well compete with a number of other companies, some of which may well have significantly greater financial, technical and marketing resources. In addition, those competitors may have the ability to respond more quickly to new or emerging technologies, adapt more quickly to changes in customer requirements, have stronger customer relationships, have greater name recognition, and may devote greater resources to the development, promotion and sale of their products than the investee companies. In the markets in which such companies operate, competition may also be based on a variety of factors including product performance, functionality, value, and breadth of sales and service organisation. Competition could result in price reductions, reduced margins, and loss of market share by businesses.

Dependence on key executives and the Consultant, MXC Holdings

The Company's future success is substantially dependent on the continued services and performance of its directors and employees those of the Consultant (particularly Marc Young, Ian Smith and Tony Weaver) and their ability to continue to attract and retain highly skilled and qualified personnel. The New Board cannot give assurances that the Company will retain the services of any of the directors or the Consultant. As the Company expands, it will need to recruit and integrate additional personnel.

Economic, political or market conditions

The trading activities of the Enlarged Group will be influenced to a certain extent on the global economic environment which may have a detrimental effect on trading and operational activities and overall results of the Enlarged Group and investors should be aware of the risks involved.

Reductions in the number of, and size of, public offerings, mergers and acquisitions and reduced securities' trading activities due to changes in economic, political or market conditions, which are beyond the Enlarged Group's control, could adversely impact the Company's prospects. The revenues and profitability of the Company will be subject to fluctuations in the global investment markets, primarily the equity markets, which are typically subject to price volatilities. The Enlarged Group's businesses are highly dependent on stock market conditions, particularly the level of activity on the London stock markets, and in particular in the small and mid-cap sectors. Uncertain economic prospects, declines in investment markets, failures of investment markets to sustain levels of growth or short-term volatility in investment markets for whatever reason could have a material adverse effect on the financial condition or results or operations of the Company.

Regulatory risk

The Company intends to acquire MXC Capital, which is FCA regulated for the provision of corporate finance advice. The Acquisition is conditional upon, amongst other things, approval of the FCA to Marc Young and the Company becoming members of MXC Capital Advisory. There can be no guarantee that the FCA will grant such an approval. Whilst the New Board would, in such a situation, consider alternative means of pursuing the Company's strategy, including considering the acquisition of other FCA regulated entities or applying for FCA approval directly, there can be no guarantee that a satisfactory conclusion will be reached.

If the Acquisition completes, the Company will own a corporate finance advisory business engaged in activities which are regulated by the FCA. The Company may, therefore, be required from time to time to review and update its regulatory permissions and the status of its authorised persons to ensure that its existing and new activities, as they develop, are consistent with the Company's regulatory permissions. Failure to do so could lead to public reprimand, the imposition of fines, the revocations of permissions or authorisations and/or other regulatory sanctions, any of which could lead to adverse publicity and reputational damage and could have a material adverse effect on the continued conduct of the Enlarged Group's business. There may, in the future, be changes to, or new laws and regulations that govern the operations of the Enlarged Group. The Company cannot predict the full effect that any proposed or future laws or regulations may have on the financial condition or results or operations of the Enlarged Group. It is possible that the Enlarged Group may be adversely affected by changes in the applicable laws or regulations.

Transaction costs

There is a risk that the Company may incur substantial legal, financial and advisory expenses arising from aborted transactions which may include public offer and transaction documentation, legal, accounting and environmental due diligence.

Leverage

The Company or the businesses it invests in may utilise bank borrowings or other forms of financial leverage. Leveraged transactions are intrinsically subject to a higher degree of financial risk and may expose the Company to interest rate variations, lender default and other risks, which may or may not be hedged.

The Group may need to indemnify the acquirer of 2ergo Americas as a result of litigation in the US

Pursuant to the disposal of Telitas US Inc and its subsidiary 2ergo Americas Inc on 24 February 2012, as is common in such transactions, Georgia Holding, a subsidiary of the Company, agreed to indemnify the acquirer, SoundBite Communications Inc ("**SoundBite**"), against certain claims that might arise relating to the period prior to SoundBite's acquisition of Telitas US Inc. The indemnification notice period terminated on 24 February 2014 but notice of a claim under the said indemnity was received by Georgia Holding prior to that date. Any successful claim made under this indemnity could have a material adverse effect on the

Group's financial condition. $750,000 of the consideration for the disposal of Telitas US Inc was placed into an escrow account to be used to settle any indemnification claims arising, including in respect of any legal costs incurred by SoundBite in defending such claims. $300,000 has been released to SoundBite in satisfaction of a claim by SoundBite for legal costs relating to the action described below. The amount held in escrow is not included in the Group's cash balances.

The US customer communications industry is characterised by frequent claims and litigation, including claims regarding patent and other intellectual property rights. On 5 April 2012, a class action suit was filed against sixteen defendants across the US mobile telecommunications market, including the major network carriers, alleging violation of the US Sherman Act. SoundBite, as the ultimate parent undertaking of 2ergo Americas, was named as a defendant in this case and therefore has sought indemnification from Georgia Holding. The Directors view the claim as an example of the US approach to litigation and indeed 2ergo Americas has never contracted or done any business with the plaintiffs. Accordingly, while any litigation proceedings are inherently uncertain, based upon the information currently available to them, the Directors believe that the action against SoundBite is unlikely to succeed and the claim is to be defended vigorously. However, if the claim is successful, the effect on the Group's financial position could be material and it is not currently possible to estimate the costs that may be incurred in relation to it. Whether or not the claim is successful, there can be no guarantee that the amount held in escrow will be adequate to cover the liability under the indemnity. That indemnity is, however, contractually capped at US$3,800,000.

General risks

AIM

The Enlarged Issued Share Capital will be admitted to AIM and it is emphasised that no application is being made for admission of any of the Ordinary Shares to the Official List or to any other stock exchange at this time. An investment in shares quoted on AIM may be less liquid and may carry a higher risk than an investment in shares quoted on the Official List. The rules of AIM are less demanding than those of the Official List of the UK Listing Authority. Further, the London Stock Exchange has not itself examined or approved the contents of this document. Any prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised who specialises in the acquisition of shares and other securities.

As a public company, the Company will incur significant legal, accounting and other expenses due to compliance with AIM regulations and applicable disclosure obligations.

Currency risk

A proportion of the Enlarged Group's revenue may be obtained in currencies other than Sterling. Due to the unpredictable nature of currency exchange rates, the Company cannot guarantee against any losses which may be incurred as a result of variations in exchange rates. The Enlarged Group's performance may be subject to exchange rate fluctuations. In order to mitigate these risks around currency, the New Board intends to implement a currency hedging policy.

Liquidity and pricing

Following Admission of the Placing Shares and Admission of the Consideration Shares, the market price of the Ordinary Shares may be subject to significant fluctuations in response to many factors, including variations in the results of the Enlarged Group, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic conditions, legislative changes in the Enlarged Group's sector and other events and factors outside of the Enlarged Group's control.

In addition, stock market prices may be volatile and may go down as well as up. The price at which investors may dispose of their Ordinary Shares in the Enlarged Group may be influenced by a number of factors, some of which may pertain to the Enlarged Group and others of which are external. These factors could include the performance of the Enlarged Group's business, changes in the values of its investments, changes in the amount of distributions or dividends, changes in the Enlarged Group's operating expenses, variations in and

the timing of the recognition of realised and unrealised gains or losses, the degree to which the Enlarged Group encounters competition, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, legislative or regulatory or taxation changes and general economic conditions. The value of the Ordinary Shares will therefore fluctuate and may not reflect their underlying asset value. Investors may realise less than the original amount invested.

Admission of the Company's ordinary share capital to trading on AIM should not be taken as implying that there will be a liquid market for the Ordinary Shares. It may be more difficult for an investor to realise an investment in the Enlarged Group than in a company whose shares are quoted on the Official List. In addition, the market price of the Ordinary Shares may not reflect the underlying value of the Enlarged Group's net assets.

Investment risk

Potential investors should be aware that the value of shares can rise or fall and that there may not be proper information available for determining the market value of the Ordinary Shares at all times. An investment in a share which is traded on AIM, such as the Ordinary Shares, is likely to be difficult to realise and carries a high degree of risk. The ability of an investor to sell Ordinary Shares will depend upon there being a willing buyer for them at an acceptable price. Consequently, it might be difficult for an investor to realise his/her investment in the Enlarged Group and he/she may lose all his/her investment. The Ordinary Shares therefore may not be suitable as a short-term investment.

The Enlarged Group is an early stage company, which may make it difficult to evaluate current business and predict future performance.

In the future, financial analysts may publish research about the business containing earnings expectations or use negative language which could cause the price of our shares to decline. In mitigation, the New Board will ensure the Enlarged Group retain necessary professional advisers – however, the business will be subject to external independent opinion which will be outside its control.

The Enlarged Group does not foresee payment of dividends in the short term, but will retain future earnings, if any, to fund the development and growth of the business.

Economic, political, judicial, administrative, taxation or other regulatory matters

The Enlarged Group may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, as well as other unforeseen matters. International expansion may provide opportunities to the Company, but will also expose the Company to multiple governmental regulatory requirements and legislation which may have an adverse effect on financial position and performance.

Taxation

Tax rules and their interpretation relating to any investment in the Enlarged Group may change during its lifetime. Any such change in the Enlarged Group's tax status, taxation legislation, or interpretation could affect the value of the investments held in the Enlarged Group, or, the Enlarged Group's ability to provide returns to Shareholders or could change post-tax returns to Shareholders. Representations in this document concerning the taxation of the Enlarged Group and its investors are based upon current tax law and practice which is, in principle, subject to change.

Legislation and Tax Status

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in tax status or tax residence of the Enlarged Group or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Enlarged Group.

Prospective investors are strongly recommended to consult an investment adviser authorised under FSMA, who specialises in advising on investments of this nature before making any decision to invest in the Ordinary Shares.

PART IV

INDEPENDENT REASONABLE ASSURANCE REPORT ON THE HISTORICAL FINANCIAL INFORMATION

Section A: Accountants' Report on the historical financial information on MXC Capital Advisory

The following is the full text of a report on MXC Capital Advisory from Baker Tilly Corporate Finance LLP, the Reporting Accountants, to the Directors of the Company.

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The Directors
Broca plc
100 Fetter Lane
London
EC4A 1BN

Dear Sirs,

MXC Capital Advisory LLP ("MXC Capital Advisory")

We report on the financial information of MXC Capital Advisory set out in Section B of Part IV of the Admission Document dated 25 July 2014 ("Admission Document") of Broca Plc ("the Company"). This financial information has been prepared for inclusion in the Admission Document on the basis of the accounting policies set out at Note 1 to the financial information. This report is required by paragraph 20.1 of Annex I of Appendix 3.1.1 of the Prospectus Rules as applied by part (a) of Schedule Two to the AIM Rules and is given for the purpose of complying with that paragraph and for no other purpose.

Save for any responsibility arising under paragraph 20.1 of Annex I of Appendix 3.1.1 of the Prospectus Rules as applied by part (a) of Schedule Two to the AIM Rules to any person as and to the extent there provided, to the fullest extent permitted by law, we do not accept or assume responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 20.1 of Annex I of Appendix 3.1.1 of the Prospectus Rules as applied by part (a) of Schedule Two to the AIM Rules, or consenting to its inclusion in the Admission Document.

Responsibilities

The directors and proposed directors of the Company ("Directors" and "Proposed Directors" respectively) are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the European Union as described at Note 1 to the financial information.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates

and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of MXC Capital Advisory as at the date stated and of its profit, cash flow and changes in members' interest for the period then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of part (a) of Schedule Two to the AIM Rules we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with item 1.2 of Annex I and item 1.2 of Annex III of Appendix 3.1.1 of the Prospectus Rules as applied by part (a) of Schedule Two to the AIM Rules.

Yours faithfully

Baker Tilly Corporate Finance LLP

Regulated by the Institute of Chartered Accountants in England and Wales

Section B: Historical Financial Information on MXC Capital Advisory

MXC Capital Advisory

Statement of Comprehensive Income
Period ended 31 March 2014

	Note	*2014* *£*
Continuing operations		
Revenue		
Revenue – consultancy		1,108,494
Expenses and disbursements recharged		1,273
		1,109,767
Operating expenses		
Professional fees		(138,950)
Travel & entertainment		(14,010)
General administrative expenses		(25,027)
Other operating expenses		(6,547)
		(184,534)
Operating profit	3	925,233
Finance cost		(364)
Profit for the financial period before members' remuneration and profit share		924,869
Members' remuneration charged as expense		(150,000)
Profit and total comprehensive income for the financial period attributable to members of the LLP		774,869

All trading relates to continuing operations and there is no other comprehensive income.

MXC Capital Advisory

Balance sheet
As at 31 March 2014

	Note	*2014* *£*
Assets		
Non-current assets		
Property, plant and equipment	4	1,968
Available for sale financial assets	5	50,000
		51,968
Current assets		
Trade and other receivables	6	44,579
Cash and cash equivalents		815,932
		860,511
Total assets		912,479
Liabilities		
Current liabilities		
Trade and other payables	7	193,860
Members' interests		
Members' reserves	8	718,619
Total liabilities and members' interest		912,479

MXC Capital Advisory

Statement of changes in members' interest
Period ended 31 March 2014

	2014
	£
Balance at 14 January 2013	–
Profit for the financial period available for discretionary distribution among members	774,869
Other comprehensive income for the period	–
Total comprehensive income for the period	774,869
Drawings	(56,250)
Total transactions with members recognised directly in members interests	(56,250)
Balance at 31 March 2014	718,619

MXC Capital Advisory

Cash flow statement
Period ended 31 March 2014

	2014
	£
Cash flows from operating activities	
Profit for the financial period before members remuneration and profit share	924,869
Adjustments for:	
Depreciation	708
Increase in available for sale financial assets	(50,000)
Finance costs	364
Operating cost flows before movements in working capital	875,941
Increase in receivables	(44,579)
Increase in payables	193,860
Net cash generated from operating activities	1,025,222
Cash flows from investing activities	
Acquisition of property, plant and equipment	(2,676)
Interest paid	(364)
Net cash used in investing activities	(3,040)
Cash flows from financing activities	
Payments to members	(206,250)
Net cash flow used in financing activities	(206,250)
Net increase in cash and cash equivalents	815,932
Cash and cash equivalents at beginning of the period	–
Cash and cash equivalents at end of the period	815,932

MXC Capital Advisory

Notes to the financial statements
Period ended 31 March 2014

1. Accounting policies and General Information

MXC Capital Advisory LLP ("LLP") was incorporated on 14 January 2013 and is domiciled in England.

Its registered office is located at 15 Buckingham Gate, London, SW1E 6LB.

MXC Capital Advisory's principal activity is the provision of corporate advisory services focused on the Technology, Media and Telecommunications sector.

MXC Capital Advisory is authorised and regulated by the Financial Conduct Authority (number 598865).

The historical financial information has been prepared for the period from incorporation to 31 March 2014 which is MXC Capital Advisory's year end.

The principal accounting policies adopted in the preparation of MXC Capital Advisory's historical financial information are set out below.

These policies have been consistently applied throughout the current accounting period.

Basis of preparation

The historical financial information has been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and interpretations (collectively, "IFRS") and International Financial Reporting Interpretation Committee (IFRIC) interpretations ("IFRS as adopted by the EU"). In preparing the historical financial information, the Company's Directors and Proposed Directors have adopted all of the new and revised standards and interpretations issued by the IASB and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, as they have been adopted by the European Union, that are relevant to its operations and effective for accounting periods beginning on 1 April 2014. These policies are consistent with the accounting policies which will be adopted in the Company's next published financial statements.

In addition, the historical financial information has been prepared with regard to the requirements of the Limited Liability Partnership Act 2000 and the Companies Act 2006 as it applies to Limited Liability Partnerships.

The historical financial information has been prepared on a going concern basis under the historical cost convention, except as otherwise described in the accounting policies.

The preparation of the historical financial information requires the Directors and Proposed Directors to exercise their judgements in the process of applying accounting policies.

The historical financial information in this Part IV does not constitute statutory accounts within the meaning of Section 434 Companies Act 2006.

Going concern

The historical financial information has been prepared on a going concern basis, which assumes the Company, as enlarged by the acquisition of MXC Capital Advisory LLP, will continue in operational existence for the foreseeable future. The Directors and Proposed Directors have prepared projections for the period to 31 March 2016. These projections have been prepared using assumptions which Directors and Proposed Directors consider to be appropriate to the current financial position of the enlarged group as regards to current expected revenues and its cost base.

The Directors and Proposed Directors therefore consider it appropriate to continue to prepare the historical financial information on a going concern basis.

Revenue recognition

Revenue represents amounts chargeable to clients for professional services provided during the period, inclusive of direct expenses incurred on client assignments but excluding value added tax. Revenue is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of the work performed.

Revenue is not recognised where the right to receive payment is contingent on events outside the control of the LLP. Interim billings on account are otherwise not included.

Unbilled revenue is included in debtors as amounts recoverable on contracts. Amounts billed on accounts of work in progress are shown as a reduction from work in progress, to the extent that they are not recognised as revenue. Amounts billed in excess of amounts recognised as revenue are included as creditors.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Recently issued accounting announcements

At the date of issue of this historical financial information, the following Standards and Interpretations which have not been applied in this historical financial information were in issue but not yet effective. The Directors and Proposed Directors anticipate that the adoption of these Standards and Interpretations, which is expected to occur on their effective dates, will not have a material impact on MXC Capital Advisory LLP's historical financial information.

- IAS 19 (Revised) – Employee benefits
- IAS 27 (Revised) – Separate financial statements
- IAS 28 (Revised) – Investments in associates and joint ventures
- IAS 32 – Offsetting Financial Assets and Financial Liabilities
- IFRS 9 – Financial Instruments
- IFRS 10 – Consolidated financial statements
- IFRS 11 – Joint arrangements
- IFRS 12 – Disclosure of interests in other entities

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates and their underlying assumptions affect the reported amounts of assets and liabilities at the date of the financial information and the reported revenue and expenses during the period presented. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known. The Directors and Proposed Directors believe there are no critical accounting estimates that will have significant impact on the period results under IFRS.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet dated are retranslated to the relevant functional currency at the rates ruling at that date.

Taxation

The taxation payable on profits of the limited liability partnership is the personal liability of the members and is not dealt with in this historical financial information. Therefore no provision for corporation tax has been made.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment loss. The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Depreciation is provided to write off the cost less the estimated residual value of property, plant and equipment by equal instalments over the estimated useful economic lives as follows:

Computer equipment:	3 years
Fixtures and fittings:	3 years

Impairment of tangible and intangible assets

At each balance sheet date, the carrying amount of tangible and intangible assets is reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment is recognised as an expense immediately.

Members remuneration

The profit sharing arrangement of MXC Capital Advisory is set out as follows:

- automatic allocation of £150,000 to one member which is treated as an expense in the income statement
- residual balance to be shared amongst the members in accordance to their respective bonus share amount as set out in the partnership agreement.

Members' participation rights

Members' participation rights are the rights of a member against MXC Capital Advisory that arise under the members' agreement.

Members' participation rights in the earnings or assets of MXC Capital Advisory are analysed between those that are, from MXC Capital Advisory's perspective, either a financial liability or equity, in accordance with IAS 32 Financial Instruments:

Disclosure and Presentation. A member's participation right results in a liability unless the right to any payment is discretionary on the part of MXC Capital Advisory.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if MXC Capital Advisory has an unconditional right to refuse payment to members. If MXC Capital Advisory does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so MXC Capital Advisory does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Statement of Comprehensive Income in the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities in the Balance Sheet.

Conversely, where profits are divided only after a decision by MXC Capital Advisory or its representative, so that MXC Capital Advisory has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Income Statement and are equity appropriations in the Balance Sheet.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether MXC Capital Advisory has, in each case, an unconditional right to refuse payment.

All amounts due to members under the automatic allocation of the profit sharing arrangement are charged to the Statement of Comprehensive Income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the Balance Sheet within 'Members' reserves'.

Financial assets

Financial assets are initially recognised at their fair value plus transaction costs. Financial assets include cash, cash equivalents, trade and other receivables and available for sale assets.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment. Provision for impairment represents an allowance for doubtful debts that is estimated based upon current observations and historical trends.

Other investments in debt and equity securities held by MXC Capital Advisory are classified as being available for sale and are stated at fair value, with any resultant gain and loss being recognised directly in equity (in the fair value reserve), except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the income statement. Where these investments are interest bearing, interest calculated using the effective interest method is recognised in the income statement.

Financial liabilities

MXC Capital Advisory determines the classification of its financial liabilities at initial recognition. Financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost, using the effective interest rate method.

Provisions

Provisions are recognised when MXC Capital Advisory has a present legal and constructive obligation, as a result of a past event and, it is probable that MXC Capital Advisory will be required to settle that obligation. Provisions are measured at the best estimate of the expenditure required to settle that obligation, at the balance sheet date and are discounted to present value where the effect is material.

Operating Segments

Operating segment are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Marc Young, a member of MXC Capital Advisory.

Currently there is only one operating segment and all are in the UK. Administrative expenses by nature are shown on the face of the Statement of Comprehensive Income.

2. Staff costs and member remuneration

The average number of members during the year were:

	2014
	No.
Members	2
	2

Profits are shared amongst the members after the year in accordance with agreed profit sharing agreements.

Profit attributable to the member with the highest entitlement amounted to £516,580.

No employees were employed by MXC Capital Advisory during the period.

Members' remuneration is disclosed on the face of the Statement of Comprehensive Income.

The only key management personnel are the members.

3. Operating profit

Operating profit has been arrived at after charging:

	2014
	£
Depreciation of property, plant and equipment	708
Net foreign exchange (gain)/loss	(27)

The profit for the year arises from MXC Capital Advisory's continuing operations.

4. Property, plant and equipment

	Fixtures and fittings	*Computer Equipment*	*Total*
Cost	*£*	*£*	*£*
At 14 Jan 2013	–	–	–
Additions	835	1,841	2,676
At 31 March 2014	835	1,841	2,676
Depreciation			
At 14 Jan 2013	–	–	–
Charge for the year	(209)	(499)	(708)
At 31 March 2014	(209)	(499)	(708)
Net book value			
At 31 March 2014	626	1,342	1,968
At 14 Jan 2013	–	–	–

5. Available for sale financial assets

	Quoted equities £
Non current financial assets	
At 14 Jan 2013	–
Additions	50,000
At 31 March 2014	50,000

The financial assets relate to 5,000,000 shares in Broca Plc. (formerly called 2ergo Plc.), a company listed on AIM.

The shares were received as payment in lieu of consultancy services provided by MXC Capital Advisory in relation to its restructuring in June 2013. The fair value of the shares at 31 March 2014 were not materially different to their cost. Fair value is measured based on quoted prices in active market. Refer to note 13 for subsequent events in respect of these shares.

6. Trade and other receivables

	At 31 March 2014 £
Trade receivables	24,324
VAT receivable	20,255
	44,579

It is considered that the carrying value of trade and other receivables approximates to their fair value.

7. Trade and other payables

	At 31 March 2014 £
Trade payables	150,890
Accruals	34,720
Other creditors	8,250
	193,860

It is considered that the carrying value of trade and other payables approximates to their fair value.

8. Members reserves

	At 31 March 2014 £
Members' reserves at 14 Jan 2013	–
Profit for the period	774,869
Drawings	(56,250)
Members' reserves at 31 March 2014	718,619

9. Contingent liabilities

MXC Capital Advisory had no contingent liabilities at 31 March 2014.

10. Financial instruments

MXC Capital Advisory is exposed to the risks that arise from its use of financial instruments. This note describes the objectives, policies and processes of MXC Capital Advisory for managing those risks and the methods used to measure them.

The carrying amounts of the financial instruments are as follows:

	At 31 March 2014 £
Available for sale financial asset	
Quoted equities	50,000
Loans and receivables	
Trade receivables	24,324
Other receivables	20,255
Cash and cash equivalents	815,932
	910,511
Financial liabilities measured at amortised cost	
Trade and other payables	193,860

MXC Capital Advisory activities expose it to a variety of financial risks; credit risk, liquidity risk and market risk.

Credit risk

Credit risk primarily refers to the risk that a client will default on its contractual obligations resulting in financial loss to MXC Capital Advisory and MXC Capital Advisory has adopted a policy of only dealing with creditworthy clients.

Trade receivables consist of a number of clients. Ongoing credit evaluation is performed on the financial condition of client receivables and the partnership does not have any significant credit risk exposure to any single client.

The credit risk on liquid funds is limited, because the leading banks used are those with high credit ratings assigned by international credit rating agencies.

Liquidity risk

MXC Capital Advisory has developed an appropriate liquidity risk management framework for the management of MXC Capital Advisory's short term, medium term and long term funding and liquidity management requirements.

Liquidity risk arises from MXC Capital Advisory's ongoing financial obligations including settlement of financial liabilities such as trade and other payables.

Market risk

Foreign exchange risk

All of MXC Capital Advisory's revenues and the vast majority of its costs are in Sterling and involve no significant currency risk. All cash and cash equivalents, receivables and payables are in Sterling. As the functional currency for operations is Sterling, foreign exchange risk is not material and therefore a sensitivity analysis has not been performed.

Interest rate risk

Sterling cash deposits are placed on deposit at the most favourable bank deposit interest rates, taking into account MXC Capital Advisory's short and medium term cash flow expectations. MXC Capital Advisory's income and operating cash flows are substantially independent of changes in market interest rates.

Capital management

MXC Capital Advisory's objectives when managing capital are to safeguard it's ability to continue as a going concern in order to provide returns for members and benefits for other stakeholders and to minimise MXC Capital Advisory's cost of capital.

As a FCA authorised entity, MXC Capital Advisory is required to maintain capital equating to the higher of €50,000 or 25 per cent. of its annual fixed overheads. This requirement is regularly monitored by the members to ensure it is complied with.

At 31 March 2014 the total capital and reserves attributable to members of MXC Capital Advisory was a surplus of £718,619. MXC Capital Advisory held cash and cash equivalents of £815,932. In order to maintain or adjust the capital structure in the future, MXC Capital Advisory may make payments to members (should surplus reserves allow it), return or raise capital from members and raise and repay debt.

Interest rate and foreign exchange risks

MXC Capital Advisory does not have exposure to any interest rate and foreign exchange risks.

11. Related party transactions

During the year, MXC Capital Advisory paid £125,000 of professional fees to MXC Holdings Limited and were charged £150,000. MXC Holdings Limited is considered a related party as its shareholders include Marc Young, a member of MXC Capital Advisory and Tony Weaver and Ian Smith who are shareholders of Mantin Capital Limited, the corporate member of MXC Capital Advisory LLP.

MXC Capital Advisory provides professional services to a number of customers where MXC Holdings Limited is a shareholder. The details are as follows:

Professional fees amounting to £597,000 were charged to Redcentric Plc., a company where Tony Weaver is the CEO.

Professional fees amounting to £108,000 were charged to Castleton Plc., a company where Ian Smith is the CEO and Tony Weaver is Non-Executive Director.

In addition, Broca Plc. (formerly 2ergo Plc.) was charged professional fees of £120,000. Ian Smith is the Executive Chairman of that company.

Members' remuneration is disclosed in note 2.

12. Controlling party

MXC Capital Advisory is controlled by its members as delegated to the management team and as such there is no one controlling party.

13. Subsequent events

MXC Capital Advisory was acquired by MXC Holdings Limited for £6 million in May 2014, as part of a group re-structuring.

Pursuant to the Acquisition Agreement set out in paragraph 12.1.2 of Part V, the Company has agreed to become a member of MXC Capital Advisory for total consideration of £6 million to be satisfied by the issue of new Ordinary Shares in the Company. Thereafter MXC Capital Advisory will become a wholly owned subsidiary of the Company, subject only to the rights of Marc Young, the other member of it.

Thereafter the Company changed its name to MXC Capital plc, raised gross funds of £8.5 million from the Placing and had its shares admitted to trading on AIM. Further details of each being set out in this Admission Document.

Section C: Historical Financial Information on the Company

The Company's audited annual report and accounts for the three financial years ended 31 August 2013 and the unaudited interim accounts for the six months ended 28 February 2014 can be viewed on the Company's website at www.brocaplc.com.

Shareholders have the right to receive a hard copy of the source information but this will not be sent to shareholders unless they request it.

Shareholders may request a hard copy of the source information from the Company's registered office, 100 Fetter Lane, London EC4A 1BN, or by telephone to 020 7965 8149.

There is no other information incorporated in this document by reference.

PART V

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

1.1 The Directors and Proposed Directors, whose names appear on page 4 of this document, and the Company, accept individual and collective responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Company, the Directors and the Proposed 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.

1.2 In connection with this document and/or the Placing, no person is authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised.

2. THE COMPANY

2.1 The Company was incorporated and registered in England and Wales, where it remains domiciled, on 9 January 2004 as a public limited company with the name Sharelease plc and with registered number 05010663. On 2 February 2004, the Company changed its name to 2 Ergo Group plc and on 11 April 2011 it changed its name to 2Ergo Group plc. On16 April 2014, the Company changed its name to Broca plc.

2.2 The Company was admitted to trading on AIM on 11 March 2004. Following completion of a demerger, the Company was re-admitted to trading on AIM on 6 March 2007.

2.3 The liability of the members of the Company is limited.

2.4 Immediately following completion of the Acquisition, the Company's principal activity will be that of a holding and investment company whilst the principal activity of its new wholly owned subsidiary, MXC Capital Advisory, will be that of a specialist TMT corporate finance advisory business. The principal activities of the Company's current subsidiaries are set out in paragraph 4 below.

2.5 The principal legislation under which the Company operates is the Act and the regulations made thereunder.

2.6 The Company's registered office is at 100 Fetter Lane, London EC4A 1BN and will remain so on Admission of the Placing Shares and on Admission of the Consideration Shares.

2.7 The telephone number of the Company is 020 7965 8149 and will remain so on Admission of the Placing Shares and on Admission of the Consideration Shares.

2.8 The accounting reference date of the Company is 31 August. The New Board intends to change the accounting reference date to 31 March following Admission of the Consideration Shares.

3. SHARE CAPITAL

3.1 The Company's ordinary shares are in registered form and are capable of transfer in both certificated form and uncertificated form. The register of members for the Company will be maintained by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE.

3.2 The Company currently has an authorised share capital of £5,000,000 made up of 500,000,000 Ordinary Shares. If Resolutions 6 and 7 are passed at the General Meeting, the Company's authorised share capital restriction will be removed.

3.3 At the date of incorporation, 2 ordinary shares of £1 each were in issue.

3.4 On 23 January 2004, one subscriber share was transferred to Barry Anthony Sharples and the other subscriber share was transferred to Neale Spear Graham.

3.5 On 2 March 2004, the Company passed resolutions to:

3.5.1 sub-divide each of the issued and un-issued ordinary shares of £1 each into 100 ordinary shares of 1 penny each; and

3.5.2 increase the authorised share capital of the Company from £50,000 to £5,000,000.

3.6 On 2 March 2004, the Company issued 26,470,100 Ordinary Shares, credited as fully paid (which includes the subscriber shares) to the shareholders of 2 ergo Limited by way of consideration for the acquisition of the entire issued share capital of 2 ergo Limited.

3.7 On 11 March 2004, the Company issued 2,500,000 Ordinary Shares through a placing at a price of £1.20 per share.

3.8 On 28 November 2005, the Company issued 882,353 Ordinary Shares through a placing at a price of £1.70 per share.

3.9 On 26 February 2007, the Company issued 289,701 Ordinary Shares pursuant to the exercise of share options.

3.10 On 4 December 2007, the Company issued 267,179 Ordinary Shares pursuant to the terms of an acquisition agreement entered into with VICS Limited.

3.11 On 22 February 2008, the Company issued 224,505 Ordinary Shares pursuant to the exercise of share options.

3.12 On 9 April 2009, the Company issued 2,872,856 Ordinary Shares pursuant to the acquisition of the entire issued share capital of Broca plc (now called Broca (1) Limited).

3.13 On 3 August 2010, the Company issued 116,261 Ordinary Shares pursuant to a tranche of the contingent consideration due on the acquisition of the entire issued share capital of Activemedia Technologies Limited in 2009.

3.14 On 5 January 2011, the Company issued 197,892 Ordinary Shares pursuant to a tranche of the contingent consideration due on the acquisition of the entire issued share capital of Activemedia Technologies Limited in 2009.

3.15 On 24 February 2011, the Company issued 2,380,953 Ordinary Shares through a placing with new and existing shareholders at a price of £1.26 per share.

3.16 On 22 December 2011, the Company issued 180,018 Ordinary Shares pursuant to a tranche of the contingent consideration due on the acquisition of the entire issued share capital of Activemedia Technologies Limited in 2009.

3.17 On 1 October 2012, the Company issued 28,453,540 Ordinary Shares through a placing and subscription with new and existing shareholders at a price of 10 pence per share.

3.18 On 25 March 2013, the Company issued 555,772 Ordinary Shares pursuant to a trance of contingent consideration due on the acquisition of the entire issued share capital of Activemedia Technologies Limited in 2009.

3.19 On 4 July 2013, the Company issued 332,500,000 Ordinary Shares through a placing and subscription with new and existing shareholders at a price of 1 penny per share.

3.20 As at 25 July 2014 (the latest practicable date prior to the date of this document), there were 899,726 Ordinary Shares held in treasury.

3.21 As at 25 July 2014 (the latest practicable date prior to the date of this document), Lammtara Industries EBT Trustees Limited (a subsidiary of the Company) holds 712,480 Ordinary Shares.

3.22 On 25 February 2014, the Company passed a number of resolutions including the following resolutions (as an ordinary resolution in the case of resolution 1 and as a special resolution in the case of resolution 2):

1. "THAT the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**Act**") to allot shares in the Company and to grant rights to subscribe for or convert any security into such shares ("**Allotment Right**"), but so that the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £1,015,530,98 and provided that this authority is for a period expiring on the conclusion of the Company's next annual general meeting, but the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Allotment Rights to be granted after such expiry and the directors may allot shares or grant Allotment Rights in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired."

2. "THAT subject to the passing of the previous resolution, the directors be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by the previous resolution or by way of a sale of treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited:

   (a) to the allotment of equity securities in connection with an offer of such securities by way of a rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to factional entitlements, any legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

   (b) otherwise than pursuant to sub-paragraph (a) above, to the allotment of equity securities and the sale of treasury shares up to an aggregate nominal value of £1,015,530.98

   provided that this authority is for a period expiring on the conclusion of the Company's next annual general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement notwithstanding that the power conferred hereby has expired."

3.23 As at 25 July 2014 (the latest practicable date prior to the date of this document), the authorised, issued and fully paid share capital of the Company (including and excluding the Ordinary Shares held in treasury) was as follows:

	Number	*Nominal Value (£)*
Authorised		
Ordinary Shares	500,000,000	5,000,000
Issued and Fully Paid		
Ordinary Shares (including the treasury shares)	397,891,130	3,978,911.30
Ordinary Shares (excluding the treasury shares)	396,991,404	3,969,914.04

3.24 The issued share capital of the Company immediately following Admission of the Placing Shares (including and excluding the Ordinary Shares held in treasury) the assuming that all of the Placing Shares and Deferred Activemedia Consideration Shares are issued and none of the outstanding Options are exercised, will be as follows:

	Number	*Nominal Value (£)*
Issued and Fully Paid		
Ordinary Shares (including the treasury shares)	1,248,446,902	12,484,469.02
Ordinary Shares (excluding the treasury shares)	1,247,547,176	12,475,471.76

3.25 The issued share capital of the Company immediately following Admission of the Consideration Shares (including and excluding the Ordinary Shares held in treasury) assuming that all of the Consideration Shares, the Placing Shares and Deferred Activemedia Consideration Shares are issued and none of the outstanding Options are exercised, will be as follows:

	Number	*Nominal Value (£)*
Issued and Fully Paid		
Ordinary Shares (including the treasury shares)	1,848,446,902	18,484,469.02
Ordinary Shares (excluding the treasury shares)	1,847,547,176	18,475,471.76

3.26 As at 25 July 2014 (the latest practicable date prior to the date of this document), there were outstanding Options over a total of 66,660,842 Ordinary Shares representing approximately 5.34 per cent. of the enlarged issued share capital on Admission of the Placing Shares (including the Deferred Activemedia Consideration Shares) and approximately 3.61 per cent. of the enlarged issued share capital on Admission of the Consideration Shares. Details of the Options are set out below:

Option Holder	*Date of Grant*	*Plan under which option granted*	*Exercise Period*	*Number of Options granted and unexercised*	*Exercise price per share*
Jill Collighan	24 July 2013	2013 EMI Scheme	2013-2023	10,000,000	£0.01
Neale Graham	24 July 2013	2013 EMI Scheme	2013-2023	18,412,088	£0.01
	24 July 2013	2013 EMI Scheme	2013-2023	10,000,000	Nil
Barry Sharples	24 July 2013	2013 EMI Scheme	2013-2023	18,232,088	£0.01
	24 July 2013	2013 EMI Scheme	2013-2023	10,000,000	Nil
James Esson	7 February 2011	2011 EMI Scheme	2014-2021	16,666	£0.01

3.27 Details of the terms on which the Options were issued can be found in paragraph 20 below.

3.28 The Company has not issued any convertible loan notes.

3.29 The Company has an outstanding obligation to allot and issue 555,772 Ordinary Shares in settlement of deferred consideration relating to the acquisition of the entire issued share capital of Activemedia Technologies Limited in 2009. The Directors intend to allot and issue these Ordinary Shares at the same time as the Placing Shares. Further details of the acquisition are set out in paragraph 12.1.16 of Part V of this document.

3.30 Save as disclosed in paragraphs 3.26 and 3.29 above, the Ordinary Shares proposed to be issued pursuant to the Placing and the Consideration Shares proposed to be issued on completion of the Acquisition:

3.30.1 no share or loan capital of the Company or any of its subsidiaries has been issued or been agreed to be issued fully or partly paid, either for cash or for consideration other than cash and no issue is now proposed; and

3.30.2 neither the Company nor any of its subsidiaries has granted any options, warrants or convertible loan notes over its shares or loan capital which remains outstanding or has agreed, conditionally or unconditionally, to grant any such options, warrants or convertible loan notes.

3.31 The Placing Shares and the Consideration Shares will be allotted fully paid in registered form and may be held in either certificated or uncertificated form. Application will be made to the London Stock Exchange for the Placing Shares and subsequently the Consideration Shares to be admitted to trading on AIM. All the Ordinary Shares (including the Placing Shares and the Consideration Shares) may be transferred into the CREST system for which there will be no charge to stamp duty or stamp duty land tax on the transfer (unless made for consideration).

3.32 The nominal value of the Placing Shares to be issued under the Placing is 1 penny and the issue price of the Placing Shares will be 1 penny. Nothing will therefore be credited to the share premium account.

3.33 The Placing Shares were created under and are subject to the provisions of the Act and are issued in pound sterling.

3.34 The provisions of section 561 of the Act (which confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash other than by way of allotment to employees under an employee's share scheme as defined in section 1166 of the Act) will apply to the share capital of the Company to the extent not disapplied by a special resolution of the Company.

3.35 The Placing Shares, Consideration Shares and Deferred Active Media Consideration Shares will, on issue, rank for all dividends and other distributions (if any) declared or made or paid in respect of Ordinary Shares after the date of issue and will otherwise rank *pari passu* in all respects with the Ordinary Shares and no Shareholders in the Company enjoy different or enhanced voting rights.

3.36 The Company had two ordinary shares of £1 in issue on incorporation and 397,891,130 Ordinary Shares in issue at the date of this document. The Company has used 7.71 per cent. of the current issued share capital for the purchase of assets other than cash since its incorporation pursuant to the acquisition of 2ergo Limited, VICS Limited, Broca plc and Activemedia Technologies Limited.

3.37 Save as disclosed in this document, there are no Ordinary Shares in the Company which are held by, or on behalf of, the Company and none of the Company's subsidiary undertakings holds any shares in the Company.

3.38 The International Security Identification Number for the Ordinary Shares to be admitted to trading on AIM is GB0034312214.

3.39 Save for the Placing Shares to be issued pursuant to the Placing, the Consideration Shares to be issued pursuant to the Acquisition, the Deferred Activemedia Consideration Shares to be issued pursuant to the acquisition of Activemedia Technologies Limited in 2009 and the issue of up to 66,660,842 Ordinary Shares to option holders referred to in paragraph 3.26 above, there is no present intention to issue any of the authorised but unissued share capital of the Company and there are no agreements or undertakings pursuant to which the Company has agreed to issue Ordinary Shares.

3.40 On completion of the Placing and the Acquisition and following the allotment of the Deferred Activemedia Consideration Shares, the issued share capital of the Company shall be increased by 1,450,555,772 Ordinary Shares resulting in a cumulative dilution of 78.51 per cent. in aggregate excluding the exercise of the Options referred to in paragraph 3.26 above.

4. SUBSIDIARY UNDERTAKINGS

4.1 The Company has the following subsidiary undertakings:

Company	*Country of Incorporation*	*Principal Activity*	*Shareholder*	*% of Ownership Interest*	*% of Voting Power*
Broca (1) Limited (formerly Broca Limited)	England and Wales	Holding company	The Company	100	100
Broca Communications Limited	England and Wales	Dormant	Broca (1) Limited	100	100
Sure on Sight Limited	England and Wales	Dormant	Broca (1) Limited	100	100
Wapfly Technologies Limited	England and Wales	Dormant	The Company	100	100
2safeguard Limited	England and Wales	Dormant	The Company	100	100
Broca (3) Limited (formerly Tik Tap)	England and Wales	Non-trading	The Company	100	100
Lammtara Industries EBT Trustees Limited	England and Wales	Dormant	The Company	100	100
Broca (2) Limited (formerly Podifi)	England and Wales	Dormant	The Company	100	100
Marblesquare Limited	England and Wales	Non-trading	The Company	100	"A" and "B" Ordinary 100
Activemedia Technologies Limited	England and Wales	Non-trading	The Company	100	100
GM Mobile Limited	England and Wales	Dormant	The Company	100	100
Georgia Holding Company	USA	Holding company	The Company	100	100
Broca, Inc.	USA	Non-trading	Georgia Holding Company	100	100
M-Invent, Inc.	USA	Non-trading	Georgia Holding Company	100	100
Proteus Movil	Argentina	Non-trading	The Company	10 2ergo Limited* holds the remaining 90	10 2ergo Limited* holds the remaining 90

* Now called Eagle Eye Solutions (North) Limited.

4.2 On completion of the Acquisition, MXC Capital Advisory will become a wholly owned subsidiary of the Company, subject only to the rights of Marc Young, the other member of it.

5. MEMORANDUM AND ARTICLES OF ASSOCIATION

Memorandum of Association

The memorandum of association of the Company provides that its principal object is to carry on business as a general commercial company. The objects are fully set out in clause 4 of the memorandum of association.

Articles of Association

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

5.1 ***General meetings***

5.1.1 The Board may call a general meeting whenever it thinks fit and, on the requisition of members in accordance with Section 303 of the Act, it shall forthwith proceed to convene a general meeting for a date not more than eight weeks after receipt of the requisition at the office. At such a meeting no business shall be transacted except that stated by the

requisitionists or proposed by the Board. If there are not within the United Kingdom sufficient members of the Board to convene a general meeting any director may call one.

5.1.2 Subject to the provisions of the Act, annual general meetings shall be held at such time and place as the Board may determine.

5.1.3 An annual general meeting shall be called by at least twenty one clear days' notice in writing. All other general meetings shall be called by at least fourteen clear days' notice in writing.

5.1.4 The accidental omission to give notice of a meeting, or (where forms of proxy are sent out with notices) to send a form of proxy with a notice to any person entitled to receive such notice, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at the meeting.

5.1.5 Subject to the provisions of the Act and notwithstanding that it is convened by shorter notice than that specified in paragraph 5.1.3 above, a general meeting shall be deemed to have been duly convened if it is so agreed:

5.1.5.1 in the case of an annual general meeting, by all the members entitled to attend and vote and vote at the meeting; and

5.1.5.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

5.1.6 No business shall be transacted at any general meeting, when the meeting proceeds to business, unless a quorum is present. The absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Subject to the provisions of article 19.3 in the Articles two members present in person or by proxy or being a duly authorised representative of a corporation which is a member and entitled to vote shall be a quorum for all purposes.

5.1.7 The chairman of the Board or in his absence some other director nominated by the Board shall preside as chairman at every general meeting of the Company. If there is no such chairman or other director or if at any meeting neither the chairman nor such other director is present within fifteen minutes after the time fixed for holding the meeting or if neither is willing to act as chairman of the meeting, the directors present shall elect one of themselves or if no director is present within fifteen minutes after the time appointed for holding the meeting, or if all the directors present decline to take the chair, the members present and entitled to vote shall choose one of their number to be chairman of the meeting.

5.1.8 Without prejudice to any other power which he may have under the Articles or by law, the chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the proper and orderly conduct of the meeting, to give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of.

5.1.9 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a further or casting vote in addition to the votes to which he may be entitled as a member or as a representative or proxy of a member.

5.1.10 A director and a proxy shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

5.2 ***Voting rights***

Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held and subject to the Act and to any suspension or abrogation of voting rights pursuant to the Articles, at any general meeting, every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote on a show of hands, and on a poll every member shall have one vote for each share of which he is the holder.

5.3 ***Suspension of rights***

5.3.1 No member shall, unless the Board otherwise determines, have the right in respect of shares held by him to attend and/or vote at a general meeting or any separate meeting of the holders of any class of share either personally or by proxy or on a poll or to exercise any other right conferred by membership in relation to meetings or polls of the Company, if a notice under Section 793 of the Act (Section 793 notice) has been duly served on him or any person whom the Company knows or has reasonable cause to believe to be interested in such shares (the "default shares", which expression includes any shares issued after the date of such Section 793 notice in respect of those shares) and he or any such person is in default in supplying to the Company the Information thereby required within the period of:

5.3.1.1 fourteen days from the date of service of the Section 793 notice in the case of a notice where the aggregate nominal value of the default shares is at least 0.25 per cent. of the aggregate nominal value of the issued shares of the same class at the date of such notice; or

5.3.1.2 twenty-eight days from the date of service of the Section 793 notice In any other case.

5.3.2 Subject as set out below so long as the default shares are the subject of restrictions under paragraph 5.3.1 above, any dividend on such shares or other money payable will be withheld (with no obligation on the Company to pay interest thereon and the member shall not be entitled to elect, pursuant to the Articles, to receive shares in lieu of that dividend) and any transfer of or agreement to transfer such shares (other than following a sale shown to the satisfaction of the Board to be of the full legal and beneficial ownership of such shares to a *bona fide* unconnected third party) will be void, unless the Directors otherwise determine. Transfers may not be refused and dividends may not be withheld if the aggregate nominal value of the default shares is less than 0.25 per cent. of the aggregate nominal value of the issued shares of the same class.

5.4 ***Purchase and Redemption of own shares***

Subject to the provisions of the Statutes and to any rights for the time being attached to any share, the Company may purchase its own shares of any class (including any redeemable shares).

5.5 ***Variation of rights***

Whenever the capital of the Company is divided into different classes of shares, unless otherwise provided by the terms of issue of the shares of that class the rights attached to any class may be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of at least three? quarters in nominal amount of the issued shares of the affected class or with the sanction of a special resolution passed at a separate general meeting of such holders but not otherwise.

5.6 ***Classes of share***

The share capital of the Company is currently made up of Ordinary Shares. The Ordinary Shares are voting shares and benefit from all of the rights attaching to those shares contained within the Articles and as summarised in paragraphs 5.2 to 5.5 of this Part V.

5.7 ***Transfer of shares***

5.7.1 Subject to such of the restrictions contained in the Articles as may be applicable, any member may transfer all or any of his shares by transfer in writing in any usual or common form or in any other form acceptable to the Board or by any other manner acceptable to the Board and permitted by the statutes and the London Stock Exchange and any such transfer shall be registered within fourteen days of receipt of the same by the Company, subject as provided below.

5.7.2 Every written instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee, The transferor shall remain the holder of the share concerned until the name of the transferee is entered in the register in respect of that share.

5.7.3 The Board may, in its absolute discretion and without assigning any reason therefor, refuse to register the transfer of a share (or renunciation of a renounceable letter of allotment) which is not fully paid or on which the Company has a lien provided that, where any such share is listed or admitted to trading on the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

5.7.4 The Board may also, in its absolute discretion and without assigning a reason therefor, refuse to register a transfer of shares (or renunciation of a renounceable letter of allotment) unless:

5.7.4.1 the instrument of transfer is lodged at the office or at such other place as the Board may from time to time appoint, accompanied by the certificate for the shares to which it relates and such other evidence (if any) as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so) or renounce provided that, in the case of a transfer by a stock exchange nominee or in the case of a renunciation the lodgement of share certificates shall not be necessary; and

5.7.4.2 the instrument of transfer is in respect of only one class of share; and

5.7.4.3 in the case of a transfer to joint holders, they do not exceed four in number; and

5.7.4.4 it is duly stamped (if so required).

5.7.5 If the Board refuses to register a transfer, it shall within two months after the date on which the instrument of transfer was lodged with the Company send to the transferee notice of the refusal.

5.7.6 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of the refusal is given.

5.8 ***Allotment of shares***

Subject to the Act and the provisions of the Articles the power of the Company to allot and issue shares shall be exercised by the Board, and the unissued shares in the capital of the Company (whether forming part of the original or any Increased capital) shall be at the disposal of the Board, which may offer, allot (with or without conferring rights of renunciation), issue or grant share warrants (as defined in the Articles) or options over such shares to such persons at such times and for such consideration and upon such terms and conditions as the Board may determine provided that no share shall be issued at a discount.

5.9 ***Dividends and other distributions***

5.9.1 Subject to the Act and the Articles the Company may by ordinary resolution declare that out of profits available for distribution there be paid dividends to members in accordance with their respective rights and priorities; but no dividend shall exceed the amount recommended by the Board.

5.9.2 Except as otherwise provided by the rights (if any) attached to shares with preferential or other special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this paragraph 5.9.2 or the next following paragraph 5.9.3 as paid up on the share.

5.9.3 All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Ordinary Shares during any portion or portions of the period in respect of which the dividend is paid but if any Ordinary Share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such Ordinary Share shall rank (subject to the provisions of the Act) for or be entitled to dividend accordingly.

5.9.4 Any general meeting declaring a dividend may, upon the recommendation of the Board, by ordinary resolution direct payment or satisfaction of such dividend wholly or partly by the distribution of specific assets and, in particular, of fully paid up shares or debentures of any other company. The Board shall give effect to such direction so far as they are able.

5.9.5 Subject to the provisions of the Act and of the Articles the Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the distributable profits of the Company and the position of the Company.

5.9.6 The Board may deduct from any dividend payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company and may apply the monies so deducted in satisfaction of such amounts payable by such member to the Company.

5.9.7 All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company absolutely. All dividends, interest or other sum payable and unclaimed for twelve (12) months after having become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof.

5.10 ***Appointment of directors***

5.10.1 Unless and until otherwise determined by ordinary resolution of the Company, the directors (other than alternate directors) shall be not less than two in number but shall not be subject to any maximum.

5.10.2 Subject to the provisions of article 25 (Number and Qualification of Director) and article 26.2 and without prejudice to the power of the Board under article 25.4, the Company may by ordinary resolution elect a person who is willing to act to be a director either to fill a vacancy or as an additional director but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with the Articles.

5.10.3 The Board shall have power to appoint any person to be a director, either to fill a casual vacancy or as an addition In the existing Board but so that the total number of directors shall not at any time exceed the maximum number, if any, fixed from time to time. Any director so appointed shall hold office only until the conclusion of the next following annual general meeting, and shall be eligible for election, but shall not be taken into account in determining

the directors to retire by rotation at such meeting under the provisions in that behalf contained in the Articles.

5.10.4 The Board may from time to time appoint one or more of its body to the office of chief executive, managing director or joint managing director, or to any other office (except that of auditor) or employment in the Company, for such period (subject to the Act) and on such terms as it thinks fit and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation).

5.11 ***Remuneration of directors***

5.11.1 The directors of the Company (other than alternative directors) shall be paid such by remuneration (by way of fee) for their services as may be determined the Board or any committee of the Board formed for the purpose of determining directors' fees and remuneration. The directors shall also be entitled to be repaid all travelling, hotel and other expenses of travelling to and from Board meetings, committee meetings, general meetings, or otherwise incurred while engaged on the business of the Company.

5.11.2 Any director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary commission, percentage of profits or otherwise as the Board may decide.

5.11.3 The Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for, or to institute and maintain any institution, association, society club, trust, other establishment or profit sharing, share incentive, share purchase or employees share scheme calculated to advance the interests of the Company or to benefit, any person who is or has at any time been a Director or employee of the Company or any company which is a holding company or a subsidiary undertaking of or allied to or associated with the Company or any such holding company or subsidiary undertaking or any predecessor in business of the Company or of any such holding company or subsidiary undertaking and for any member of his family (including a spouse or former spouse) and any person who is or was dependent upon him.

5.12 ***Retirement and removal of directors***

5.12.1 Subject to the provisions of the Articles at every annual general meeting of the Company one-third of the directors who are subject to retirement by rotation or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. If there are fewer than three directors who are subject to retirement by rotation one director shall retire from office.

5.12.2 Subject to the Act and the Articles the directors to retire by rotation at each annual general meeting shall be, first any director who wishes to retire and not offer himself for rotation and secondly, those who have been longest in office since their last election; as between persons who became or were last elected directors on the same day, those to retire by rotation shall (unless they otherwise agree among themselves) be determined by lot. The directors to retire (both as to number and as to identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting, and no director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the directors after the date of such notice but before the close of the meeting.

5.12.3 A retiring director (whether retiring by rotation or otherwise) shall be eligible for re-election. If he is not re-elected or deemed to be re-elected he shall hold office until the meeting elects someone in his place, or if it does not do so, until the end of the meeting.

5.12.4 The Company may by ordinary resolution of which special notice has been given in accordance with Section 312 of the Act remove any director before the expiration of his period of office notwithstanding anything in the Articles or in any agreement between the Company and such director. Such removal shall be without prejudice to any claim which such director may have for damages for breach of any contract of service between him and the Company.

5.13 ***Directors' interests and conflicts***

5.13.1 For the purposes of section 175 of the Act the directors may, in accordance with the requirements set out in article 35 (Directors' Interests), authorise any matter proposed to them by any director which would if not authorised, constitute or give rise to a situation in which a director has, or can have, a direct or indirect interest which conflicts, or possibly may conflict with the interest of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) ("**Conflict**").

5.13.2 Any authorisation under article 35 (Directors' Interests) will be effective only if:

5.13.2.1 the director has disclosed to the other directors the nature and extent of his interest In any Conflict, such disclosure to be made as soon as reasonably practicable;

5.13.2.2 the matter In question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of the Articles or in such other manner as the directors may determine;

5.13.2.3 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and

5.13.2.4 the matter was agreed to without his voting or would have been agreed to If his vote had not been counted.

5.13.3 A director who is in any way, whether directly or indirectly interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.

5.13.4 A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the 1985 Act and/or the 2006 Act, unless the interest has already been declared under paragraph 5.13.3 above.

5.13.5 Subject, where applicable, to the disclosures required under paragraph 5.13.3 and paragraph 5.13.4, and to any terms and conditions imposed by the directors in accordance with article 35 (Directors' Interests), a director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.

5.14 ***Powers of the directors***

5.14.1 Subject to the provisions of the Act, the memorandum of association of the Company and the Articles and to any directions given by special resolution of the Company the business of the Company shall be managed by the Board, which may exercise all the powers of the Company. No alteration of the memorandum of association of the Company or of the Articles and no such direction shall invalidate any prior act of the Board which would have

been valid if such alteration had not been made or that direction had not been given. The general powers given by paragraph 5.14.1 shall not be limited or restricted by any special authority or power given to the Board by any other article. A meeting of the Board at which a quorum is present may exercise all powers exercisable by the directors.

5.14.2 The Company may change its name by the Board passing a resolution approving the change, subject to the change becoming effective on the date on which a new certificate of incorporation is issued pursuant to the Act.

5.14.3 Subject as hereinafter provided, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and uncalled capital and, subject to the Act, to issue debentures, loan stock and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

5.14.4 The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to ensure (as regards subsidiaries in so far as by such exercise the Board can ensure) that without the previous sanction of an ordinary resolution of the Company the aggregate amount for the time being outstanding of all borrowings by the Company and its subsidiaries (excluding money owed by any of the Company or any of its subsidiaries to any other of the Company or any of its subsidiaries and deducting cash deposited, being an amount equal to the aggregate of the amounts beneficially owned by the Company or any of its subsidiaries which are deposited for the time being with any bank or other person (not being the Company or any of its subsidiaries) and which are repayable to such company on demand or within three months of such demand, subject in the case of amounts deposited by a partly owned subsidiary undertaking to the exclusion of a proportion thereof equal to the proportion of its issued equity share capital which is not attributable to the Company (directly or indirectly) shall not at any time exceed an amount equal to three times the adjusted capital and reserves whichever Is the greater. For the purpose of the above restriction the "adjusted capital and reserves" means the aggregate from time to time of:

5.14.4.1 the amount paid up or credited as paid up on the allotted or issued share capital of the Company; and

5.14.4.2 the amount standing to the credit of the capital and revenue reserves of the Company (or, if the Company has subsidiaries, the consolidated capital and revenue reserves of the Company and its subsidiaries) including any share premium account, capital redemption reserve, revaluation reserve and credit balance on profit and loss account;

all as shown in the latest audited balance sheet of the Company or (as the case may be) the latest audited consolidated balance sheet of the Company and its subsidiaries but adjusted as may be necessary to take account of the specific matters set out in the Articles.

5.15 ***Return of Capital***

Subject to the provisions of the Act and any other relevant statutes and any special rights attached to any class of shares, on a winding-up or other return of capital the holders of shares shall be entitled to share in any surplus assets *pro rata* to the amount paid up on their shares. A liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members *in specie* or in kind the whole or any part of the assets of the Company, those assets to be set at such value as he deems fair.

Other points to note in relation to the Articles:

5.16 The provisions of section 561 of the Act (which confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash other than by way

of allotment to employees under an employee's share scheme as defined in section 1166 of the Act) will apply to the extent not disapplied by a special resolution of the Company.

5.17 There is nothing contained in the Articles which would have an effect of delaying, deferring or preventing a change in control of the Company.

5.18 There is nothing contained in the Articles which governs the ownership threshold above which member ownership must be disclosed.

5.19 There are no conditions in the Articles governing changes in capital which are more stringent than is required by law.

5.20 Save as set out above, there are no provisions in the Articles or otherwise which give any person enhanced rights in the Company's profits.

5.21 There are no conversion rights attached to any of the shares in the Company pursuant to the Articles or otherwise.

5.22 The following defined term in the summary above shall have the following meaning (as set out in the Articles): "**Statutes**" means the Act and every other statute and any subordinate legislation, order or regulations made under them for the time being in force concerning companies and affecting the Company, including but without limitation, the Uncertificated Securities Regulations 2001 (as amended).

5.23 The Directors are proposing two minor amendments to the Articles further details of which are set out in Resolution 7 of the Notice.

6. DIRECTORS' AND OTHER INTERESTS

6.1 The interests of each of the Directors and the Proposed Directors in the ordinary share capital of the Company (all of which are beneficial) which have been or will be required to be notified to the Company pursuant to section 5 of the DTR or which will be required to be maintained under the provisions of section 808 of the Act, or which are interests of a person connected with any of the Directors or the Proposed Directors (within the meaning of section 252 of the Act), which interests would be required to be disclosed pursuant to the DTR, and the existence of which is known to the Directors and the Proposed Directors or could with reasonable diligence be ascertained by them as at 25 July 2014 (being the last date practicable prior to the publication of this document) are as set out below:

Name	*Number of Ordinary Shares as at the date of this document*	*% of the issued Ordinary Share Capital as at the date of this document*[1]	*Number of Ordinary Shares on Admission of the Placing Shares*	*% of the issued Ordinary Share Capital on Admission of the Placing Shares*[2]	*Number of Ordinary Shares on Admission of the Consideration Shares*	*% of the issued Ordinary Share Capital on Admission of the Consideration Shares*[3]	*Number of Options over Ordinary Shares*
MXC Holdings*	45,000,000	11.34	345,000,000	27.65	945,000,000	51.15	–
Ian Smith**	–	–	13,000,000	1.04	13,000,000	0.70	–
Jill Collighan	99,116	0.02	99,116	0.01	99,116	0.01	10,000,000
Simon Duckworth***	–	–	5,000,000	0.40	5,000,000	0.27	–
Marc Young	–	–	–	–	–	–	–
Peter Rigg****	–	–	6,000,000	0.48	6,000,000	0.32	–
Paul Guilbert	–	–	–	–	–	–	–
Total	45,099,116	11.36	369,099,116	29.58	969,099,116	52.45	10,000,000

* Ian Smith is a director and shareholder of MXC Holdings. 5,000,000 Ordinary Shares are currently held by MXC Capital Advisory but will be transferred to MXC Holdings on completion of the Acquisition. Marc Young, a proposed director, is a shareholder of MXC Holdings.

** These Ordinary Shares are held by Ian Smith's SIPP.

*** 2,000,000 Ordinary Shares are held by Simon Duckworth's wife, Caroline Duckworth.

**** Approximately 2,000,000 Ordinary Shares are held by Peter Rigg's wife, Nicola Rigg.

1 These percentages are based on the issued share capital of 396,991,404 Ordinary Shares (i.e. excluding the treasury shares)

2 These percentages are based on the issued share capital of 1,247,547,176 Ordinary Shares (i.e. excluding the treasury shares)

3 These percentages are based on the issued share capital of 1,847,547,176 Ordinary Shares (i.e. excluding the treasury shares)

6.2 Save as disclosed in this document, none of the Directors nor the Proposed Directors has or will have any interest in the ordinary share capital or loan capital of the Company following Admission of the Placing Shares or following Admission of the Consideration Shares nor does any person connected with the Directors or the Proposed Directors (within the meaning of section 252 of the Act) have any such interest whether beneficial or non-beneficial.

6.3 Save as disclosed in this document, none of the Directors or the Proposed Directors is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company and remains in any respect outstanding or unperformed.

6.4 There are no outstanding loans made or guarantees granted or provided by the Company to or for the benefit of any Director or Proposed Director.

6.5 There is no Director or Proposed Director nor member of a Director's or Proposed Director's family who has a related financial product (as defined in the AIM Rules) referenced to the Ordinary Shares.

7. SUBSTANTIAL SHAREHOLDERS

7.1 As at 25 July 2014 (being the last practicable date prior to the date of this document), save as set out below the Company was not aware of any person, who, directly or indirectly, had an interest representing 3 per cent. or more of the issued ordinary share capital (being the threshold at or above which, in accordance with the provisions of section 5 of the DTR, any interest must be disclosed by the Company).

Name	*Number of Ordinary Shares as at the date of this document*	*% of the issued Ordinary Share Capital as at the date of this document*[1]	*Number of Ordinary Shares on Admission of the Placing Shares*	*% of the issued Ordinary Share Capital on Admission of the Placing Shares*[2]	*Number of Ordinary Shares on Admission of the Consideration Shares*	*% of the issued Ordinary Share Capital on Admission of the Consideration Shares*[3]
Helium Special Situations Fund	64,000,000	16.12	84,000,000	6.73	84,000,000	4.55
Nigel Wray	55,490,917	13.98	355,490,917	28.50	355,490,917	19.24
Aviva plc	47,529,109	11.97	47,529,109	3.81	47,529,109	2.57
MXC Holdings*	45,000,000	11.34	345,000,000	27.65	945,000,000	51.15
Neale Graham	26,733,822	6.73	26,733,822	2.14	26,733,822	1.45
Barry Sharples	25,733,822	6.48	25,733,822	2.06	25,733,822	1.39
Keith Seeley	20,148,725	5.08	20,148,725	1.62	20,148,725	1.09
ISIS (FPPE)	17,960,000	4.52	17,960,000	1.44	17,960,000	0.97
Hargreave Hale	17,885,000	4.34	157,885,000	12.66	157,885,000	8.55
Total	320,481,395	80.56	1,080,481,395	86.60	1,680,481,395	90.96

*Ian Smith is a director and shareholder of MXC Holdings. 5,000,000 Ordinary Shares are currently held by MXC Capital Advisory but will be transferred to MXC Holdings on completion of the Acquisition. Marc Young, a proposed director, is a shareholder of MXC Holdings.

1 These percentages are based on the issued share capital of 396,991,404 Ordinary Shares (i.e. excluding the treasury shares)

2 These percentages are based on the issued share capital of 1,247,547,176 Ordinary Shares (i.e. excluding the treasury shares)

3 These percentages are based on the issued share capital of 1,847,547,176 Ordinary Shares (i.e. excluding the treasury shares)

7.2 Save as disclosed in this document and in particular paragraphs 7.1, 12.1.2, 12.1.3, 13.1, 13.2 13.3 and 13.6, the Directors and the Proposed Directors are not aware of any person who directly, or indirectly, jointly or severally, exercises or could exercise control over the Company.

7.3 The Company's shareholders listed in paragraphs 6.1 and 7.1 of this Part V do not have voting rights preferential to other holders of Ordinary Shares.

7.4 Save as set out in paragraphs 7.1, 12.1.2, 12.1.3, 13.1, 13.2, 13.3 and 13.6, the Directors and the Proposed Directors are not aware of any arrangements in place or under negotiation which may, at a subsequent date, result in a change of control of the Company.

8. ADDITIONAL INFORMATION ON THE DIRECTORS

8.1 Other than directorships of the Company, the Directors and the Proposed Directors have held the following directorships or been partners in the following partnerships within the five years prior to the date of this document:

Name	*Current Directorships and Partnerships*	*Past Directorships and Partnerships*
Ian Smith	Castleton Technology plc Castleton Technology Holdings Limited Fujin Systems Limited Mantin Capital Limited Mathian (Newco) LLP Mathian (CM) Limited Montal Computer Services Limited Montal Computer Systems Limited Montal Group Limited Montal Holdings Limited MXC Holdings Limited MXC Capital Finance Limited Redcentric plc	1 Spatial plc Accumuli plc Broadblue Catamaran Sales Limited Broadblue Catamarans Limited Decorum Connect Limited VBHG Limited Fujin Nameco Limited Intrinsic Networks Limited Landspeeder (Holdings) Limited Matrix Network Solutions Limited Monitise Create Limited MXC Capital Listco plc MDMSI Limited Norwood Adam Technical Services Limited Redstone Converged Solutions Limited Storage Fusion Limited Xploite IHC Limited Xploite plc
Jill Collighan	Activemedia Technologies Limited Broca (1) Limited Broca (2) Limited Broca (3) Limited Broca Communications Limited GM Mobile Limited Lammtara Industries EBT Trustees Limited Marblesquare Limited Sue on Sight Limited Wapfly Technologies Limited 2 Safeguard Limited	Broca Communications Limited Eagle Eye Solutions (North) Limited RSBI Limited
Simon Duckworth	Accumuli plc Gresham College The Police ICT Company	Bann System Limited Fidelity European Values plc
Marc Young	104 Bolingbroke Grove Management Company Limited	MXC Capital Advisory

Name	*Current Directorships and Partnerships*	*Past Directorships and Partnerships*
Peter Rigg	Polarcus Limited (Cayman Islands) Schroders Oriental Income Fund Ltd (Guernsey) GEMS III Limited	GEMS Oriental & General Fund II Limited General Enterprise Management Services (International) Ltd
Paul Guilbert	Indian Advisors (CI) Limited (Guernsey) Alchemy India (CI) Limited (Guernsey) Alchemy Partners (Gsy) Limited (Guernsey) Alchemy Partners CI (Guernsey) Limited (Guernsey) Alchemy Partners Nominees Limited (Guernsey) Alchemy Partners LP (Guernsey) Limited (Guernsey) Stichting AP GP (Netherlands) Tattershall Castle Group Limited (Guernsey) TCGB Guernsey Limited (Guernsey) TCGB Holdings Limited (Guernsey) TCGI Holdings Limited (Guernsey) TCGP Guernsey Limited (Guernsey) TCGP Holdings Limited (Guernsey) TCGT Holdings Limited (Guernsey) Alchemy Partners GP Limited (Guernsey) Alchemy Special Opportunities (Guernsey) Limited (Guernsey) Alchemy Special Opportunities (GP) Limited (Guernsey) ASO (CI) Limited (Guernsey) ASO (GP) II Limited (Guernsey) ASO (CI) II Limited (Guernsey) ASOF II Feeder Fund (GP) Limited (Guernsey) ASO Lux 2 Sarl (Luxembourg) ASO (GP) III Limited (Guernsey) ASO (CI) III Limited (Guernsey) ASOF III Feeder Fund (GP) Limited (Guernsey) ASO Lux 3 Sarl (Luxembourg) Bedford Lux Sarl (Luxembourg) Palmer Lux Sarl (Luxembourg) Garrick Lux Sarl (Luxembourg) AAA Guernsey Limited (Guernsey) Pearl Diver CLO Opportunity 2008 GP Limited (Guernsey) Pearl Diver CLO Opportunity 2014 GP Limited (Guernsey) SOF General Partner (Guernsey) Limited (Guernsey)	Neptun Lux Holding One Sarl (Luxembourg) Neptun Lux Holding Two Sarl (Luxembourg) Neptun Lux Holding Three Sarl (Luxembourg) Ironmax S.ár.L (Luxembourg) First Chemical (Luxembourg) S.a.r.l. (Luxembourg) Red & Black Lux 2 S.ar.l (Luxembourg) CEA Private Equity Group Limited (Guernsey) Permira Advisers Group Holdings Limited (Guernsey) Permira Debt Managers Group Holdings Limited (Guernsey) Permira Europe I Nominees Limited (Guernsey) Permira (Guernsey) Limited Permira Europe II Nominees Limited (Guernsey) Permira Europe BV (Netherlands) Permira IP Limited (Guernsey) Permira Investments Limited (Guernsey) Permira Nominees Limited (Guernsey) Permira Carried Interest G.P. Limited (Guernsey) Permira Europe III Nominees Limited (Guernsey) Permira Europe III G.P. Limited (Guernsey) Permira Holdings Limited (Guernsey) Permira (Europe) Limited (Guernsey) Permira IV GP Limited (Guernsey) Permira IV Managers Limited (Guernsey) P-Investments Luxembourgh S.a.r.l. (Luxembourg) Permira Capital Limited (Guernsey) TCG Holdings Limited (Guernsey) Fermain Holdings Limited (Guernsey) Nalozo Guernsey G.P. Limited (Guernsey) Permira Europe II Managers BV (Netherlands)

Name	*Current Directorships and Partnerships*	*Past Directorships and Partnerships*
Paul Guilbert *(continued)*	SOF Conduit (Guernsey) GP Limited (Guernsey)	Topsi 2 S.ar.l (Luxembourg) Topsi 1 S.ar.l (Luxembourg) Gaminghouse S.A. (Luxembourg) Gaming Invest S.a.r.l. (Luxembourg) ASO Lux S.ar.l. (Luxembourg) ASO Lux 2 S.a.r.l. (Luxembourg) Alchemy Special Opportunities (Trading) Limited (Guernsey) Liberator Manger Partner Limited (Guernsey) Liberator GP Limited (Guernsey) Birds Eye Iglo Equity Investment Plan Limited (Guernsey) AMS Holding Sarl (Luxembourg) Saline Nominees Limited (Guernsey) AA Development Cap India (GP) Limited (Guernsey) Conversus Capital Limited (Guernsey) ASO Lux SARL (Luxembourg) Subtarc SA (Luxembourg) Crane Midco (Guernsey) Limited (Guernsey) UBK Buyout Investments (Guernsey) Limited (Guernsey) Fashion Auction SARL (Luxembourg) CT Fashion A SARL (Luxembourg) CT Fashion B (Luxembourg) Elgae S.ar.l (Luxembourg) Dreamliner Lux S.a.r.l (Luxembourg) MEP S.a.r.l (Luxembourg) Toro Investment S.A. (Luxembourg) Reden S.a.r.l (Luxembourg) CMA S.a.r.l (Luxembourg) Victoria Holding Sarl (Luxembourg) Telco Holding S.a.r.l (Luxembourg) Cognis Holding Luxembourg Sarl (Luxembourg) Cart Lux Sarl (Luxembourg) Tarc Lux S.a.r.l (Luxembourg) MWCR Lux S.a.r.l (Luxembourg) Gupag S.ar.l (Luxembourg) Lavena 1 Sarl (Luxembourg) Lavena 2 Sarl (Luxembourg) Lavena 3 Sarl (Luxembourg) Foodco Sarl (Luxembourg) Korolux S.A.R.L (Luxembourg) Kikkolux S.A.R.L (Luxembourg) Avallux S.a.r.l (Luxembourg) Siltarc SA (Luxembourg) Subcart SA (Luxembourg) Silcart SA (Luxembourg) Red & Black Holdco 2 S.ar.l (Luxembourg)

Name	*Current Directorships and Partnerships*	*Past Directorships and Partnerships*
Paul Guilbert *(continued)*		Nuclobel Topco 1 Sarl (Luxembourg) Nuclobel Topco 2 Sarl (Luxembourg) Nuclobel Lux 1 Sarl (Luxembourg) Nuclobel Lux 2 Sarl (Luxembourg) ENB TopCo 1 S.ar.l (Luxembourg) ENB TopCo 2 S.ar.l (Luxembourg) ENB Lux 1 S.ar.l (Luxembourg) ENB Lux 2 S.ar.l (Luxembourg) Kitza S.ar.l. (Luxembourg) Nalozo S.ar.l. (Luxembourg) Nalozo Topco S.ar.l. (Luxembourg) LuxELIT Sarl (Luxembourg) Red & Black TopCo S.ar.l (Luxembourg) Red & Black Holdco S.ar.l (Luxembourg) Pronutri Sarl (Luxembourg) Perconlux Sarl (Luxembourg) Nutrilux Sarl (Luxembourg) MEP II Sarl (Luxembourg) Fita 2 sarl (Luxembourg) Torisa S.a.r.l (Luxembourg) Venice Luxco S.a.r.l (Luxembourg) Telefood S.a.r.l (Luxembourg)

8.2 Save as disclosed in paragraphs 8.3 and 8.4, none of the Directors nor the Proposed Directors has:

8.2.1 any unspent convictions in relation to indictable offences;

8.2.2 had any bankruptcy order made against him or entered into any voluntary arrangements;

8.2.3 been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors, whilst he was a director of that company or within the 12 months after he had ceased to be a director of that company;

8.2.4 been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement, whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

8.2.5 been the owner of any asset which has been placed in receivership or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

8.2.6 been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or

8.2.7 been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

8.3 Ian Smith was a director of Broadblue Catamarans Limited on 3 February 2009 when the company passed an extraordinary resolution to put the company into creditors' voluntary liquidation and

appoint a liquidator. The company was dissolved on 17 April 2011. The estimated deficiency to creditors (excluding shareholders) was approximately £612,500.

Ian Smith was a director of Decorum Networks Limited on 10 November 2006 when the company passed an extraordinary resolution to put the company into creditors' voluntary liquidation and appoint a liquidator. The company was dissolved on 30 August 2007. The estimated deficiency to creditors (excluding shareholders) was approximately £620,000.

8.4 Paul Guilbert was a director of TCG Holdings Limited (a company registered in Guernsey) until 13 April 2010. On 28 September 2010, an application was made to the Court for a compulsory winding up of the company. On 3 January 2012, a further application was made for an order declaring the company be dissolved it being noted that there were no assets of the company available for distribution. The company was dissolved on 20 November 2012.

8.5 Save as disclosed in this document, there are no potential conflicts of interest between any duties to the Company of the Directors or the Proposed Directors and their private interests or their other duties.

8.6 Save as disclosed in this document, no Director nor Proposed Director has or has had any interest in any transaction which is or was significant in relation to the business of the Company and which was effected during the current or immediately preceding financial period or which was effected during an earlier financial period and remains outstanding or unperformed.

9. DIRECTORS AND OTHERS SHARE DEALINGS

Save as disclosed elsewhere in this document, no Director, recent director or Proposed Director has dealt in the shares, warrants or any other securities in the Company.

10. DIRECTORS' SERVICE CONTRACTS AND REMUNERATION

10.1 Save as disclosed below, there are no service agreement or letters of appointment, existing or proposed between any Director or Proposed Director and the Company that have been entered into or varied within six months prior to the date of this document. There are no existing or proposed service agreements or letters of appointment between the Company and any of the Directors or the Proposed Directors which do not expire or are not determinable by the Company without payment of compensation within 12 months immediately preceding the date of this document.

10.1.1 ***Ian Smith***

On 17 June 2013, Mathian LLP entered into an agreement with the Company in relation to the provision of services by Ian Smith. The agreement is for a fixed period of 12 months commencing on the date on which the agreement became unconditional (being the date on which the placing at the time became unconditional) and from that date shall continue unless and until terminated as provided by the terms of the agreement or by either party giving to the other not less than four weeks' prior written notice in each case to expire on or at any time after the fixed 12 month period. The Company has agreed to pay Mathian LLP a fee of £10,000 per month exclusive of VAT. The fee is not payable until the Company returns to profit and positive cash generation for three consecutive calendar months. Once this position has been reached all accrued sums shall become payable within 28 days of the profit condition being satisfied. The agreement contains post-termination obligations on Mathian LLP for a period of 6 months.

On 17 June 2013, Ian Smith entered into a letter of appointment with the Company pursuant to which his appointment as Executive Chairman was confirmed. The appointment is for a fixed period of 12 months commencing on the date on which the letter became unconditional (being the date on which the placing at the time became unconditional) and from that date shall continue unless and until terminated as provided by the terms of the letter or by either party giving to the other not less than four weeks' prior written notice in each case to expire on or at any time after the fixed 12 month period. No fee is payable to Ian under the terms of the letter.

10.1.2 ***Jill Collighan***

On 8 March 2004, Jill entered into a service agreement with the Company pursuant to which her appointment as Chief Financial Officer was confirmed. The agreement is terminable on not less than three months' written notice given by either party to the other. The agreement contains provisions for early termination, *inter alia*, in the event that she breaches any material term of the agreement. The basic salary payable to Jill was £57,000 per annum for a four day week. This is to be reviewed annually without any obligation to increase the same. In addition, Jill is entitled to participate in the Company's bonus scheme and is entitled to a 3 per cent. pension contribution. Jill is also entitled to private health insurance and death in service insurance. The service agreement contains restrictive covenants for a period of 12 months following the termination of her employment. On 13 January 2009, Jill's notice period was increased to 6 months. Her current salary is £117,832.

10.1.3 ***Simon Duckworth***

On 12 June 2013, Simon entered into a non-executive letter of appointment with the Company pursuant to which his appointment as a non-executive director was confirmed. His appointment is for an initial term of three years (commencing on the date on which the terms of the letter became unconditional) and is thereafter terminable by and at the discretion of either party upon three months' notice in writing. The fee payable to Simon is £25,000 per annum.

10.1.4 ***Marc Young***

On 25 July 2014, Marc entered into a service agreement with the Company pursuant to which his appointment as Chief Executive Officer was confirmed with effect from 25 July 2014. The agreement can be terminated by either party giving to the other not less than six months' notice in writing. The agreement contains provisions for early termination, *inter alia*, in the event that he breaches any material term of the agreement. The basic salary payable to Marc is £150,000 per annum. This is to be reviewed by the remuneration committee of the Company from time to time without any obligation to increase the same. In addition, Marc is entitled to participate in a bonus scheme, payments under which will be assessed and payable dependent on the financial performance of the Company. The service agreement contains restrictive covenants for a period of 12 months following the termination of his employment.

10.1.5 ***Peter Rigg***

On 25 July 2014, Peter entered into a non-executive letter of appointment with the Company pursuant to which his appointment as a non-executive director was confirmed. His appointment is for an initial term of three years and shall continue thereafter unless otherwise terminated earlier in accordance with the Articles, the Act or by and at the discretion of either party upon three months' notice in writing. The fee payable to Peter is £45,000 per annum. His removal, cessation or retirement in accordance with the Articles of the Company will not give him any right to compensation or damages and no fee will be payable to him for any period after such removal, cessation or retirement.

10.1.6 ***Paul Guilbert***

On 25 July 2014, Paul entered into a non-executive letter of appointment with the Company pursuant to which his appointment as a non-executive director was confirmed. His appointment is for an initial term of three years and shall continue thereafter unless otherwise terminated earlier in accordance with the Articles, the Act or by and at the discretion of either party upon three months' notice in writing. The fee payable to Paul is £30,000 per annum. His removal, cessation or retirement in accordance with the Articles of

the Company will not give him any right to compensation or damages and no fee will be payable to him for any period after such removal, cessation or retirement.

10.2 The amounts payable to the Directors and the Proposed Directors by the Company under the arrangements in force at the date of this document in respect of the financial year ending 31 August 2014 are estimated to be £247,000 excluding benefits and any VAT payable thereon.

11. EMPLOYEES

Save for the Directors, as at the date of this document, the Group has no employees.

Save for the Proposed Directors, on Admission of the Consideration Shares, the Enlarged Group will have two employees in the roles of group finance director and associate director of corporate finance.

It is anticipated that following Admission of the Consideration Shares the Enlarged Group will look to retain any relevant employees in line with the anticipated growth of the Enlarged Group.

12. MATERIAL CONTRACTS

12.1 The following contracts, not being contracts entered into in the ordinary course of business, which have been entered into by the Company and its subsidiaries (i) within the two years immediately preceding the date of this document and are, or may be material; or (ii) which contains any provision under which the Company or any of its subsidiaries has any obligation or entitlement which is material to the Company or the subsidiary as at the date of this document:

12.1.1 On 25 July 2014, the Company, the Directors, the Proposed Directors and Zeus Capital entered into the Placing Agreement. Under the terms of the Placing Agreement, the Company appointed Zeus Capital as its agent to procure subscribers for the Placing Shares at the Placing Price and Zeus Capital agreed to use its reasonable endeavours to procure such subscribers. The obligations of Zeus Capital are conditional, *inter alia*, on Admission of the Placing Shares occurring on or before 13 August 2014 or such later date (being no later than 23 December 2014) as the Company and Zeus Capital may agree. Subject to Admission of the Placing Shares, the Company shall pay to Zeus Capital a corporate finance fee of £150,000 (plus VAT). The Placing Agreement contains certain warranties given by the Company, the Directors and the Proposed Directors in favour of Zeus Capital (including warranties relating to the accuracy of the information in this document and the Company's incorporation and capacity). The liability of the Company, the Directors and the Proposed Directors is limited. The Placing Agreement also contains an indemnity given by the Company in favour of Zeus Capital.

12.1.2 A sale and purchase agreement dated 25 July 2014, between MXC Holdings (1) and the Company (2) pursuant to which, conditional upon certain matters being satisfied including the passing of the Resolutions at the General Meeting and approval of the FCA to Marc Young and the Company becoming members of MXC Capital Advisory, MXC Holdings has agreed to resign as, and the Company has agreed to become, a member of MXC Capital Advisory for a consideration payable to MXC Holdings of £6,000,000 to be satisfied by the allotment and issue of 600,000,000 Ordinary Shares at a price of 1 penny per share. The agreement contains warranties given by MXC Holdings to the Company, a tax indemnity in favour of the Company and confidentiality provisions.

12.1.3 On 25 July 2014, the Company, MXC Holdings and Zeus Capital entered into a relationship agreement pursuant to which MXC Holdings has undertaken, *inter alia*, that it will not use the voting rights attached to its holdings of Ordinary Shares to take control of the board of directors or procure a de-listing from AIM. The relationship agreement will remain in place whilst MXC Holdings is interested in Ordinary Shares representing 30 per cent. or more of the issued share capital of the Company, subject to earlier termination.

12.1.4 Lock-in agreements dated 25 July 2014 entered into between, the Company (1), Zeus Capital (2) and each of the Directors, the Proposed Directors, MXC Holdings and Nigel Wray (3) pursuant to which each of the Directors, the Proposed Directors, MXC Holdings and Nigel Wray have agreed with Zeus Capital, conditional upon Admission of the Placing Shares, not to dispose of any Ordinary Shares held by them for a period of 12 months from the date of Admission of the Placing Shares except in certain limited circumstances permitted by the AIM Rules. The deeds also contain certain orderly market provisions which apply for a further 12 month period after the expiry of the lock-in period.

12.1.5 On 25 July 2014, the Company and MXC Holdings entered into a shared services agreement pursuant to which MXC Holdings has agreed to provide the Company with general office and secretarial support services. In addition, the Company and MXC Holdings will share occupation of the premises at first, second and third floors, 15 Buckingham Gate, London SW1E 6LB. The agreement commences on Admission of the Placing Shares for an initial term of 12 months and continues thereafter until terminated in accordance with its terms. Either party may terminate the agreement after expiry of the initial term by serving six months' prior written notice to that effect on the other. The Company has agreed to pay MXC Holdings a service charge of £50,000 per annum (exclusive of VAT) for the first 12 months and thereafter as agreed between the parties in respect of the services and its occupation of the premises. The agreement contains an indemnity from the Company in favour of MXC Holdings. MXC Holdings' liability is limited to an amount equal to the aggregate service charge paid in respect of the relevant services during the 12 months prior to the date of receipt of the claim.

12.1.6 On 25 July 2014, the Company and MXC Holdings entered into a consultancy, referral and licence agreement pursuant to which MXC Holdings has agreed to provide the Company with corporate advisory services and such other services as may be agreed by the parties from time to time. MXC Holdings has also agreed: (i) to ensure that each of the individual consultants (being Ian Smith and Tony Weaver) is available to provide the services; (ii) to seek to introduce appropriate investment opportunities in the TMT sector to the Company; and (iii) not to seek to exploit any potential investment opportunities in the TMT sector which might reasonably be considered opportunities which should properly be brought to the attention of the Company, unless the board of directors of the Company has formally resolved not to pursue the same. The Company has agreed to pay MXC Holdings a fee in respect of the services of £200,000 per annum (exclusive of VAT), such fee being payable quarterly in advance, as well as reasonable expenses properly and necessarily incurred by MXC Holdings in the course of providing the services and developing the MXC brand. In addition, under the terms of the agreement MXC Holdings grants to the Company and its group companies an exclusive licence to use all intellectual property rights in the "MXC Capital" name and brand throughout the world for the term of the agreement. The agreement shall commence on Admission of the Placing Shares for an initial period of 24 months and thereafter shall be terminable by either party giving to the other not less than 12 months' prior written notice. The agreement sets out MXC Holdings' duties in respect of the services to be provided and includes an indemnity from MXC Holdings in favour of the Company.

12.1.7 On 15 July 2014, the Company and the Registrar entered into an agreement pursuant to which the Registrar agreed to act as receiving agent to the Company in connection with the Placing. The agreement contains warranties and indemnities given by the Registrar in favour of the Company. The Registrars liability is capped at twice the amount of fees payable under the terms of the letter. The agreement will terminate on completion of the services.

12.1.8 An engagement letter dated 15 July 2014 between Zeus Capital and the Company pursuant to which Zeus Capital has agreed to provide certain services to the Company as its nominated adviser and broker in relation to the Acquisition, the Placing and admission

(together the "**Transaction**"). The Company has agreed to pay Zeus Capital a corporate finance fee of £150,000 (plus VAT). The full fee is payable by the Company to Zeus Capital if for a period of 12 months after the engagement comes to an end by termination or otherwise the Company completes the Transaction. The Company has also agreed to pay the reasonable and properly incurred expenses of lawyers acting on Zeus Capital's behalf in connection with the Transaction. The engagement may be terminated by either party giving to the other not less than one month's prior written notice and by written notice with immediate effect in certain limited circumstances. The engagement letter includes certain undertakings given by the Company to Zeus Capital and an indemnity given by the Company to Zeus Capital in relation to the engagement and/or the provision of services to the Company in connection therewith or any matter incidental thereto.

12.1.9 A lock-in deed dated 16 April 2014 between (1) the Company, (2) Panmure Gordon (UK) Limited ("**Panmure**") and (3) Eagle Eye whereby the Company agreed, subject to certain exceptions, not to:

12.1.9.1 dispose of any interest in the shares held by it or to be held by it, until 14 October 2014 (being a period of 6 months from admission of the whole of the enlarged ordinary share capital of Eagle Eye, issued and to be issued, to trading on AIM) without the prior written consent of Panmure if the valuation of Eagle Eye on admission was £20 million or less; and

12.1.9.2 dispose of any interest in the shares held by it or to be held by it except through Panmure on a best execution basis, if the valuation of Eagle Eye on admission was £20 million or less for a period from the end of the lock-in period mentioned in paragraph 12.1.9.1 up to and including the date of the 12 month anniversary of admission of Eagle Eye and if the valuation of Eagle Eye on admission was more than £20 million for a period from the date of admission of Eagle Eye up to and including the date of the 12 month anniversary of admission.

The valuation achieved was more than £20 million hence the 12 month orderly market arrangement applies to the Company.

12.1.10 On 21 March 2014, the Company entered into a sale and purchase agreement with Eagle Eye Solutions Group plc ("**Eagle Eye**") pursuant to which Eagle Eye agreed to acquire the entire issued share capital of 2ergo Limited ("**SPA**"). Completion of the SPA ("**Completion**") was conditional on the passing of the resolutions proposed at the general meeting of the Company and admission of the ordinary shares of 1 penny each in the capital of Eagle Eye to AIM ("**Eagle Eye Admission**"). The total consideration payable by Eagle Eye to the Company was £4,500,000, £2,500,000 of which was satisfied in cash on Completion and the remaining £2,000,000 was satisfied by the allotment and issue of new ordinary shares of 1 penny each in Eagle Eye to the Company at the placing price, credited as fully paid. The Company warranted certain information about the business and assets of 2ergo Limited to Eagle Eye. The Company's liability in respect of any claims arising under the warranties is limited. The Company agreed to indemnify Eagle Eye against various issues including all losses suffered by Eagle Eye in relation to the hive out (detailed in paragraph 12.1.11 below) and the disposal of the various foreign subsidiaries and also agreed to various restrictive covenants. The agreement is governed by English law.

12.1.11 On 21 March 2014, the Company entered into an asset purchase agreement with 2ergo Limited, pursuant to which it agreed to acquire from 2ergo Limited the business of developing and commercialising the Broca, SAMS and 2safeguard technology carried on by 2ergo Limited at that time, together with the assets of the business ("**Hive Out Agreement**"). The consideration payable under the terms of the Hive Out Agreement was £1 (exclusive of VAT). 2ergo Limited made no warranties or representations in connection with the transfer of the business and assets and has no liability to the Company in connection with the transfer. The parties agreed that if, and to the extent possible, the

£3,025,600 tax losses relating to the business (and not the retained business) would be for the benefit of the Company. In addition, it was a completion deliverable of the Hive Out Agreement that the Company would deliver a duly executed IP assignment under which the "Assigned Rights" (as defined in the IP assignment) would be assigned to the Company. The Company agreed to indemnify 2ergo Limited against liability which 2ergo Limited may have incurred in connection with the ownership or operation of the business and the assets, whether before or after the effective time of the transfer.

12.1.12 Pursuant to the Hive Out Agreement, the Company was under an obligation to deliver a duly executed IP assignment in relation to the patents, unregistered trademarks, software and unregistered assigned rights relating to the business of developing and commercialising the Broca, SAMS and 2safeguard technology ("**Assigned Rights**"). The Company and 2ergo Limited therefore entered into a deed of assignment in relation to the Assigned Rights on 21 March 2014 ("**Deed of Assignment of IPR**") pursuant to which 2ergo Limited assigned absolutely to the Company all its right, title and interest in and to the Assigned Rights.

12.1.13 Effective from 8 August 2013, the Company entered into a nominated adviser and broker agreement with Zeus Capital pursuant to which the Company appointed Zeus Capital to act as its nominated adviser and broker for the purposes of the AIM Rules. The Company agreed to pay Zeus Capital an annual retainer of £30,000 plus VAT commencing on the date of the letter (such fee being payable quarterly in advance) together with reasonable out-of-pocket expenses which are incurred in respect of such services. The letter sets out the ongoing responsibilities of both parties and contains various undertakings, indemnities and warranties given by the Company to Zeus Capital. The agreement is for a fixed period of one year and is subject to termination by either party giving not less than three months' prior notice thereafter. Pursuant to the terms of the letter of engagement summarised in paragraph 12.1.8 above, the Company has agreed to increase the annual retainer fee to £50,000 plus VAT from Admission of the Consideration Shares.

12.1.14 On 17 June 2013, the Company and MXC Capital Advisory entered into a letter of engagement pursuant to which MXC Capital Advisory agreed to provide corporate finance consultancy services to the Company in connection with its development. Subject to, and conditional upon, the placing undertaken in June/July 2013 becoming unconditional in all respects, MXC Capital Advisory agreed to charge a fee of £100,000 (plus VAT) of which £50,000 (plus VAT) would be satisfied by the Company in cash and £50,000 would be satisfied by the issue by the Company to MXC Capital Advisory of 5,000,000 fully paid Ordinary Shares. The Company also agreed to pay all reasonable expenses of MXC Capital Advisory incurred in the proper performance of the services. The letter sets out the Company's responsibilities and includes an indemnity in favour of MXC Capital Advisory. The letter is terminable on one month's written notice from the Company to MXC Capital Advisory and in other circumstances as set out in the letter. MXC Capital Advisory's liability is limited to the amount paid for the services.

12.1.15 On 17 June 2013, the Company and MXC Capital Advisory entered into a letter of engagement pursuant to which MXC Capital Advisory agreed to provide corporate finance consultancy services to the Company in connection with its development. The Company has agreed to pay MXC Capital Advisory: (a) in respect of the 12 month period commencing on the date of the letter (the "**Initial Period**"), an annual retainer fee of £25,000 plus VAT; (b) following the expiry of the Initial Period, an annual retainer fee of £50,000 plus VAT (the annual retainer fee shall be reduced by any fees charged under (c) subject to a maximum reduction of £25,000 in each year); and (d) a consultancy fee equal to 3.5 per cent. of the enterprise value of any acquisition, disposal or equity fundraising completed by the Company prior to the termination of the letter and in respect of which services have been provided. The Company also agreed to pay all reasonable expenses of MXC Capital Advisory incurred in the proper performance of the services. The letter sets out the Company's responsibilities and includes an indemnity in favour of MXC Capital Advisory.

The letter is terminable on six months' written notice from the Company to MXC Capital Advisory and in other circumstances as set out in the letter. MXC Capital Advisory's liability is limited to the amount paid for the services. The letter of engagement will be terminated on Admission of the Placing Shares.

12.1.16 On 27 July 2009, the Company entered into a sale and purchase agreement with Ariya Priyasantha, Claypath Limited and Ramesh Kumar ("**Sellers**") and Rajbir Singh Bhandal (together with the Sellers, the "**Warrantors**") pursuant to which the Company agreed to acquire the entire issued share capital of Activemedia Technologies Limited (including its wholly-owned Indian subsidiary Active Media Technologies Private Limited) ("**Sale Agreement**"). The total consideration payable by the Company to the Sellers was £774,000 (the "**Consideration**"). The Consideration comprised initial cash consideration of £87,785 plus the Sterling equivalent of US$150,000 (which equated to, in aggregate, £179,000) with the balance of the consideration being £595,000 calculated on the basis of four times Active Media Technologies Private Limited's profit after tax and 2.8 times the UK global product line's operating profit for the year to 31 August 2012, which was payable between November 2009 and November 2013, dependent on Activemedia Technology Limited and Active Media Technologies Private Limited achieving agreed levels of financial performance and subject to an overall consideration cap. The Sale Agreement contained restrictions, warranties and indemnities. However, the Company is now only entitled to bring a tax warranty claim on the basis that the period to bring a non-tax related claim has now expired. Pursuant to the terms of the Sale Agreement, the Company has an outstanding obligation to allot and issue 555,772 Ordinary Shares as part of the earn out consideration. The Sale Agreement is governed by English law.

12.2 There are no contracts, not being contracts entered into in the ordinary course of business which, have been entered into by MXC Capital Advisory (i) within the two years immediately preceding the date of this document and are, or may be material; or (ii) which contains any provision under which MXC Capital Advisory has any obligation or entitlement which is material to MXC Capital Advisory as at the date of this document.

13. RELATED PARTY TRANSACTIONS

Save as referred to below, there were no other nor are there contemplated any related party transactions to which the Company was or will be a party:

13.1 MXC Holdings has subscribed for 300,000,000 Ordinary Shares under the Placing. MXC Holdings' participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that MXC Holdings is a substantial shareholder in the Company for the purposes of AIM Rules and because Ian Smith is both a director of the Company and MXC Holdings.

13.2 Ian Smith's SIPP has subscribed for 13,000,000 Ordinary Shares under the Placing. The participation by Ian Smith's SIPP in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that Ian is an Executive Director of the Company.

13.3 Simon and Caroline Duckworth have subscribed for, in aggregate, 5,000,000 Ordinary Shares under the Placing. Simon and Caroline Duckworth's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that Simon Duckworth is a Non-Executive Director of the Company.

13.4 Helium Special Situations Fund has subscribed for 20,000,000 Ordinary Shares under the Placing. Helium Special Situations Fund's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that Helium Special Situations Fund is a substantial shareholder in the Company for the purposes of AIM Rules.

13.5 Nigel Wray has subscribed for 300,000,000 Ordinary Shares under the Placing. Nigel Wray's participation in the Placing is classified as a related party transaction for the purposes of Rule 13 of

the AIM Rules. This is due to the fact that Nigel Wray is a substantial shareholder in the Company for the purposes of AIM Rules.

13.6 Tony Weaver's SIPP has subscribed for 10,000,000 Ordinary Shares under the Placing. The participation by Tony Weaver's SIPP in the Placing is classified as a related party transaction for the purposes of the AIM Rules. This is due to the fact that Tony is a director and a shareholder of MXC Holdings, a substantial shareholder in the Company.

13.7 Peter and Nicola Rigg have subscribed for 6,000,000 under the Placing. Peter and Nicola Rigg's participation in the Placing is classified as a related party transaction for the purposes of the AIM Rules. This is due to the fact that Peter Rigg is a Proposed Director of the Company.

13.8 The Acquisition is classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that MXC Holdings is a substantial shareholder in the Company for the purposes of AIM Rules and because Ian Smith is both a director of the Company and MXC Holdings. Further details of the Acquisition and the agreement to be entered into can be found in paragraph 8 of Part I and paragraph 12.1.2 of Part V of this document.

13.9 On 25 July 2014, the Company entered into a relationship agreement with Zeus Capital and MXC Holdings. Ian Smith is both a director of the Company and MXC Holdings. Further details of the relationship agreement are set out in paragraph 12.1.3 of Part V of this document.

13.10 On 25 July 2014, the Company entered into a shared services agreement with MXC Holdings. Ian Smith is both a director of the Company and MXC Holdings. Further details of the shared services agreement are set out in paragraph 12.1.5 of Part V of this document.

13.11 On 25 July 2014, the Company entered into a consultancy, referral and licence agreement with MXC Holdings. Ian Smith is both a director of the Company and MXC Holdings. Further details of the consultancy, referral and licence agreement are set out in paragraph 12.1.6 of Part V of this document.

13.12 The intended grant of incentives under the LTIP will be classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This is due to the fact that MXC Holdings is a substantial shareholder in the Company for the purposes of AIM Rules and because Ian Smith is both a director of the Company and MXC Holdings.

13.13 During the year ended 31 August 2013:

13.13.1 the Group purchased corporate finance consultancy services to the value of £3,042 from MXC Capital Advisory, a firm in which Ian Smith, the Executive Chairman of the Company, is a founding partner and shareholder. Further details of this arrangement are set out in paragraph 12.1.15 of this Part V; and

13.13.2 the Group purchased corporate finance consultancy services from MXC Capital Advisory pursuant to the placing in June/July 2013 to the value of £100,000. Further details of this arrangement are set out in paragraph 12.1.14 of this Part V.

These transactions were at arm's length on normal commercial terms. At the year end the Group owed MXC Capital Advisory £76,151 including VAT in respect of these services. In addition, as part settlement for these corporate finance consultancy services, MXC Capital Advisory was issued 5,000,000 Ordinary Shares and MXC Holdings, a company in which Ian Smith is a director, subscribed for 40,000,000 Ordinary Shares at a price of 1 penny per share.

13.14 During the year ended 31 August 2013, fees of £20,000 were charged by Mathian LLP for the services of Ian Smith as Executive Chairman of the Company. At the year end, amounts owed in respect of these services were £20,000 in accordance with the contractual payment terms. Further details of the agreement under which the fees were accrued are set out in paragraph 10.1.1 of this Part V.

13.15 On 17 June 2013, the Company announced the following related party transactions involving persons who were directors of the Company at that time:

13.15.1 the following directors had agreed to participate in the June/July 2013 placing as follows: (a) Neale Graham – 18,500,000 Ordinary Shares; (b) Barry Sharples – 18,500,000 Ordinary Shares; and (c) Keith Seeley – 17,000,000 Ordinary Shares;

13.15.2 the following directors had agreed to have payments owing to them settled in shares as follows: (a) Keith Seeley – 1,250,000 Ordinary Shares; and (b) Peter Kenyon – 1,250,000 Ordinary Shares; and

13.15.3 the following directors were to be granted EMI options under the 2013 EMI share option scheme: a) Neale Graham – option over 28,412,088 Ordinary Shares; (b) Barry Sharples – option over 28,232,088 Ordinary Shares; and (c) Jill Collighan – option over 10,000,000 Ordinary Shares. Further details of the options granted are set out in paragraphs 3.26 and 20 of this Part V.

In addition, the Company announced on 17 June 2013 that Aviva Investors Global Services Limited and Nigel Wray had agreed to subscribe for 40,000,000 Ordinary Shares and 45,000,000 Ordinary Shares respectively as part of the June/July 2013 placing. The participation by both shareholders was classified as a related party transaction for the purposes of Rule 13 of the AIM Rules. This was due to the fact that Aviva Investors Global Services Limited and Nigel Wray were, at the time, both substantial shareholders in the Company for the purposes of AIM Rules.

13.16 On 14 September 2012, the Company announced that the Neale Graham, Barry Sharples and Keith Seeley, then directors of the Company, had agreed to participate in the October 2012 placing by subscribing for, in aggregate, 7,000,000 Ordinary Shares at a price of 10 pence per share.

13.17 On 19 March 2012, the Company announced that it had granted options to Neale Graham and Jill Collighan to subscribe for up to 125,000 Ordinary Shares each, all at an exercise price of 66.5 pence per share. The options vest in three equal tranches after three, four and five years. These options have now lapsed.

13.18 During the year ended 31 August 2011 the group purchased legal advisory services to the value of £111,502 from Pannone LLP, a firm in which MS Caller, a non-executive director of the Company at that time, was a consultant. These transactions were at arm's length on normal commercial terms. At the year end the group owed Pannone LLP £nil in respect of these services.

13.19 On 21 December 2010, the Company announced that it had granted options to Jill Collighan to subscribe for up to 400,000 Ordinary Shares at an exercise price of 70 pence per share. The options vest in three equal tranches after three, four and five years. These options have now lapsed.

14. TAKEOVER OFFERS BY THIRD PARTIES FOR THE COMPANY'S SHARES

During the last financial year and the current financial year, there has not been a takeover offer (within the meaning of Part 28 of the Act) for any Ordinary Shares.

15. WORKING CAPITAL

The Directors and Proposed Directors are of the opinion that, having made due and careful enquiry, the Enlarged Group has sufficient working capital for its present requirements that is at least 12 months from the date of Admission of the Consideration Shares.

16. PRINCIPAL INVESTMENTS

16.1 The principal investment made by the Group for each financial year for the period covered by the historical financial information up to the date of this document is as follows: On 16 April 2014, the Company was issued with 1,219,512 ordinary shares of 1 penny each in Eagle Eye Solutions Group plc ("**Eagle Eye**") as part of the consideration payable to the Company by Eagle Eye on the sale by the Company of 2ergo Limited. Further details are set out in paragraph 12.1.10 of Part V of this document.

16.2 Save for the Acquisition, there are no principal investments of the Company that are in progress or on which the Company has made any firm commitment.

17. INTELLECTUAL PROPERTY

17.1 Save as disclosed below, the Group does not own or otherwise have any interest in any intellectual property rights and there are no intellectual property rights which are material to the Group business.

17.2 Save as disclosed below, MXC Capital Advisory does not own or otherwise have any interest in any intellectual property rights and there are no intellectual property rights which are material to MXC Capital Advisory's business.

17.3 It is proposed that, on Admission of the Placing Shares, MXC Holdings will grant a licence of the 'MXC Capital' name to the Company (which will, conditional upon completion of the Placing, change its name to MXC Capital plc) and to the entities in the Group, including MXC Capital Advisory, to enable each of them to use the MXC Capital brand. Further details of this arrangement are set out in paragraph 12.1.6 of this Part V.

17.4 The Company also owns the intellectual property rights mentioned in paragraphs 12.1.11 and 12.1.12 of Part V of this document.

18. LEGAL AND ARBITRATION PROCEEDINGS

18.1 Save as disclosed on page 27 of Part III of this document in respect of the possibility that the Group may need to indemnify SoundBite Communiations Inc, the acquirer of 2ergo Americas Inc, as a result of litigation in the US, there are no governmental, legal or arbitration proceedings in which the Group is involved or of which the Group is aware, pending or threatened by or against the Group which may have or have had in the past twelve months preceding the date of this document a significant effect on the Group's financial position.

18.2 There are no governmental, legal or arbitration proceedings in which MXC Capital Advisory is involved or of which MXC Capital Advisory is aware, pending or threatened by or against MXC Capital Advisory which may have or have had in the past twelve months preceding the date of this document a significant effect on MXC Capital Advisory's financial position.

19. TAXATION

The comments in this section are intended as a general guide for UK resident Shareholders as to their tax position under United Kingdom law and HMRC practice as at the date of this document. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The comments apply to Shareholders who are resident and domiciled for tax purposes in the UK (except in so far as express reference is made to the treatments of non-UK residents) who will hold Ordinary Shares as an investment and will be the absolute beneficial owners of them.

Non-UK resident and non-UK domiciled shareholders should consult their own tax advisers.

The position of Shareholders who are officers or employees of the Company is not considered in this section; such Shareholders may be subject to an alternative tax regime and should therefore seek tax advice specific to their individual circumstances. The position of UK resident but non-domiciled individuals claiming the remittance basis of taxation is not considered in this section.

The tax position of certain Shareholders who are subject to special rules, such as dealers in securities, broker-dealers, insurance companies and collective investment schemes is not considered in this section. Any shareholder who has any doubt as to his or her tax position or who is subject to tax in a jurisdiction other than the United Kingdom should consult a professional adviser without delay.

19.1 ***Taxation of chargeable gains***

For the purpose of UK tax on chargeable gains, the purchase of Ordinary Shares on a placing will be regarded as an acquisition of a new holding in the share capital of the Company. To the extent that a shareholder acquires Ordinary Shares allotted to him, the Ordinary Shares so acquired will, for the purpose of tax on chargeable gains, be treated as acquired on the date of the purchase becoming unconditional.

The amount paid for the Ordinary Shares will constitute the base cost of a Shareholder's holding.

A disposal of all or any of the Ordinary Shares may, depending on the circumstances of the relevant shareholder give rise to a liability to UK taxation on chargeable gains. Shareholders will normally be subject to UK taxation of chargeable gains, unless such holders are neither resident nor, in the case of individuals, ordinarily resident in the UK.

Individuals

Where an individual Shareholder disposes of Ordinary Shares at a gain, capital gains tax will be levied to the extent that the gain exceeds the annual exemption and after taking account of any capital losses available to the individual.

For individuals, capital gains tax will be charged at 18 per cent. where the individual's income and gains are less than the upper limit of the income tax basic rate band. To the extent that any chargeable gains, or part of any chargeable gain, aggregated with income arising in a tax year exceed the upper limit of the income tax basic rate band, capital gains tax will be charged at 28 per cent.

For trustees and personal representatives of deceased persons, capital gains tax on gains in excess of the current annual exempt amount will be charged at a flat rate of 28 per cent.

Where a Shareholder disposes of the Ordinary Shares at a loss, the loss should be available to offset against other current year gains or carried forward to offset against future gains and may also be available to offset against taxable income in the current year (depending upon, *inter alia*, the circumstances of the Company and the Shareholder).

Companies

Where a Shareholder is within the charge to corporation tax, a disposal of Ordinary Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemption or relief. Corporation tax is charged on chargeable gains at the rate applicable to that company. Indexation allowance may reduce the amount of chargeable gain that is subject to corporation tax but may not create or increase any allowable loss.

Taxation of dividends

Under current United Kingdom legislation, no tax is required to be withheld from dividend payments by the Company.

Individuals

Shareholders (other than a company) receiving a dividend from the Company also receive a notional tax credit in respect of the dividend of an amount equal to one-ninth of the amount of the net dividend (which is 10 per cent. of the sum of the dividend and the tax credit). The liability to United Kingdom income tax is calculated on the gross dividend income (i.e. the net dividend received plus the notional 10 per cent. tax credit).

Individual Shareholders whose income is within the basic rate tax band will be subject to dividend income tax at the rate of 10 per cent., so that (after taking into account the notional 10 per cent. credit) such Shareholders will have no further liability to income tax on that dividend income.

Individual Shareholders who are subject to the higher rate of income tax will be subject to dividend income tax at 32.5 per cent. After allowing for the 10 per cent. notional tax credit, a higher rate taxpayer suffers an effective rate of 25 per cent. on the net dividend received.

Individual Shareholders who are subject to the additional rate of income tax will be subject to dividend income tax at 37.5 per cent. After allowing for the 10 per cent. notional tax credit, an additional rate taxpayer suffers an effective rate of 30.56 per cent. on the net dividend received.

Dividends payable to trustees and personal representatives of deceased persons will be subject to dividend income tax at 37.5 per cent.

Shareholders who are not liable to income tax on the dividend income (or any part of it) may not claim payment of the tax credit (or any part of it).

Companies

Shareholders within the charge to UK corporation tax which are "small companies" (for the purposes of UK taxation of dividends) will not generally expect to be subject to tax on dividends from the Company.

Other Shareholders within the charge to UK corporation tax will not be subject to tax on dividends (including dividends from the Company) so long as the dividends fall within an exempt class and certain conditions are met. In general, dividends paid on shares that are "ordinary share capital" for UK tax purposes and are not redeemable, and dividends paid to a person holding less than 10 per cent. of the issued share capital of the payer (or any class of that share capital) are examples of dividends that fall within an exempt class. United Kingdom resident shareholders (including authorised unit trusts and open ended investment companies) and pension funds are not entitled to claim payment of the tax credit (or any part of it).

19.2 ***Stamp Duty and Stamp Duty Reserve Tax ("SDRT")***

HMRC has announced that stamp duty and SDRT will not apply to trade made on a recognised growth market, such as AIM from 28 April 2014.

19.3 ***Inheritance Tax***

Individual and trustee investors domiciled or deemed to be domiciled in any part of the UK may be liable on occasions to inheritance tax ("IHT") on the value of any Ordinary Shares held by them. IHT may also apply to individual shareholders who are not domiciled in the UK although relief under a double tax convention may apply to those in this position.

Under current law, the chief occasions on which IHT is charged are on the death of the Shareholder, on any gifts made during the seven years prior to the death of the Shareholder, and on certain lifetime transfers, including transfers to trusts or appointments out of trusts to beneficiaries, save in very limited and exceptional circumstances.

However, a relief from IHT known as business property relief ("BPR") may apply to Ordinary Shares in trading companies once these have been held for two years. This relief applies notwithstanding that the Company's shares will be admitted to trading on AIM (although it does not apply to companies whose shares are listed on the Official List). BPR operates by reducing the value of shares by 100 per cent. for IHT purposes.

19.4 ***Summary***

The above is a summary of certain aspects of current law and practice in the UK. A Shareholder who is in any doubt as to his or her tax position and/or who is subject to tax in a jurisdiction other than the UK, should consult his or her professional adviser.

20. SHARE OPTIONS

Summaries of the principal features of the Company's enterprise management incentive schemes (together the "**EMI Schemes**") are set out below.

20.1 ***2ergo Group plc 2011 Enterprise Management Scheme (the "2011 EMI Scheme")***

20.1.1 The 2011 EMI Scheme was adopted by the Company on 7 February 2011.

20.1.2 Options to subscribe for Ordinary Shares in the Company ("**Options**") may be granted to employees or executive directors of the Company or a qualifying subsidiary provided such person meets the qualifying requirements detailed in Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**").

20.1.3 The exercise price of the Option is determined by the committee and shall not be less than the nominal value of the Ordinary Shares.

20.1.4 The issue of an option certificate by the Directors is conclusive evidence of the grant of an Option and the date of grant is the date on which the option certificate is issued by the Directors. The option certificate must state the date of grant, the number of Ordinary Shares in the Option, the price of the Option and details of any condition imposed which must be fulfilled before the Option may be exercised.

20.1.5 The Company will notify HM Revenue & Customs of the grant of EMI Options within 92 days of such grants.

20.1.6 Options may be granted subject to performance conditions. Where this is the case, the board of directors shall, following the satisfaction of any performance target, give written notice to the holder of the Option ("**Option Holder**") concerned that their Option has become exercisable.

20.1.7 No Option may be granted to any individual if as a result that person would exceed the £250,000 maximum entitlement as prescribed in Schedule 5 to the ITEPA. This limit only applies to Options granted pursuant to the EMI Scheme that are EMI Options. The aggregate market value of the shares over which Options under the 2011 EMI Scheme may be granted shall not exceed £3,000,000.

20.1.8 Options may be exercised in the period commencing on the third anniversary of the date of grant but before the tenth anniversary of their date of grant, provided that any performance conditions to which they are subject have been fulfilled or waived, that the Option Holder is an employee of the Company or any Group Company and that there is nothing restricting dealings in the shares (unless exercise exhausts the Option).

20.1.9 The Options are non-transferable and are exercisable in whole or in part. Any exercise of an Option shall be in respect of 1,000 Ordinary Shares or an integral multiple thereof.

20.1.10 Options will vest and become exercisable immediately (subject to any performance conditions) on the death of an Option Holder and remain exercisable for the period of twelve months by the personal representatives of the deceased Option Holder. Thereafter, the Option shall lapse.

20.1.11 Where an Option has become exercisable, the right to exercise an Option shall terminate immediately upon the Option Holder ceasing to be an employee or director of a Group Company except where such cessation is by reason of death, injury or disability, serious ill-health, redundancy, the sale or transfer out of the Group of the business or that part of the business to which the Option Holder's employment relates, the fact that the Group Company by which he is employed is no longer a member of the Group or any other circumstance in which the Committee reasonably decides that it is fair that the Option be exercised.

20.1.12 The Option Holder must indemnify the Company and every other Group Company against any income tax payable under the PAYE system or employee national contributions (and if the Committee so decides, the employer's national contributions).

20.1.13 Options cannot be transferred, assigned or charged.

20.1.14 The number and/or nominal value of Ordinary Shares subject to an Option may be adjusted in the event of any issue of Ordinary Shares whether by way of capitalisation of profits or reserves or by way of rights or any consolidation or sub-division or reduction of capital. No adjustment can be made without the prior written confirmation of the auditors of the Company that any adjustment is in their view fair and reasonable. Further, no adjustment may be made so as to result in the subscription price for any Option being reduced to less than the nominal value of such Ordinary Shares. Any such adjustment shall be notified to the Option holders by the committee.

20.2 ***2ergo Group plc 2013 Enterprise Management Scheme (the "2013 EMI Scheme")***

20.2.1 The 2013 EMI Scheme was adopted by the Company in June 2013.

20.2.2 Options may be granted to employees or executive directors of the Company or member of the Group provided such person meets the qualifying time requirements detailed in Schedule 5 to the ITEPA.

20.2.3 The issue of an option certificate by the Directors is conclusive evidence of the grant of an Option and the date of grant is the date on which the option certificate is issued by the board of directors. The option certificate must state the date of grant, the number of shares in the Option, the Option price, the Option exercise period, the provisions relating to termination of employment and details of any condition imposed which must be fulfilled before the Option may be exercised.

20.2.4 The exercise price of the Option is determined by the committee.

20.2.5 The Company will notify HM Revenue & Customs of the grant of EMI Options within 92 days of such grants.

20.2.6 Options may be granted subject to objective performance conditions. Where this is the case, the board of directors shall, following the satisfaction of any performance target, give written notice to the Option Holder concerned that their Option has become exercisable.

20.2.7 No Option may be granted to any individual if as a result that person would exceed the £250,000 maximum entitlement as prescribed in Schedule 5 to the ITEPA. This limit only applies to Options granted pursuant to the EMI Scheme that are EMI Options. The aggregate market value of the shares over which Options under the 2013 EMI Scheme may be granted shall not exceed £3,000,000.

20.2.8 Options may be exercised in the period commencing on the third anniversary of the date of grant but before the tenth anniversary of their date of grant, provided that any performance conditions to which they are subject have been fulfilled or waived, that the Option Holder is an employee of the Company or any Group Company and that there is nothing restricting the dealings in the shares.

20.2.9 The Options are non-transferable and are exercisable in whole or in part. Any exercise of an Option shall be in respect of 1,000 Ordinary Shares or an integral multiple thereof (unless exercise exhausts the Option).

20.2.10 Options will vest and become exercisable immediately on the death of an Option Holder (subject to any performance conditions) and remain exercisable for the period of twelve months by the personal representatives of the deceased Option Holder. Thereafter, the Option shall lapse.

20.2.11 Where an Option has become exercisable, the right to exercise an Option shall terminate immediately upon the Option Holder ceasing to be an employee or director of a Group Company except where such cessation is by reason of death, injury or disability, serious ill-health, redundancy, the sale or transfer out of the Group of the business or that part of the business to which the Option Holder's employment relates, the fact that the Group Company by which he is employed is no longer a member of the Group or any other circumstance in which the Committee reasonably decides that it is fair that the Option be exercised.

20.2.12 The Option Holder must indemnify the Company and every other Group Company against any income tax payable under the PAYE system or employee national contributions (and if the Committee so decides, the employer's national insurance contributions).

20.2.13 Options cannot be transferred, assigned or charged.

20.2.14 The number and/or nominal value of the Ordinary Shares subject to the 2013 Scheme may be adjusted in the event of any issue of Ordinary Shares whether by way of capitalisation or profits or reserves or by way of rights or any consolidation or sub-division or reduction of capital. No adjustment can be made without the prior written confirmation of the auditors of the Company that any adjustment is in their view fair and reasonable. Any such adjustment shall be notified to the Option Holders by the committee.

Barry Sharples and Neale Graham

On 24 July 2013 ("**Date of Grant**"), each of Barry Sharples and Neale Graham were granted:

20.2.15 an option over 10,000,000 Ordinary Shares at nil cost ("**Nil Cost Option**");

20.2.16 an option over 10,000,000 Ordinary Shares at an exercise price of £0.01 per Ordinary Share ("**Performance Option**"); and

20.2.17 an option over 8,232,088 Ordinary Shares (for Barry Sharples) and 8,412,088 Ordinary Shares (for Neale Graham) at an exercise price of £0.01 per Ordinary Share ("**Additional Option**"),

in each case under the rules of the 2013 EMI Scheme.

Nil Cost Option

The Nil Cost Option will vest immediately upon the Date of Grant but will not be exercisable until 12 months from the Date of Grant.

In the event that Barry Sharples or Neale Graham (as the case may be) cease to be an employee or director of the Company at any time, the Nil Cost Option shall not lapse but shall continue to subsist and be capable of being exercised in accordance with the rules of the 2013 EMI Scheme.

In the event of a sale of at least 51 per cent. of the issued share capital of the Company or of any subsidiary of the Company or a sale of a material proportion of the assets of the Company or any subsidiary of the Company ("**Sale**") or other similar corporate event such as a de-merger, scheme of arrangement or as determined by the remuneration committee of the Company ("**Committee**"), the Nil Cost Option shall be capable of being exercised immediately prior to the completion of the Sale or other corporate event in respect of all of the Ordinary Shares over which the Nil Cost Option has been granted.

Performance Option

The Performance Option will vest immediately upon the Date of Grant and will be subject to the performance conditions as set out below ("**Performance Conditions**"):

% of shares under option	*Performance Condition*
50	Company's share price reaches or exceeds £0.035
50	Company's share price reaches or exceeds £0.07

The Company's closing share price must reach or exceed the target share price for at least a period of 10 consecutive dealing days for the Performance Conditions to be met.

In the event that Barry Sharples or Neale Graham (as the case may be) ceases to be an employee or director of the Company due to death, serious ill health, injury or disability, redundancy, the Company ceasing to be a member of the Group, a TUPE transfer or any other circumstances in which the committee decides, his Performance Option shall be capable of exercise as set out in the rules of the 2013 EMI Scheme and as follows:

(a) in the event of death, the Performance Option will be exercisable for a period of 12 months from the date of death; and

(b) in any other case referred to above, the Performance Option will be exercisable for the period as notified to the relevant optionholder by the Committee (which shall be a period of no less than 40 days from the date of cessation of employment or office).

In the event that either of Barry Sharples or Neale Graham (as the case may be) ceases to be an employee or director of the Company for any other reason, other than as set out above, his performance Option shall lapse and cease to be exercisable in full. This requirement was amended on 30 May 2014 when it was agreed that Barry Sharples and Neale Graham could exercise their Performance Options, notwithstanding that they had left the employment of the Company, for a period of two years from 31 May 2014. In addition, Barry Sharples and Neale Graham agreed that, should they exercise the Performance Options, any Ordinary Shares acquired by them would be locked-in until 31 May 2016.

In the event of a Sale or other similar corporate event such as a de-merger, scheme of arrangement or as determined by the Committee upon such a corporate event, the Performance Option shall be capable of being exercised immediately prior to the completion of the Sale or other corporate event in respect of all of the Ordinary Shares over which the Performance Option has been granted and the Performance Conditions shall not apply.

The conditions of the Performance Option were achieved following completion of the Company's disposal of 2ergo Limited.

Additional Option

The Additional Option will vest immediately upon the Date of Grant and will not be subject to the Performance Conditions. However, the Additional Option will not be exercisable until such time as Barry Sharples or Neale Graham (as the case may be) cease to be an employee or director of the Company, save for in the case of gross misconduct or voluntary termination (except as a result of the optionholder's ill health, death or disability) in which case his Additional Option shall lapse in full.

To the extent that Barry Sharples or Neale Graham (as the case may be) sells any Ordinary Shares which: (i) he holds as at the Date of Grant of the Additional Option; or (ii) are issued or transferred to him following the exercise of the Nil Cost Option or the Performance Option, then the number of Ordinary Shares over which the Additional Option may be exercised shall be scaled back by a number equal to 18 per cent. of any Ordinary Shares sold before the Additional Option is exercised.

Subject to the paragraph set out directly above, in the event of a Sale or other similar corporate event such as a de-merger, scheme of arrangement or as determined by the Committee, upon such a corporate event, the Additional Option shall be capable of being exercised immediately prior to the completion of the Sale or other corporate event in respect of 100 per cent. of the Shares.

Jill Collighan

On 24 July 2013 ("**Date of Grant**"), Jill Collighan was granted an option over 10,000,000 Ordinary Shares at an exercise price of £0.01 per Ordinary Share under the rules of the 2013 EMI Scheme. This option will vest immediately upon the Date of Grant but will be subject to the same Performance Conditions, leaver provisions and sale provisions as apply to the Performance Options granted to Barry Sharples and Neale Graham as set out above (save that Jill Collighan is not bound by the two year exercise restriction and two year lock-in which applies to Barry Sharples and Neale Graham in respect of their Performance Options).

20.3 ***Long Term Incentive Plan***

Further details of the New Board's proposals in this respect are set out in paragraph 19 of Part I of this document.

21. MANDATORY BIDS, SQUEEZE-OUT AND SELL OUT RULES

21.1 ***Mandatory bid***

The Takeover Code will apply to the Company from Admission of the Placing Shares and from Admission of the Consideration Shares. Under the Takeover Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to Ordinary Shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of The Panel on Takeovers and Mergers) to make a cash offer for the outstanding Ordinary Shares in the Company at a price not less than the highest price paid for Ordinary Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of Ordinary Shares by a person holding (together with its concert parties) Ordinary Shares carrying between 30 per cent. and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights.

21.2 ***Squeeze-out***

Under the Act, if an offeror were to acquire 90 per cent. of the Ordinary Shares within four months of making its offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding shareholders telling them that it would compulsorily acquire their Ordinary Shares. Six weeks later, it would be entitled to execute a transfer of the outstanding Ordinary Shares to it and pay the consideration to the Company, which would hold it on trust for outstanding shareholders. The consideration offered to the shareholders whose Ordinary Shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer.

21.3 ***Sell-out***

The Act would also give minority shareholders in the Company a right to be bought out in certain circumstances by an offeror who had made a takeover offer. If a takeover offer related to all the Ordinary Shares in the Company and, at any time before the end of the period within which the offer could be accepted, the offeror held (or had agreed to acquire) not less than 90 per cent. of the Shares, any shareholder to which the offer related who had not accepted the offer could, by a written communication to the offeror, require it to acquire those Ordinary Shares.

The offeror would be required to give any shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on those rights of minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period under the offer. If a shareholder exercises his rights, the offeror is entitled and bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

22. NO SIGNIFICANT CHANGE

22.1 Save for the sale by the Company of the entire issued Share Capital of 2ergo Limited (further details of which are set out in paragraph 13.1.10 of this Part V) there has been no material change in the trading or financial position of the Group since 28 February 2014, the date to which the last published financial information has been produced and is publicly available.

22.2 There has been no material change in the trading or financial position of MXC Capital Advisory since 31 March 2014, the date to which the historical financial information has been prepared.

23. GENERAL

23.1 The total expenses payable by the Company in connection with the Placing, Admission of the Placing Shares, Admission of the Consideration Shares and the Acquisition (including those fees and commissions referred to in paragraph 12 of this Part V) are estimated to amount to approximately £300,000 (excluding VAT). The net proceeds of the Placing will be approximately £8.2 million.

23.2 Zeus Capital which is authorised by the Financial Conduct Authority, has given and not withdrawn its written consent to the inclusion in this document of its name and the references thereto in the form and context in which they appear. Zeus Capital is acting exclusively for the Company in connection with the Placing, Admission of the Placing Shares and Admission of the Consideration Shares and not for any other persons. Zeus Capital will not be responsible to any persons other than the Company for providing the protections afforded to customers of the Company or for advising any such person in connection with the Placing, Admission of the Placing Shares, Admission of the Consideration Shares, this document or any matter, transaction or arrangement referred to in it.

23.3 Zeus Capital is registered in England and Wales under number 04417845 and its registered office is at 82 King Street, Manchester M2 4WQ.

23.4 The accounts of the Company, which are available on the Company's website at www.brocaplc.com contain an auditor's report by Grant Thornton UK LLP within the meaning of section 495 of the Act. The reports were not qualified within the meaning of section 539 of the Act nor did they contain a statement in the form referred to in section 498(2) or section 498(3) of the Act. No information contained in this document has been audited by Grant Thornton UK LLP.

23.5 Grant Thornton UK LLP are currently the Company's auditors and were also the Company's auditors for the year ended 31 August 2013. Grant Thornton UK LLP, registered number OC307742, is a member of the Institute of Chartered Accountants in England and Wales, and its registered office is at Grant Thornton House, Melton Street, Euston Square, London NW1 2EP.

23.6 Baker Tilly Corporate Finance LLP has given and not withdrawn its written consent to the inclusion in this document of the reports set out in Part IV and has authorised the contents of its reports for the purposes of Schedule Two of the AIM Rules in the form and context in which they appear. Baker Tilly Corporate Finance LLP, registered number OC325347, is a member of the Institute of Chartered Accountants in England and Wales, and its registered office is at 6th Floor, 25 Farringdon Street, London EC4A 4AB.

23.7 Save as set out in this document, there are no patents or intellectual property rights, licences or industrial, commercial or financial contracts which are of material importance to the Company's business or profitability.

23.8 Save as set out in this document, as far as the Directors and Proposed Directors are aware, there are no environmental issues that may affect the Company's utilisation of its tangible fixed assets.

23.9 Save as detailed in paragraph 20 above, there are no employee share incentive arrangements involving a share in the capital of the Company in place at the date of this document.

23.10 The sum raised pursuant to the Placing is £8.5 million which will be applied in the following order of priority:

23.10.1 expenses payable in connection with the Placing and Admission of the Placing Shares: approximately £312,000; and

23.10.2 for the furtherance of the Company's investment strategy and working capital: approximately £8,200,000.

The proceeds of the Placing are sufficient to fund the proposed use stated above.

23.11 Save as set out in paragraph 12 of Part V of this document, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has:

23.11.1 received, directly or indirectly, from the Company within the 12 months preceding the date of this document; or

23.11.2 entered into any contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission of the Placing Shares or Admission of the Consideration Shares any of the following:

23.11.2.1 fees totalling £10,000 or more;

23.11.2.2 securities of the Company where these have a value of £10,000 or more calculated by reference to the Placing Price; or

23.11.2.3 any other benefit with the value of £10,000 or more at the date of this document.

23.12 The Ordinary Shares have not been sold, nor are they available, in whole or in part, to the public in connection with the application for Admission of the Placing Shares or Admission of the Consideration Shares.

23.13 Save as disclosed in this document, the Directors and the Proposed Directors are not aware of any exceptional factors which have influenced the Company's activities.

23.14 Save as disclosed in this document, so far as the Directors and the Proposed Directors are aware, there are no known trends, uncertainties, demands, commitments or events that have or may have had in the last 12 months preceding the publication of this document a significant effect on the financial position of the Company or which are likely to have a material effect on the Company's prospects for the next 12 months.

24. AVAILABILITY OF ADMISSION DOCUMENT

Copies of this document will be available free of charge during normal business hours on any week day (Saturdays, Sundays and public holidays excepted) until the date following one month after the date of Admission of the Consideration Shares at the registered office of the Company and at the offices of Zeus Capital Limited, 82 King Street, Manchester M2 4WQ.

Dated: 26 July 2014

BROCA PLC

(the "**Company**")

(Registered and incorporated in England and Wales with company number 05010663)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of DAC Beachcroft LLP, 100 Fetter Lane, London EC4A 1BN on 12 August 2014 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions (the "**Resolutions**") which in the case of Resolutions 1, 2 and 3 will be proposed as ordinary resolutions and in the case of Resolutions 4, 5, 6, 7 and 8 will be proposed as special resolutions.

Ordinary Resolutions

1. THAT, conditional on the passing of Resolutions 3 and 5, the acquisition by the Company of MXC Capital Advisory LLP (the "**Acquisition**") pursuant to the terms of a conditional sale and purchase agreement dated 25 July 2014 and made between the Company (1) and MXC Holdings Limited (2) particulars of which are set out in the admission document dated 26 July 2014 (the "**Admission Document**") be and is hereby approved and that the directors of the Company be and are hereby authorised to take all steps necessary to effect the Acquisition with such minor modifications, variations, amendments or revisions and to do or procure to be done such other things in connection with the Acquisition as they consider to be in the best interests of the Company.

2. THAT, conditional on the passing of Resolutions 4, 6 and 7, the directors of the Company be and are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**Act**") to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into such shares ("**Allotment Rights**"), but so that the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with a maximum nominal value of £8,500,000 (in connection with the proposed placing of such shares as described in the Admission Document accompanying the notice of general meeting (the "**Placing**") but for no other purpose), provided that this authority, unless duly renewed, varied or revoked by the Company, will expire on the date being fifteen months from the date of the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted or Allotment Rights to be granted after such expiry and, the directors may allot shares and grant Allotment Rights in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

3. THAT, conditional upon the passing of Resolutions 5, 6 and 7, the directors of the Company be and are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**Act**") to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into such shares ("**Allotment Rights**"), but so that the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are:

   3.1 shares with a maximum nominal value of £6,000,000 (in connection with the proposed Acquisition but for no other purpose);

   3.2 shares with a maximum nominal value of £666,608.42 (in pursuance of the exercise of outstanding options already granted by the Company prior to the date hereof but for no other purpose);

   3.3 shares with a maximum nominal value of £5,557.72 (in connection with the acquisition of the entire issued share capital of Activemedia Technologies Limited in July 2009 ("**Activemedia Acquisition**"));

3.4 shares with an aggregate nominal value of £6,158,490 (in addition to the authorities conferred in sub-paragraphs 3.1, 3.2 and 3.3 above) representing approximately one-third of the Company's enlarged issued share capital following the Placing, the Acquisition and the allotment of the Activemedia Acquisition deferred consideration shares,

provided that this authority, unless duly renewed, varied or revoked by the Company, will expire on the date being fifteen months from the date of the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted or Allotment Rights to be granted after such expiry and, the directors may allot shares and grant Allotment Rights in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Special Resolutions

4. THAT, conditional on the passing of Resolutions 2, 6 and 7, the directors be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash, pursuant to the authority conferred by Resolution 2 or by way of a sale of treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities in connection with the Placing, provided that the power granted by this resolution will expire on the date being fifteen months from the date of the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution (unless renewed, varied or revoked by the Company prior to or on such date), save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and, the directors may allot equity securities in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

5. THAT, conditional on the passing of Resolutions 3, 6 and 7, the directors be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash, pursuant to the authority conferred by Resolution 3 or by way of a sale of treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to:

5.1 the allotment of equity securities in connection with an offer by way of a rights issue:

5.1.1 to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and

5.1.2 to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, factional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any applicable regulatory body or stock exchange;

5.2 the allotment (otherwise than pursuant to sub-paragraph 5.1 above) of equity securities in connection with the Acquisition;

5.3 the allotment (otherwise than pursuant to sub-paragraphs 5.1 and 5.2 above) of equity securities on the exercise of options to be granted by the Company and already granted by the Company prior to the date hereof;

5.4 the allotment (otherwise than pursuant to sub-paragraphs 5.1, 5.2 and 5.3 above) of equity securities in connection with the Activemedia Acquisition;

5.5 the allotment (otherwise than pursuant to sub-paragraphs 5.1, 5.2, 5.3 and 5.4 above) of equity securities and the sale of treasury shares up to an aggregate nominal amount of £2,771,320

representing approximately 15 per cent. of the Company's enlarged issued share capital following the Placing, the Acquisition and the allotment of the Activemedia Acquisition deferred consideration shares,

provided that the power granted by this resolution will expire on the date being fifteen months from the date of the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution (unless renewed, varied or revoked by the Company prior to or on such date), save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and, the directors may allot equity securities or sell treasury shares in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

6. THAT, in accordance with paragraph 42(2)(b) of Schedule 2 of the Companies Act 2006 (Commencement No. 8, Transitional Provisions and Savings) Order 2008, the restriction on the authorised share capital of the Company set out in regulation 6 of the memorandum of association of the Company, which by virtue of section 28 of the Companies Act 2006 is treated as a provision of the Company's articles of association, is hereby revoked and deleted.

7. THAT, the articles of association of the Company be amended by:

   7.1 deleting the present article 3.1 and replacing it with the following new article 3.1: "Intentionally left blank"; and

   7.2 the addition of a new article 38.5 as follows:

   "38.5 For the purposes of this article 38, references to the seal being affixed to any document or instrument include the reproduction of the image of that seal on or in a document or instrument by any mechanical or electronic means which has been approved by the directors in relation to that document or instrument or documents or instruments of a class to which it belongs."

8. THAT, prior to completion of the Placing in accordance with the terms of the placing agreement dated 25 July 2014 and made between the Company (1), Zeus Capital Limited (2), the directors (3) and the proposed directors (4), particulars of which are set out in the Admission Document, the name of the Company be changed to "MXC Capital plc".

BY ORDER OF THE BOARD

Jill Collighan
Company Secretary

Registered Office:
100 Fetter Lane
London
EC4A 1BN

26 July 2014

Explanatory Notes:

Entitlement to attend and vote

1. The Company specifies that only those members registered on the Company's register of members at:

   - 6 p.m. on 8 August 2014; or,
   - if this Meeting is adjourned, at 6 p.m. on the day two days prior to the adjourned meeting,

   shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. 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 Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

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

4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to more than one share. To appoint more than one proxy please refer to the notes on the Form of Proxy.

Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:

   - completed and signed;
   - sent or delivered to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; and
   - received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 11.00 a.m. on 8 August 2014.

   In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

   Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

   Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.

   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.

Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company using the following method:

   By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

   The revocation notice must be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 11.00 a.m. on 8 August 2014.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

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

Submission of proxy electronically

9. CREST members who wish to appoint a proxy or proxies through the CREST proxy appointment service may do so for the Meeting (and any adjournment thereof) by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('Euroclear') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it relates to the appointment of a proxy, the revocation of a proxy appointment or to an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the Issuers Agent 3RA50 by the latest time(s) for receipt of proxy appointments specified in note 5 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Issuers Agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

   CREST members (and, where applicable, the CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his or her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual (available at www.euroclear.com/CREST) concerning practical limitation of the CREST system and timings.

   The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).