

THIS CIRCULAR AND THE ACCOMPANYING TENDER FORM (IF PROVIDED) ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this circular or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Ordinary Shares before 1.00 p.m. (UK time) on 4 May 2016, please forward this circular, together with the accompanying documentation, as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this circular and the accompanying documentation, and you should contact the bank, stockbroker or other agent through whom the sale or transfer was effected.

Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this circular to any jurisdiction outside the UK or the United States should seek appropriate advice before taking any action. The distribution of this circular and any accompanying documents into jurisdictions other than the UK or the United States may be restricted by law. Any person not in the UK or in the United States into whose possession this circular and any accompanying documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Tender Offer is not being made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, email, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of any Restricted Jurisdiction. Copies of this circular and the Tender Form are not being and must not be mailed or otherwise distributed or sent in or into a Restricted Jurisdiction, including to Ordinary Shareholders with registered addresses in these jurisdictions or to persons whom the Company or the Counterparty Bank know to be trustees, nominees or custodians holding Ordinary Shares for such persons.

This circular has not been, and will not be, reviewed or approved by the FCA, the London Stock Exchange, any securities commission or any other authority or regulatory body. This circular is not a prospectus and cannot be relied on for any investment contract or decision.

Blanco Technology Group plc **(formerly Regeneris plc)**

(incorporated under the Companies Act 1985 and registered in England and Wales with registered number 05113820)

Return of Capital by way of a Tender Offer to purchase Ordinary Shares up to a maximum value of £50 million

Circular to Ordinary Shareholders

The return of capital to Eligible Shareholders is being implemented by way of a tender offer for the Ordinary Shares to be made by the Counterparty Bank acting as principal and on the terms and subject to the Conditions referred to in this circular. The Counterparty Bank and the Company have entered into the Option Agreement pursuant to which the Counterparty Bank has the right to require the Company to purchase from the Counterparty Bank the Ordinary Shares purchased by it under the Tender Offer, at the Strike Price. If the Counterparty Bank does not exercise its right to require the Company to purchase such Ordinary Shares, the Company has the right to require the Counterparty Bank to sell such Ordinary Shares to it at the Strike Price.

Holders of Ordinary Shares should review this circular carefully.

The Tender Offer will close at 1.00 p.m. (UK time) on 4 May 2016, unless extended by means of an announcement posted on the Company's website and delivered through a Regulatory Information Service. Eligible Shareholders who hold their Ordinary Shares in certificated form wishing to tender Ordinary Shares for purchase under the Tender Offer should ensure that their completed Tender Forms are returned by post using the enclosed pre-paid envelope or by hand (during normal business hours only) to the Receiving Agent, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS13 8AE by no later than 1.00 p.m. (UK time) on

4 May 2016. Eligible Shareholders who hold their Ordinary Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares tendered. Eligible Shareholders who hold their Ordinary Shares in uncertificated form (that is, in CREST) wishing to tender Ordinary Shares for purchase by the Counterparty Bank under the Tender Offer should ensure that a TTE Instruction settles by no later than 1.00 p.m. (UK time) on 4 May 2016.

Your attention is drawn to the letter to Ordinary Shareholders from the Non-Executive Chairman of the Company, which is set out in Part III (Letter from the Non-Executive Chairman) of this circular.

A summary of the action to be taken by Eligible Shareholders who wish to participate in the Tender Offer is set out in paragraph 8 of Part III (Letter from the Non-Executive Chairman) of this circular.

No person has been authorised to give any information or make any representations other than those contained in this circular and, if given or made, such information or representations must not be relied on as having been so authorised. The delivery of this circular shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this circular or that the information in it is correct as of any subsequent time.

Peel Hunt and Panmure Gordon, each of which is authorised by the FCA in the United Kingdom, are acting exclusively for the Company and no-one else in connection with the Tender Offer and will not regard any other person (whether or not a recipient of this circular) as a client in relation to the Tender Offer and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to the Tender Offer or any other matter referred to in this circular. Peel Hunt's responsibilities as the Company's nominated adviser and joint broker under the AIM Rules and the AIM Rules for Nominated Advisers and Panmure Gordon's responsibilities as the Company's joint broker under the AIM Rules are owed to the London Stock Exchange and the Company and not to any other person. No representation or warranty, express or implied, is made by Peel Hunt or Panmure Gordon as to any of the contents of this circular.

Apart from the responsibilities and liabilities, if any, which may be imposed on Peel Hunt and Panmure Gordon by FSMA or the regulatory regime established thereunder, Peel Hunt and Panmure Gordon do not accept any responsibility or liability whatsoever for the contents of this circular, and no representation or warranty, express or implied, is made by Peel Hunt or Panmure Gordon in relation to the contents of this circular, including its accuracy, completeness or verification or for any other statement made or purported to be made by Peel Hunt or Panmure Gordon or on Peel Hunt or Panmure Gordon's behalf, in connection with the Company or the Tender Offer. To the fullest extent permissible Peel Hunt and Panmure Gordon accordingly disclaim all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of the contents of this circular or any such statement.

If you have questions on how you can participate in the Tender Offer please phone the Shareholder Helpline on **0370 889 4099 (from inside the UK)** and **+44 370 889 4099 (from outside the UK)**. The Shareholder Helpline is available from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (except UK public holidays). Please note that calls to these numbers may be monitored or recorded.

Capitalised terms have the meaning ascribed to them in Part VII (Definitions) of this circular.

NOTICE FOR US SHAREHOLDERS

The Tender Offer relates to securities in a non-US company which is registered in England and Wales and is subject to the disclosure requirements, rules and practices applicable to companies listed in the UK, which differ from those of the United States in certain material respects. This circular has been prepared in accordance with UK style and practice for the purpose of complying with English law and the AIM Rules, and US Ordinary Shareholders should read this entire circular, including Part V (Certain Taxation Considerations in relation to the Tender Offer) of this circular. The financial information relating to the Company included in this circular has not been prepared in accordance with generally accepted accounting principles in the United States and thus may not be comparable to financial information relating to US companies. The Tender Offer is not subject to the disclosure and other procedural requirements of Regulation 14D under the Exchange Act. The Tender Offer will be made in the United States in accordance with the requirements of Regulation

14E under the Exchange Act to the extent applicable. Certain provisions of Regulation 14E under the Exchange Act are not applicable to the Tender Offer by virtue of Rule 14d-1(d) under the Exchange Act. US Ordinary Shareholders should note that the Company is not listed on a US securities exchange and is not subject to the periodic reporting requirements of the Exchange Act and is not required to, and does not, file any reports with the SEC thereunder.

It may be difficult for US Ordinary Shareholders to enforce certain rights and claims arising in connection with the Tender Offer under US federal securities laws since the Company is located outside the United States and most of its officers and directors may reside outside the United States. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's judgment.

In accordance with normal United Kingdom market practice and pursuant to Rule 14e-5(b)(12) under the Exchange Act, the Company or its nominees or brokers may from time to time make certain purchases of, or arrangements to purchase Ordinary Shares outside the United States, otherwise than pursuant to the Tender Offer, before or during the period in which the Tender Offer remains open for acceptance, such as in open market purchases at prevailing prices or privately negotiated purchases at negotiated prices. Such purchases, or arrangements to purchase, will comply with all applicable United Kingdom rules, including the rules of the London Stock Exchange. Information regarding such purchases and activities which is required to be made public in the United Kingdom will be reported to a Regulatory Information Service and will be available to all investors (including US investors) on the London Stock Exchange website at www.londonstockexchange.com.

The receipt of cash pursuant to the Tender Offer by an Eligible Shareholder who is a US holder (as defined in Part V (Certain Taxation Considerations in relation to the Tender Offer)) will be a taxable transaction for US federal income tax purposes. In addition, as described in Section B, paragraph 5 of Part V (Certain Taxation Considerations in relation to the Tender Offer) of this circular, holders may be subject to US backup withholding and information reporting on payments with respect to the Tender Offer made (or deemed made) within the United States. Part V (Certain Taxation Considerations in relation to the Tender Offer) of this circular further sets forth certain US federal income tax consequences of the Tender Offer under current US law. However, each Eligible Shareholder should consult and seek individual advice from an appropriate professional adviser.

Neither the SEC nor any US state securities commission has approved or disapproved of this transaction or passed upon the merits of fairness of such transaction or passed upon the adequacy of the information contained in this circular. Any representation to the contrary is a criminal offence.

Dated 6 April 2016

CONTENTS

	<i>Page</i>
Where To Find Help (Questions and Answers on the Tender Offer)	5
Directors and Advisers	6
Forward-Looking Statements	7
Part I Expected Timetable of Principal Events	8
Part II Questions and Answers on the Tender Offer	9
Part III Letter from the Non-Executive Chairman of Blancco Technology Group plc	14
Part IV Details of the Tender Offer	18
Part V Certain Taxation Considerations in relation to the Tender Offer	31
Part VI Additional Information	36
Part VII Definitions	39

Where To Find Help (Questions and Answers on the Tender Offer)

You will find answers to some of the questions most often asked by shareholders about tender offers and the procedure for participating in the Tender Offer in Part II of this circular. If you have further questions on the Tender Offer, there is a Shareholder Helpline available between the hours of 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (except UK public holidays).

The Shareholder Helpline numbers are: 0370 889 4099 (from inside the UK) and +44 370 889 4099 (from outside the UK). Please note that calls to these numbers may be monitored or recorded.

Please note that for legal reasons the Shareholder Helpline will only be able to provide information contained in this circular and the accompanying Tender Form and will be unable to give advice on the merits of the Tender Offer or to provide legal, financial, investment or taxation advice.

Directors and Advisers

Directors

Matthew Peacock (*Non-Executive Chairman*)
Patrick J. Clawson (*Chief Executive Officer*)
Jog Dhody (*Chief Financial Officer*)
Dr Frank Blin CBE (*Senior Independent Non-Executive Director*)
Tom Skelton (*Non-Executive Director*)
Rob Woodward (*Non-Executive Director*)

All of:

190 High Street
Tonbridge
Kent TN9 1BE

Company Secretary

Lorraine Young Company Secretaries Limited
190 High Street
Tonbridge
Kent TN9 1BE

Nominated Adviser and Joint Broker

Peel Hunt LLP
120 London Wall
London EC2Y 5ET

Financial Adviser and Joint Broker

Panmure Gordon (UK) Limited
One New Change
London EC4M 9AF

Legal Advisers to the Company

Herbert Smith Freehills LLP
Exchange House
Primrose Street
London EC2A 2EG

Legal Advisers to Peel Hunt

Addleshaw Goddard LLP
Milton Gate
60 Chiswell Street
London EC1Y 4AG

Registrar and Receiving Agent

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS13 8AE

Forward-Looking Statements

This circular contains forward-looking statements that are subject to assumptions, risks and uncertainties associated with, amongst other things, the economic and business circumstances occurring from time to time in the countries, sectors and business segments in which the Company operates.

Forward-looking statements can be identified typically by the use of forward-looking terminology such as “believes”, “expects”, “may”, “will”, “could”, “should”, “intends”, “estimates”, “plans”, “assumes”, “predicts” or “anticipates”, as well as the negative of such words and other words of similar meaning in connection with discussions of future operating or financial performance or of strategy that involve risks and uncertainties.

The forward-looking statements in this circular are made based upon the Company’s expectations and beliefs concerning future events affecting the Company and its business and therefore involve a number of known and unknown risks and uncertainties. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which it will operate, which may prove not to be accurate. The forward-looking statements contained in this circular which are made only as at the date of this circular are not guarantees and actual results could differ materially from those expressed or implied in these forward-looking statements; therefore, undue reliance should not be placed on such forward-looking statements.

Neither the Company nor any member of the Group undertakes any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by any applicable laws and regulations, the AIM Rules and the Disclosure and Transparency Rules.

Part I

Expected Timetable of Principal Events

Tender Offer opens	6 April 2016
Latest time and date for receipt of Tender Forms and share certificates for tendered certificated Ordinary Shares	1.00 p.m. on 4 May 2016
Latest time and date for transfer to escrow account of tendered uncertificated Ordinary Shares	1.00 p.m. on 4 May 2016
Announcement of results of Tender Offer	9 May 2016
Ex-dividend date for dividend declared 8 March 2016 ⁽³⁾	12 May 2016
Record date for dividend declared 8 March 2016 ⁽³⁾	13 May 2016
Purchase of Ordinary Shares under the Tender Offer	16 May 2016
CREST accounts credited with Tender Offer proceeds in respect of uncertificated Ordinary Shares	16 May 2016
CREST accounts credited with any Ordinary Shares tendered but not accepted under the Tender Offer (or, in the case of unsuccessful tenders, for entire holdings of Ordinary Shares)	16 May 2016
Dispatch of cheques for Tender Offer proceeds in respect of certificated Ordinary Shares	16 May 2016
Return of share certificates in respect of unsuccessful tenders	16 May 2016
Dispatch of balance share certificates in respect of unsold Ordinary Shares in certificated form	16 May 2016

Notes:

(1) Future dates are indicative only and may be subject to change by the Company, in which event details of the new times and dates will be notified via a Regulatory Information Service.

(2) References to times in this expected timetable of events are to London time

(3) Any shares traded in the Tender Offer will still receive the dividend declared on 8 March 2016.

Part II

Questions and Answers on the Tender Offer

1. INTRODUCTION

To help you understand what is involved in the Tender Offer we have prepared a summary and some questions and answers. **You should read the whole of this circular and not rely solely on the summary information in this Part II.** Part IV of this circular sets out the detailed terms and Conditions of the Tender Offer. A list of defined terms is set out in Part VII of this circular.

In the event of any inconsistency between the contents of this Part II and the terms and Conditions set out in Part IV of this circular, the terms and Conditions set out in Part IV of this circular shall prevail.

2. YOU AND THE TENDER OFFER

Why am I receiving this circular?

The Board has arranged for the Counterparty Bank to provide Eligible Shareholders with the opportunity to sell their Ordinary Shares under the Tender Offer.

What other documents should I have received?

Eligible Shareholders who hold their Ordinary Shares in **certificated form** should receive:

- a) this circular;
- b) a Tender Form; and
- c) a prepaid envelope to return the Tender Form (for use in the UK).

Eligible Shareholders who hold their Ordinary Shares in **uncertificated form** (i.e. in CREST) should only receive this circular.

If you have not received any of the documents listed please call the Shareholder Helpline on 0370 889 4099 (from inside the UK) and +44 370 889 4099 (from outside the UK). The Shareholder Helpline is available from 8:30 a.m. to 5:30 p.m. (UK time) Monday to Friday (except UK public holidays). Please note that calls to these numbers may be monitored or recorded.

Why is the Company returning money to its Ordinary Shareholders?

The Board is committed to delivering value to its Ordinary Shareholders. The Company recently sold its Repair Services Business to the Purchaser for cash consideration of €103.5 million.

The Board intends to return up to £50 million to Eligible Shareholders.

Why has the Company chosen a Tender Offer (and associated repurchase) as a way of returning money to Eligible Shareholders?

After careful consideration, including shareholder engagement, the Board considers the Tender Offer, together with the subsequent repurchase of Ordinary Shares, to be the most appropriate means of returning capital to the Eligible Shareholders, as it allows Eligible Shareholders individually to choose whether or not to participate.

Why has a Price Range been set?

The Price Range (215 pence to 250 pence) has been set to give Eligible Shareholders guidance as to the levels at which the Counterparty Bank and, in turn, the Company are prepared to purchase successfully tendered Ordinary Shares. The Price Range also allows Eligible Shareholders to indicate the price(s) at which they would be prepared to sell their Ordinary Shares.

Who is eligible to participate in the Tender Offer with respect to Ordinary Shares?

Both private and institutional Eligible Shareholders are eligible to participate in the Tender Offer.

Ordinary Shareholders in a Restricted Jurisdiction may not participate in this Tender Offer.

Ordinary Shareholders resident outside the UK, or who are nationals or citizens of jurisdictions other than the UK, should read the additional information set out in paragraph 6 of Part IV of this circular.

Will all the Ordinary Shares I tender be purchased?

Not necessarily. If the aggregate value of all Ordinary Shares tendered by Eligible Shareholders is £50 million or less, then all Ordinary Shares validly tendered will be accepted and purchased at the Strike Price regardless of the price within the Price Range at which individual Eligible Shareholders choose to tender their Ordinary Shares.

Is it possible that some or all of the Ordinary Shares I tender may not be purchased?

Yes. If the aggregate value at the Strike Price of all validly tendered Ordinary Shares exceeds £50 million, not all of the Ordinary Shares validly tendered will be accepted and purchased. In these circumstances, the number of Ordinary Shares which will be accepted and purchased will be as follows:

- (a) all valid tenders of Ordinary Shares at a price at or (if applicable) below the Strike Price or as a Strike Price Tender by an Eligible Shareholder will be scaled down pro-rata to the total number of Ordinary Shares so tendered by that Eligible Shareholder, such that the total cost of Ordinary Shares purchased pursuant to the Tender Offer does not exceed £50 million; and
- (b) all tenders of Ordinary Shares at a price above the Strike Price will be rejected and will not be purchased by the Counterparty Bank.

What is a Strike Price Tender?

A Strike Price Tender is a tender at the price determined to be the Strike Price. It does not require you to select a specific price within the Price Range for your Ordinary Shares. Instead, you let the process of the Tender Offer work out the price for you. All successful Strike Price Tenders will be purchased at the Strike Price, subject (if applicable) to the scaling down procedure described above and in paragraph 2.15 of Part IV of this circular.

What is the maximum number of Ordinary Shares I can tender?

If you are an Eligible Shareholder you can tender all of the Ordinary Shares which are held by you at 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended). However, the amount to be purchased from you may be scaled back as described above and in paragraph 2.15 of Part IV of this circular.

Can I tender some, but not all, of my Ordinary Shares?

Yes, whether you hold your Ordinary Shares in CREST or in certificated form. If you hold your Ordinary Shares in certificated form, there is a space on the Tender Form for you to state how many Ordinary Shares you wish to tender.

Can I tender some of my shares at one price and some at another?

Yes. You can specify how many Ordinary Shares you wish to tender at each price in the Price Range (including any Strike Price Tenders). If you hold your Ordinary Shares in certificated form, you can specify the price(s) at which you would like to tender your Ordinary Shares by completing Box 2 of the Tender Form. The total number of Ordinary Shares tendered by you at price(s) in the Price Range and/or as Strike Price Tenders should not exceed the total number of Ordinary Shares held by you at 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended).

Do I have to tender my Ordinary Shares?

No. You are not obliged to tender any of your Ordinary Shares. If you choose not to tender any Ordinary Shares, you will not receive any money under the Tender Offer. Your holding of Ordinary Shares will then be unaffected, save for the fact that, assuming successful completion of the Tender Offer and subsequent repurchase of Ordinary Shares by the Company, you will end up owning a greater percentage of the Issued Ordinary Share Capital after the Tender Offer and the subsequent repurchase of Ordinary Shares by the Company, than you did before, as there will be fewer Ordinary Shares in issue after completion of the Tender Offer and repurchase of Ordinary Shares by the Company.

What will I receive?

What you receive will depend on the action that you take. If you decide to participate and your Ordinary Shares are successfully tendered in the Tender Offer, you will sell your Ordinary Shares and will receive cash for them. If you decide to keep your Ordinary Shares, you will not receive any money under the Tender Offer but, assuming successful completion of the Tender Offer, the associated repurchase of Ordinary Shares by the Company and the cancellation of such Ordinary Shares, you will end up owning a greater percentage of the Issued Ordinary Share Capital of the Company after the Tender Offer than you did before, as explained above.

What price will I receive for each Ordinary Share that I sell?

The Strike Price will be the actual price at which successfully tendered Ordinary Shares will be acquired. This will be the price in the Price Range (in five pence increments) at which the maximum number of Ordinary Shares can be purchased at a total cost not exceeding £50 million. All successfully tendered Ordinary Shares will be purchased at the Strike Price.

The Strike Price will be announced on or about 9 May 2016 (unless the Tender Offer is extended) but will fall in the range of 215 pence and 250 pence (inclusive) per Ordinary Share.

What do I need to do now?

If you hold your Ordinary Shares in **certificated form** and you wish to tender some or all of your Ordinary Shares, you should complete the Tender Form in accordance with the instructions printed on it and in Part II of this circular and return it by post in the accompanying prepaid envelope (for use in the UK only) or by hand to Computershare, at The Pavilions, Bridgwater Road, Bristol, BS13 8AE, together with your share certificate(s) in respect of the Ordinary Shares tendered.

If you hold your Ordinary Shares in certificated form, you will also be required to submit your share certificate(s) along with your Tender Form.

If you hold your Ordinary Shares in **uncertificated form** and you wish to tender some or all of your Ordinary Shares, you should send a TTE Instruction and follow the procedures set out in Part IV of this circular in respect of tendering uncertificated Ordinary Shares.

Completed Tender Forms and/or TTE Instructions (as appropriate) must be received by the Receiving Agent by no later than 1.00 p.m. (UK time) on 4 May 2016 after which time Tender Forms and/or TTE Instructions (as appropriate) will be rejected (unless the Tender Offer is extended).

What is the deadline for returning my Tender Form?

The Tender Offer will close at 1.00 p.m. (UK time) on 4 May 2016 and tenders received after that time will not be accepted (unless the Tender Offer is extended).

What should I do if I have lost my share certificate and wish to participate in the Tender Offer?

You should complete the Tender Form and send it, together with a letter of explanation, to Computershare in accordance with the instructions in the Tender Form. You should then phone the Shareholder Helpline or write to Computershare at The Pavilions, Bridgwater Road, Bristol, BS99 6AH asking for a letter of indemnity to be sent to you, which you should then complete in accordance with the instructions given and send back to Computershare at The Pavilions, Bridgwater Road, Bristol, BS99 6AH immediately.

If my Ordinary Shares are held by my broker or other nominee, will that person tender my Ordinary Shares on my behalf?

Only if you provide instructions to your broker or other nominee to do so. You should follow the directions provided by your broker or other nominee regarding how to instruct your broker or other nominee to tender your Ordinary Shares. Without your specific instructions, your Ordinary Shares will not be tendered for purchase under the Tender Offer.

Can I withdraw my tender?

No. Once you have tendered your Ordinary Shares the instruction to do so is irrevocable.

When do I receive my cash?

Under the expected timetable of events as set out in Part I of this circular, it is anticipated that, for holders of Ordinary Shares in certificated form, a cheque would be despatched to you for the proceeds of any sale by 16 May 2016. CREST account holders would also have their CREST accounts credited on 16 May 2016.

Do I have to pay any costs and expenses?

No. Neither the Company nor the Counterparty Bank is imposing any fees on Ordinary Shareholders in connection with the Tender Offer. If you own your Ordinary Shares through a bank, broker, dealer, trust company or other nominee and such nominee tenders your Ordinary Shares on your behalf, such nominee may charge you a fee for doing so. You should consult with your bank, broker, dealer, trust company or other nominee to determine whether any charges will apply.

What is the tax treatment for Eligible Shareholders?

For information on certain UK taxation and US federal income taxation consequences of the Tender Offer please see Part V of this circular. This information is for guidance only and does not constitute tax advice. If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction other than the UK or the US, you should consult an independent professional adviser.

What happens if I sell my Ordinary Shares after receiving this circular?

You may trade your Ordinary Shares in the normal way during the Tender Offer period.

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this circular (but not the accompanying personalised Tender Form) at once to the purchaser or transferee or the agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee (but not if such purchaser, transferee or agent is resident in a Restricted Jurisdiction). If you have sold part of your holding of Ordinary Shares, please retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected as to the actions you should take.

What happens if I hold my Ordinary Shares in an ISA?

You should contact your plan manager. We expect that you will be written to separately by your plan manager about the implications of the Tender Offer on your ISA holding.

What if I am resident outside the UK?

Ordinary Shareholders resident outside the UK, or who are nationals or citizens of jurisdictions other than the UK, should read the additional information set out in paragraph 6 of Part IV of this circular.

Is there a general meeting of Ordinary Shareholders to approve the repurchase of Ordinary Shares associated with the Tender Offer and do I need to attend?

The repurchase of Ordinary Shares associated with the Tender Offer was approved by Ordinary Shareholders at the General Meeting of the Company held on 2 March 2016. There will be no further General Meeting of Ordinary Shareholders in connection with the Tender Offer. The purpose of this circular is to give Ordinary Shareholders details of the Tender Offer and the associated repurchase of Ordinary Shares by the Company.

Will I still be eligible for for the dividend declared on 8 March 2016 if I tender my Ordinary Shares as part of the Tender?

The Company's "ex-dividend" date for the dividend declared on 8 March 2016 is 12 May 2016. Ordinary Shares will be purchased pursuant to the Tender Offer on 16 May 2016. As such, any shares tendered in the Tender Offer will still receive the dividend declared on 8 March 2016.

3. THE TENDER OFFER

How many Ordinary Shares will there be after the Tender Offer and associated repurchase and cancellation of Ordinary Shares?

We are unable to give an exact number at this stage, as it will depend on how many of the Ordinary Shares are successfully tendered and the prices at which they are tendered. Upon the purchase of Ordinary Shares by the Company pursuant to the Option Agreement and the subsequent cancellation of such Ordinary Shares, assuming the aggregate value of all Ordinary Shares tendered by Eligible Shareholders is £50 million or more, between 20,000,000 Ordinary Shares (if the Strike Price is the Maximum Price) and 23,255,813 Ordinary Shares (if the Strike Price is the Minimum Price) would be tendered, purchased and cancelled. The Company's Issued Ordinary Share Capital would therefore be reduced by between approximately 25.3 per cent, and 29.4 per cent, assuming the Tender Offer is fully subscribed and that the Counterparty Bank exercises its put option under the Option Agreement, or that the Company exercises its call option under the Option Agreement, in respect of all of the Ordinary Shares which the Counterparty Bank acquired under the Tender Offer. If the Tender Offer is not fully subscribed, then fewer Ordinary Shares may be tendered, purchased and cancelled as a result of the Tender Offer and associated repurchase and cancellation of Ordinary Shares.

Can the Company decide not to proceed with the Tender Offer?

The Tender Offer is conditional upon the satisfaction of the Conditions set out in paragraph 2 of Part IV of this circular. Should the Conditions not be satisfied or waived by the Counterparty Bank or the Company, as the case may be, then the Tender Offer will not proceed.

What will happen to the Ordinary Shares that are successfully tendered?

The Tender Offer is being made by the Counterparty Bank acting as principal. The Counterparty Bank and the Company have entered into the Option Agreement pursuant to which the Counterparty Bank has the right to require the Company to purchase from the Counterparty Bank the Ordinary Shares purchased by it under the Tender Offer and the Company has the right to require the Counterparty Bank to sell the Ordinary Shares purchased by it under the Tender Offer, at an amount equal to the Strike Price.

It is the Company's intention to cancel the remaining Ordinary Shares that are successfully tendered to the Counterparty Bank and subsequently purchased by the Company pursuant to the Option Agreement.

4. MISCELLANEOUS

Will my share certificate continue to be valid given the change of name from Regeneris plc to Blancco Technology Group plc?

Yes. Your share certificate will continue to be valid. You will not receive a replacement share certificate in the name of Blancco Technology Group plc.

What if I have any more questions?

If you have read this circular and still have questions, we have set up a Shareholder Helpline on telephone number 0370 889 4099 (from the UK) or +44 370 889 4099 (from outside the UK). The Shareholder Helpline is open from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (except UK public holidays). Please note that calls to these numbers may be monitored or recorded.

Please note that for legal reasons the Shareholder Helpline will not provide advice on the merits of the Tender Offer or give any legal, financial, investment or taxation advice. For financial, investment or taxation advice, you should consult your own financial, investment or taxation adviser.

Part III

Letter from the Chairman of Blancco Technology Group plc

*(incorporated and registered in England and Wales under the Companies Act 1985
with registered number 05113820)*

Directors:

Matthew Peacock (Non-Executive Chairman)
Patrick J. Clawson (Chief Executive Officer)
Jog Dhody (Chief Financial Officer)
Dr Frank Blin CBE (Senior Independent Non-Executive Director)
Tom Skelton (Non-Executive Director)
Rob Woodward (Non-Executive Director)

Registered Office:

190 High Street
Tonbridge
Kent
TN9 1BE

6 April 2016

Dear Shareholder,

1. Introduction

The Sale to CTDI of the Company's Repair Services Business for cash consideration of €103.5 million completed on 4 April 2016. In the circular to Ordinary Shareholders dated 15 February 2016, the Board stated that it intended to return up to £50 million to Ordinary Shareholders by way of a Tender Offer and subsequent repurchase of Ordinary Shares. Ordinary Shareholders voted in favour of the proposed Tender Offer at the General Meeting held on 2 March 2016. The making of the Tender Offer does not require any further approval on the part of the Ordinary Shareholders.

This circular sets out additional information and the details of the Tender Offer and subsequent repurchase of Ordinary Shares and the procedure that should be followed by those Eligible Shareholders who wish to participate in the Tender Offer.

2. Tender Offer

2.1 Background

On 4 April 2016 the Company completed the Disposal for cash consideration of €103.5 million. On 5 April 2016 the Company repaid all indebtedness outstanding under its Revolving Credit Facility. Following repayment of amounts due under the Revolving Credit Facility, repayment of the costs of the Disposal and the return of up to £50 million to Eligible Shareholders under the Tender Offer, the Board expects that the Company will have a net cash position of not less than £5 million.

At the General Meeting held on 2 March 2016, Ordinary Shareholders passed a resolution authorising the repurchase of Ordinary Shares in connection with the proposed Tender Offer and authorised the Company to apply an amount not exceeding £50 million to make market purchases of a maximum of 33,333,333 Ordinary Shares. At the same General Meeting the Ordinary Shareholders passed a resolution cancelling and extinguishing the entire balance standing to the credit of the share premium account of the Company.

2.2 Benefits of the Tender Offer

The Board considered various options for returning cash to Ordinary Shareholders and determined that the Tender Offer, together with the subsequent repurchase of Ordinary Shares, would be the most appropriate means of returning cash to Ordinary Shareholders. In particular, the Tender Offer:

- (a) provides those Eligible Shareholders who wish to sell Ordinary Shares with the opportunity to do so;
- (b) enables those Eligible Shareholders who do not wish to receive capital at this time to maintain their full investment in the Company; and
- (c) is available to all Eligible Shareholders regardless of the size of their shareholdings.

2.3 Structure of the Tender Offer

The Tender Offer will be implemented on the basis of the Counterparty Bank acquiring, as principal, the successfully tendered Ordinary Shares at a "strike price". In turn, the Counterparty Bank has the right to require the Company to purchase such Ordinary Shares from it at the same

price under the Option Agreement. If the Counterparty Bank does not exercise its right to require the Company to purchase such Ordinary Shares, the Company has the right to require the Counterparty Bank to sell such Ordinary Shares to it at the same price. The Company intends to cancel the Ordinary Shares purchased by it under the Option Agreement.

Eligible Shareholders can decide whether they want to tender all, some or none of their Ordinary Shares in the Tender Offer.

As at the date of this circular, it is proposed that a maximum of 23,255,813 Ordinary Shares be purchased under the Tender Offer, representing approximately 29.4 per cent, of the Company's issued share capital as at 5 April 2016, the latest practicable date for such determination prior to the publication of this circular, for a maximum aggregate consideration of £50 million.

Tenders may be made in the range of 215 pence to 250 pence per Ordinary Share inclusive (the "**Price Range**"). 215 pence per Ordinary Share represents a discount of 6.1 per cent, and 250 pence per Ordinary Share represents a premium of 9.2 per cent, to the closing price of 229 pence per Ordinary Share on 5 April 2016. 215 pence per Ordinary Share represents a premium of 10.3 per cent, to the volume weighted average price over the three months to 5 April 2016 and 250 pence per Ordinary Share represents a premium of 28.2 per cent. 215 pence per Ordinary Share represents a premium of 11.4 per cent, to the closing price of 193 pence the day before the announcement of the Disposal on 5 February 2016 and 250 pence per Ordinary Share represents a premium of 29.5 per cent.

Eligible Shareholders do not have to tender any Ordinary Shares if they do not wish to do so.

Eligible Shareholders can tender their Ordinary Shares in the following ways:

- (a) submit a tender at whatever is determined to be the Strike Price (referred to as a "**Strike Price Tender**");
- (b) submit a tender at a single price in the Price Range; or
- (c) submit tenders at different prices in the Price Range (including a Strike Price Tender) in respect of different parcels of Ordinary Shares.

Any tender other than a Strike Price Tender must be expressed in whole pence per Ordinary Share and in increments of five pence at one of the share prices indicated on the Tender Form (in the case of certificated Ordinary Shares) or as explained in paragraph 3.3 of Part IV of this circular (in the case of uncertificated Ordinary Shares).

The Tender Offer will close at 1.00 p.m. (UK time) on 4 May 2016 and tenders received after that time will not be accepted (unless the Tender Offer is extended).

The Strike Price

A single price per Ordinary Share will be applied to all Ordinary Shares purchased by the Counterparty Bank pursuant to the Tender Offer, being the Strike Price.

The Strike Price will be the lowest price per Ordinary Share in the Price Range that will allow the Counterparty Bank to purchase the maximum number of Ordinary Shares for a total cost not exceeding £50 million or, if the aggregate value of all Ordinary Shares validly tendered by Eligible Shareholders is less than £50 million, such lesser number of Ordinary Shares as are validly tendered pursuant to the Tender Offer.

All Eligible Shareholders who tender Ordinary Shares at a price below or at the Strike Price or as Strike Price Tenders will receive the Strike Price for all successful tenders accepted, subject, where applicable, to the scaling-back arrangements described below.

Number of Ordinary Shares to be purchased

Provided the conditions in paragraph 2.1 of Part IV of this circular are met, if the aggregate value at the Strike Price of all validly tendered Ordinary Shares is £50 million or less, then all Ordinary Shares validly tendered will be purchased at the Strike Price.

If the aggregate value at the Strike Price of all validly tendered Ordinary Shares exceeds £50 million, not all of the Ordinary Shares validly tendered will be accepted and purchased. In these circumstances, the number of Ordinary Shares which will be accepted and purchased will be as follows:

- (a) all valid tenders of Ordinary Shares at a price at or (if applicable) below the Strike Price or as a Strike Price Tender by an Eligible Shareholder will be scaled down pro-rata to the total number of Ordinary Shares so tendered by that Eligible Shareholder, such that the total cost of Ordinary Shares purchased pursuant to the Tender Offer does not exceed £50 million; and
- (b) all tenders of Ordinary Shares at a price above the Strike Price will be rejected and will not be purchased by the Counterparty Bank.

Once lodged (in the case of a Tender Form) or settled (in the case of a TTE Instruction) such Tender shall be irrevocable.

Ordinary Shares will be purchased pursuant to the Tender Offer on 16 May 2016 and as such any shares tendered in the Tender Offer will still receive the dividend declared on 8 March 2016.

Successfully tendered Ordinary Shares will be purchased free of commission and dealing charges.

Any Ordinary Shares repurchased by the Company from the Counterparty Bank following the purchase by the Counterparty Bank will be cancelled. Any rights of Ordinary Shareholders who do not tender their Ordinary Shares will be unaffected.

Subject to any applicable rules and regulations, the Company reserves the right at any time prior to the announcement of the results of the Tender Offer, and with the prior consent of the Counterparty Bank, to extend the period during which the Tender Offer is open, based on market conditions and/or other factors.

2.4 Circumstances in which the Tender Offer may not proceed

The Tender Offer is conditional on, among other things, receipt of valid tenders in respect of at least 790,226 Ordinary Shares (representing approximately 1.0 per cent, of the Company's issued share capital as at 5 April 2016, being the latest practicable date prior to the publication of this circular) by 1.00 p.m. (UK time) on the Closing Date and the other Conditions specified in Part IV of this circular.

The Tender Offer is also conditional on no material adverse change or certain other force majeure events arising prior to the closing of the Tender Offer. Further details of these Conditions are set out in paragraph 2 of Part IV of this circular.

2.5 Full terms and Conditions of the Tender Offer

Full details of the Tender Offer, including the terms and Conditions on which it is made, are set out in Part IV of this circular.

3. Question and Answers on the Tender Offer

The attention of Ordinary Shareholders is drawn to Part II of this circular which includes questions and answers providing further information in relation to the Tender Offer.

4. Tax

Eligible Shareholders should be aware that there will be tax considerations that they should take into account when deciding whether or not to participate in the Tender Offer. Summary details of certain UK taxation and US federal income taxation considerations are set out in Part V of this circular. For the avoidance of doubt nothing disclosed in Part V of this circular constitutes tax advice and such information is intended only as a guide.

5. Overseas Shareholders

The attention of Ordinary Shareholders who are not resident in the United Kingdom is drawn to paragraph 6 of Part IV of this circular.

6. Financial Advice

The Board has received financial advice from Peel Hunt and Panmure Gordon in relation to the Tender Offer. In providing their financial advice Peel Hunt and Panmure Gordon have relied on the Board's commercial assessments.

7. No recommendation

Although the Board believes that the return of capital by means of a Tender Offer is in the best interests of the Ordinary Shareholders as a whole and has approved the Tender Offer, the Board is not making a recommendation to Eligible Shareholders in relation to participation in the Tender

Offer itself. Whether or not Eligible Shareholders decide to tender all or any of their Ordinary Shares will depend, among other things, on their view of the Company's prospects and their own individual circumstances, including their tax position. Eligible Shareholders should make their own decision in respect of participation in the Tender Offer and are recommended to consult their duly authorised independent advisers.

Certain of the Directors currently intend to tender some or all of their beneficial holdings of Ordinary Shares, as set out in Part VI of this circular.

8. Actions to be taken if you wish to participate in the Tender Offer

If you have any questions about the procedure for tendering Ordinary Shares or making a TTE instruction or you want help filling in the Tender Form, please telephone the Shareholder Helpline on 0370 889 4099 (from inside the UK) and +44 370 889 4099 (from outside the UK). Please note that calls to these numbers may be monitored or recorded.

Please note that for legal reasons the Shareholder Helpline will only be able to provide information contained in this circular and the accompanying Tender Form and will be unable to give advice on the merits of the Tender Offer or to provide financial, investment or taxation advice.

Yours faithfully,

Matthew Peacock
Non-Executive Chairman

Part IV

Details of the Tender Offer

1. INTRODUCTION

Eligible Shareholders are hereby invited to tender Ordinary Shares for purchase by the Counterparty Bank on the terms and subject to the Conditions set out in this circular and, in the case of Eligible Shareholders holding certificated Ordinary Shares, the accompanying Tender Form.

Eligible Shareholders do not have to tender any Ordinary Shares if they do not wish to do so. The rights of Eligible Shareholders who choose not to tender their Ordinary Shares will be unaffected.

Under the Option Agreement, the Company has granted to the Counterparty Bank a put option, pursuant to which, if exercised, the Company is obliged to purchase from the Counterparty Bank, at the Strike Price, the Ordinary Shares purchased by the Counterparty Bank pursuant to the Tender Offer. The Counterparty Bank has granted a call option to the Company under the Option Agreement, which, if exercised, obliges the Counterparty Bank to sell to the Company, at the Strike Price, the Ordinary Shares purchased by the Counterparty Bank pursuant to the Tender Offer if the Counterparty Bank does not exercise its put option. It is the Company's intention to cancel all of the Ordinary Shares purchased by the Company under the Option Agreement.

2. TERMS AND CONDITIONS OF THE TENDER OFFER

2.1 The Tender Offer is conditional on the following (the "**Conditions**"):

- (a) receipt of valid tenders in respect of at least 790,226 Ordinary Shares (representing 1.0 per cent. of the Company's Issued Ordinary Share Capital as at 5 April 2016) by 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended);
- (b) the Counterparty Bank, acting reasonably, being satisfied at all times up to the Unconditional Time that the Company has materially complied with its obligations, and is not in breach of any of the representations and warranties given by it under the Option Agreement;
- (c) in the reasonable opinion of the Directors, there shall not have occurred prior to the Unconditional Time a material adverse change in or affecting, or any development reasonably likely to give rise to or involve a prospective material adverse change in or affecting, the condition (financial, operational, legal or otherwise), earnings, reserves, management, business affairs, solvency, properties, assets, liabilities, capitalisation, shareholders' equity, operations, licences, results of operations, credit rating or prospects of the Company or any other member of the Group, whether or not arising in the ordinary course of business;
- (d) there shall not have occurred at any time prior to the Unconditional Time and it is unlikely that there will occur immediately after the Unconditional Time:
 - (i) any material adverse change in the financial markets in the United States, the United Kingdom or in any member or associate member of the European Union or other international financial markets, any outbreak or escalation of hostilities, war, act of terrorism, declaration of emergency or martial law or other calamity or crisis or event or any change or development involving a prospective change in national or international political, financial, economic, monetary or market conditions or currency exchange rates or controls;
 - (ii) any suspension of, or occurrence of material limitations to trading in any securities of the Company by the London Stock Exchange or any other exchange or over the counter market, or of trading generally on the London Stock Exchange or minimum or maximum prices for trading having been fixed, or maximum ranges for prices of securities having been required, by order of any governmental authority, or a material disruption in commercial banking or securities settlement or clearance services in the United States or in Europe;
 - (iii) a declaration of a banking moratorium by the United States, the United Kingdom or any member or associate member of the European Union;

- (iv) any threatened, instituted, or pending action, proceeding, application or counterclaim by or before any court or governmental, administrative or regulatory agency or authority, domestic or foreign, or any other person or tribunal, domestic or foreign, which:
 - (1) challenges or seeks to challenge, restrain, prohibit or delay the making of the Tender Offer, the acquisition of the Ordinary Shares in the Tender Offer, or any other matter relating to the Tender Offer and subsequent repurchase of Ordinary Shares, or seeks to obtain any material damages or otherwise relating to the transactions contemplated by the Tender Offer and subsequent repurchase of Ordinary Shares;
 - (2) seeks to make the purchase of, or payment for, some or all of the Ordinary Shares pursuant to the Tender Offer illegal or results in a delay in the ability to accept for payment or pay for some or all of the Ordinary Shares;
 - (3) seeks to make the repurchase, or payment for, some or all of the Ordinary Shares to be repurchased by the Company pursuant to the subsequent repurchase, illegal or results in a delay in the ability to accept payment or pay for some or all of such repurchased Ordinary Shares; or
 - (4) otherwise could reasonably be expected to materially adversely affect the condition (financial, operational, legal or otherwise), earnings, reserves, management, business affairs, solvency, properties, assets, liabilities, capitalisation, shareholders' equity, operations, licences, results of operations, credit rating or prospects of the Company or any other member of the Group or any of their respective affiliates, whether or not arising in the ordinary course of business, taken as a whole, or the value of the Ordinary Shares; and
- (v) any action taken or any statute, rule, regulation, judgment, decree, injunction or order (preliminary, permanent or otherwise) proposed, sought, enacted, entered, promulgated, enforced or deemed to be applicable to the Tender Offer and the subsequent repurchase of Ordinary Shares or the Company or any other member of the Group or any of their respective affiliates by any court, government or governmental agency or other regulatory or administrative authority, domestic or foreign, which:
 - (1) indicates that any approval or other action of any such court, agency or authority may be required in connection with the Tender Offer, the purchase of the Ordinary Shares thereunder or the subsequent repurchase of Ordinary Shares;
 - (2) could reasonably be expected to prohibit, restrict or delay consummation of the Tender Offer or the subsequent repurchase of Ordinary Shares;
 - (3) otherwise could reasonably be expected to materially adversely affect the condition (financial, operational, legal or otherwise), earnings, reserves, management, business affairs, solvency, properties, assets, liabilities, capitalisation, stockholders' equity, operations, licenses, results of operations, credit rating or prospects of the Company or any other member of the Group or any of their respective affiliates, whether or not arising in the ordinary course of business, taken as a whole, or the value of the Ordinary Shares, and

which in the case of any of the conditions in this paragraph 2.1(d) in the opinion of the Counterparty Bank, acting reasonably, makes or would be likely to make it impracticable, impossible or unduly onerous to proceed with the Tender Offer as contemplated by this circular;

- (e) at no time during which the Tender Offer remains open, shall the closing mid-market price of the Ordinary Shares on the London Stock Exchange have fallen below 125 pence per Ordinary Share; and

- (f) at no time during which the Tender Offer remains open, shall the aggregate value of the FTSE AIM ALL-SHARE Index have fallen more than 20 per cent, at the close of trading on any day from the aggregate value of 712.12 (being the aggregate value of the FTSE AIM ALL-SHARE Index as at the close of trading on 5 April 2016).

For these purposes, the “**Unconditional Time**” shall be, subject to the satisfaction or (in accordance with these terms and conditions) waiver, where applicable, of the Conditions referred to above, 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended).

The Counterparty Bank will not purchase the Ordinary Shares pursuant to the Tender Offer unless the Conditions have been satisfied or, as provided below, waived. In the event that the Condition listed in paragraph 2.1 (c) shall not have been satisfied, the Company shall be entitled in its sole discretion to waive such Condition and to elect to proceed with the implementation of the Tender Offer. Furthermore, if the Condition listed in paragraph 2.1 (d) has not been satisfied and is not waived by the Counterparty Bank, the Counterparty Bank will not purchase the Ordinary Shares pursuant to the Tender Offer. Subject to paragraph 2.22 below, if the Conditions are not satisfied or, where applicable, waived by 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended), the Tender Offer will lapse.

- 2.2 If, at any time before the Unconditional Time, the Counterparty Bank becomes aware that
- (a) any warranty given in the Option Agreement is untrue, inaccurate or misleading in any material respect;
 - (b) the Company is in breach of any of the terms and conditions contained in this Part IV in any material respect; and
 - (c) the Company is in breach of any of its obligations under the Option Agreement in any material respect,

(each, for the purposes of this paragraph 2.2 a “**Breach**”)

which, in the case of any Breach, by itself or together with any other such occurrence, the Counterparty Bank regards as material in the context of the Tender Offer and/or this Agreement or as material to the Counterparty Bank in its capacity as the Company’s nominated adviser the Counterparty Bank may, in its absolute discretion either:

- (a)
 - (i) give notice to the Company terminating the Option Agreement with immediate effect; and
 - (ii) to the extent that, in accordance with this Part IV and applicable law and regulation, the Company (or its directors) retain the discretion or ability to terminate the Tender Offer or prevent it from becoming unconditional, require that the Company shall, without delay, procure that the Tender Offer be terminated and prevented from becoming unconditional; or
- (b) to the extent that, in the opinion of the Counterparty Bank, the Breach can be remedied by the Company in accordance with Applicable Law and Regulation and in accordance with this Part IV, require that such Breach be remedied by the Company without delay,

- 2.3 (a) Ordinary Shares may be tendered under the Tender Offer in the following ways:
- (i) as a tender at the Strike Price (a “**Strike Price Tender**”);
 - (ii) as a tender at a single price in the Price Range; or
 - (iii) as a tender at more than one of the prices in the Price Range (including a Strike Price Tender) in respect of different parcels of Ordinary Shares.
- (b) Tenders other than Strike Price Tenders must be expressed in whole pence per Ordinary Share and in increments of five pence at one of the share prices indicated on the Tender Form (in the case of certificated Ordinary Shares) or as explained in paragraph 3.3 of this Part IV (in the case of uncertificated Ordinary Shares).
 - (c) The total number of Ordinary Shares tendered by any Eligible Shareholder at price(s) in the Price Range and/or as Strike Price Tenders must not exceed the total number of Ordinary Shares held by that Eligible Shareholder at 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended).

- 2.4 The Tender Offer is available only to Eligible Shareholders who hold Ordinary Shares at 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended) and in respect of the number of Ordinary Shares they hold.
- 2.5 Subject to paragraph 2.22 below, the Tender Offer will close at 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended) and no tenders received after that time will be accepted.
- 2.6 All or any part of a holding of Ordinary Shares may be tendered. Ordinary Shares successfully tendered will be sold to the Counterparty Bank fully paid and free from all liens, charges, equitable interests and encumbrances and with all rights attaching to the same. Under the Option Agreement, the Company has granted to the Counterparty Bank a put option, pursuant to which, if exercised, the Company is obliged to purchase from the Counterparty Bank, at an amount per Ordinary Share equal to the Strike Price, the Ordinary Shares purchased by the Counterparty Bank pursuant to the Tender Offer. Also under the Option Agreement, the Counterparty Bank has granted a call option to the Company which, if exercised, obliges the Counterparty Bank to sell to the Company, at an amount per Ordinary Share equal to the Strike Price, the Ordinary Shares purchased by the Counterparty Bank pursuant to the Tender Offer, if the Counterparty Bank does not exercise its put option. The Company intends to cancel all such Ordinary Shares acquired by the Company under the Option Agreement. Ordinary Shares purchased pursuant to the Tender Offer will still receive the dividend of 0.66 pence per share declared on 8 March 2016 but will not rank for any other future dividends.
- 2.7 (a) Tenders in respect of Ordinary Shares held in **certificated form** must be made on the accompanying Tender Form, duly completed in accordance with the instructions set out below and in the Tender Form itself which together constitute part of the terms of the Tender Offer). Such tenders will be valid only if the procedures contained in this circular and in the Tender Form are complied with.
- (b) Tenders in respect of Ordinary Shares held in **uncertificated form** (that is, in CREST) must be made by the input and settlement of a TTE Instruction in CREST in accordance with the instructions set out in paragraph 3.3 of this Part IV and the relevant procedures in the CREST Manual which together constitute part of the terms of the Tender Offer. Such tenders will be valid only if the procedures contained in this circular and in the relevant parts of the CREST Manual are complied with.
- (c) The Tender Offer and all tenders will be governed by and construed in accordance with English law and, to the extent applicable, US federal securities laws. Delivery of a Tender Form or the input of a TTE Instruction in CREST, as applicable, will constitute submission to the jurisdiction of the English courts.
- 2.8 Subject to paragraph 2.22 below, the results of the Tender Offer and, if applicable, the extent to which tenders will be scaled down, in accordance with the terms and Conditions of the Tender Offer will be announced on or about 9 May 2016 (unless the Tender Offer is extended).
- 2.9 All documents and remittances sent by or to Eligible Shareholders and all instructions made by or on behalf of an Eligible Shareholder in CREST will be sent or made (as the case may be) at the risk of the person entitled thereto. If the Tender Offer does not become unconditional and lapses or is withdrawn:
- (a) in respect of Ordinary Shares held in certificated form, Tender Forms, ordinary share certificates and other documents of title will be returned by post promptly after the date of such lapse; or
- (b) in respect of Ordinary Shares held in uncertificated form (that is, in CREST), the Escrow Agent will provide instructions to Euroclear to transfer all Ordinary Shares held in escrow balances by TFE instruction to the original available balances to which those Ordinary Shares relate.
- 2.10 If only part of a holding of Ordinary Shares is successfully tendered pursuant to the Tender Offer, the relevant Eligible Shareholder will be entitled to receive the following:
- (a) for Ordinary Shares held in certificated form, a certificate in respect of the unsold Ordinary Shares; or

- (b) for Ordinary Shares held in uncertificated form (that is, in CREST), the transfer by the Escrow Agent by TFE instruction to the original available balances of the unsold Ordinary Shares or the credit of the balance of the unsold Ordinary Shares by the Escrow Agent by an ARAN message.
- 2.11 Further copies of the Tender Form may be obtained on request from the Shareholder Helpline on 0370 889 4099 (from inside the UK) and +44 370 889 4099 (from outside the UK) or from the Receiving Agent, Computershare, at The Pavilions, Bridgwater Road, Bristol, BS99 6AH. Please note that calls to the helpline numbers may be monitored or recorded.
- 2.12 The lowest price per share at which tenders of Ordinary Shares will be accepted is the Minimum Price. The highest price per share at which tenders of Ordinary Shares will be accepted is the Maximum Price.
- 2.13 The Strike Price will be the lowest price per Ordinary Share in the Price Range that will allow the Counterparty Bank to purchase the maximum number of Ordinary Shares for a total cost not exceeding £50 million or, if the aggregate value of all Ordinary Shares validly tendered by Eligible Shareholders is less than £50 million, such lesser number of Ordinary Shares as are validly tendered pursuant to the Tender Offer. All Eligible Shareholders who tender Ordinary Shares at a price below or at the Strike Price or as Strike Price Tenders will receive the Strike Price for all successful tenders accepted, subject, where applicable, to the scaling back arrangements described in 2.15 below.
- 2.14 Provided that valid tenders are received of in respect of at least 790,226 Ordinary Shares (i.e. 1.0 per cent. of the Company's Issued Ordinary Share Capital as at 5 April 2016), if the aggregate value of all Ordinary Shares validly tendered by Eligible Shareholders is £50 million or less, then all Ordinary Shares validly tendered will be accepted and purchased at the Strike Price, regardless of the price within the Price Range at which individual Eligible Shareholders choose to tender their Ordinary Shares.
- 2.15 If the aggregate value at the Strike Price of all validly tendered Ordinary Shares exceeds £50 million, not all of the Ordinary Shares validly tendered will be accepted and purchased. In these circumstances, the number of Ordinary Shares which will be accepted and purchased will be as follows:
- (a) all valid tenders of Ordinary Shares at a price at or (if applicable) below the Strike Price or as a Strike Price Tender by an Eligible Shareholder will be scaled down pro-rata to the total number of Ordinary Shares so tendered by that Eligible Shareholder, such that the total cost of Ordinary Shares purchased pursuant to the Tender Offer does not exceed £50 million; and
- (b) all tenders of Ordinary Shares at a price above the Strike Price will be rejected and will not be purchased by the Counterparty Bank.
- 2.16 All Ordinary Shares successfully tendered will be purchased by the Counterparty Bank, as principal and not as agent, nominee or trustee, at the Strike Price.
- 2.17 Should any fractions arise from any scaling down, the number of Ordinary Shares accepted shall be rounded down to the nearest whole number of Ordinary Shares.
- 2.18 All Ordinary Shares tendered at a price above the Strike Price will be rejected and will not be purchased by the Counterparty Bank.
- 2.19 All questions as to the number of Ordinary Shares tendered, the price to be paid therefor and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Ordinary Shares will be determined by the Company in its sole discretion, which determination shall be final and binding on all of the parties (except as otherwise required under applicable law). The Company reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance or payment for which may, in the opinion of the Company, be unlawful. The Company also reserves the absolute right to waive any defect or irregularity in the tender of any particular Ordinary Share or any particular holder thereof. No tender of Ordinary Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration under the Tender Offer will not be despatched (in respect of certificated Ordinary Shares) or made by way of a CREST payment (in respect of uncertificated Ordinary Shares), until after (in the case of certificated Ordinary Shares) the Tender Form is complete in all respects and the share certificates and/or other document(s) of title satisfactory to the

Company and the Counterparty Bank have been received or (in the case of uncertificated Ordinary Shares) the relevant TTE Instruction has settled. None of the Company, the Counterparty Bank, the Receiving Agent or any other person is or will be obliged to give notice of any defects or irregularities in tenders, and none of them will incur any liability for failure to give any such notice.

- 2.20 Ordinary Shares will be purchased pursuant to the Tender Offer free of commissions and dealing charges.
- 2.21 The failure of any person to receive a copy of this circular or the Tender Form shall not invalidate any aspect of the Tender Offer.
- 2.22 The Company reserves the right, at any time prior to the announcement of the results of the Tender Offer and with the prior consent of the Counterparty Bank, to amend the terms and Conditions of the Tender Offer in order to comply with any applicable rules and regulations. The Company also reserves the right, at any time prior to the announcement of the results of the Tender Offer and with the prior consent of the Counterparty Bank, to revise the Price Range or change the aggregate value of the Tender Offer, based on market conditions and/or other factors, subject to compliance with applicable legal and regulatory requirements. Subject to any applicable rules and regulations, the Company also reserves the right, at any time prior to the announcement of the results of the Tender Offer and with the prior consent of the Counterparty Bank to extend the period during which the Tender Offer is open, in which event the term "Closing Date" shall mean the latest time and date at which the Tender Offer, as so extended, shall close. The Company shall notify Ordinary Shareholders of any such revision, change or extension promptly by public announcement. The Company will post such announcement on its website and deliver such announcement through a Regulatory Information Service not later than 8.00 a.m. (UK time) after the scheduled Closing Date of the Tender Offer. Additionally, any change to the amount of Ordinary Shares that is subject to the Tender Offer will be made in accordance with any applicable US securities laws.

3. PROCEDURE FOR TENDERING

3.1 Different procedures for Ordinary Shares in certificated and uncertificated form

If you hold Ordinary Shares in certificated form, you may tender such Ordinary Shares only by completing and returning the Tender Form in accordance with the instructions set out in paragraph 3.2 below and the instructions printed on the form itself.

If you hold Ordinary Shares in certificated form, but under different designations, you should complete a separate Tender Form in respect of each designation. Additional Tender Forms are available from Computershare by calling the Shareholder Helpline, details of which are set out at the front of this circular.

If you hold Ordinary Shares in uncertificated form (that is, in CREST) you may tender such Ordinary Shares by TTE Instruction only in accordance with the procedures set out in paragraph 3.3 below and, if those Ordinary Shares are held under different member account IDs, you should send a separate TTE Instruction for each member account ID.

3.2 Ordinary Shares held in certificated form

(a) *Tenders of Ordinary Shares held in certificated form*

To tender your Ordinary Shares held in certificated form you must complete, sign and have witnessed the Tender Form as appropriate.

The completed, signed and witnessed Tender Form should be sent either by post in the accompanying prepaid envelope (for use in the UK only) along with the relevant ordinary share certificate or by hand during normal business hours to the Receiving Agent, Computershare at The Pavilions, Bridgwater Road, Bristol, BS13 8AE as soon as possible and, in any event, so as to be received not later than 1.00 p.m. (UK time) on 4 May 2016. No tenders received after that time will be accepted (unless the Closing Date is extended). No acknowledgement of receipt of documents will be given. For further information on Overseas Shareholders, see the section headed "Overseas Shareholders" below.

The completed and signed Tender Form should be accompanied, where possible, by the relevant share certificate(s) and/or other document(s) of title.

If your share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by the Receiving Agent, Computershare, at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY not later than 1.00 p.m. (UK time) on 4 May 2016 together with any share certificate(s) and/or document(s) of title that you may have available.

In respect of those Ordinary Shares for which your share certificate(s) is/are unavailable and you have been sent a Tender Form, a letter of indemnity can be obtained by writing to Computershare at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or calling them on the Shareholder Helpline, details of which are set out on the front of this circular. If a separate letter of indemnity is completed, this should be returned with the Tender Form as described above so as to be received by the Receiving Agent, Computershare at Corporate Actions Projects, Bristol, BS99 6AH not later than 1.00 p.m. (UK time) on 4 May 2016.

Where you have completed and returned a letter of indemnity in respect of unavailable share certificates and you subsequently find or obtain the relevant share certificates, you should immediately send the certificate by hand or by post to the Receiving Agent, Computershare, at Corporate Actions Projects, Bristol, BS99 6AH.

3.3 Ordinary Shares held in uncertificated form (that is, in CREST)

If your Ordinary Shares are in uncertificated form, to tender such shares you should take (or procure the taking of) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares which you wish to tender under the Tender Offer to the appropriate escrow account, specifying Computershare (in its capacity as a CREST Participant under the relevant participant ID(s) and member account ID(s) referred to below) as the Escrow Agent, as soon as possible and in any event so that the TTE Instruction settles by no later than 1.00 p.m. (UK time) on 4 May 2016. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE Instructions accordingly.

The input and settlement of a TTE Instruction in accordance with this paragraph 3.3 shall constitute an offer to sell the number of Ordinary Shares at the price(s) indicated on the terms of the Tender Offer, by transferring such shares to the relevant escrow account as detailed in subparagraph 3.3(a)(v) below (an “**Electronic Tender**”).

If you are a CREST Sponsored Member, you should refer to your CREST Sponsor before taking any action. Your CREST Sponsor will be able to confirm details of your participant ID and the member account ID under which your Ordinary Shares are held. In addition, only your CREST Sponsor will be able to send the TTE Instruction to Euroclear in relation to the Ordinary Shares which you wish to tender.

After settlement of a TTE Instruction, you will not be able to access in CREST for any transaction or charging purposes the Ordinary Shares which are the subject of such TTE Instruction, notwithstanding that they will be held by Computershare as your agent until completion or lapsing of the Tender Offer. If the Tender Offer becomes unconditional Computershare will transfer the successfully tendered Ordinary Shares to itself as the agent of the Counterparty Bank, returning any Ordinary Shares not successful in the Tender Offer to you.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined below.

You should note that Euroclear does not make available special procedures for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or your CREST Sponsor) to enable a TTE Instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. (UK time) on 4 May 2016. In this regard you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(a) Electronic Tenders

To tender Ordinary Shares in uncertificated form you should send (or if you are a CREST Sponsored Member, procure that your CREST Sponsor sends) to Euroclear a TTE Instruction in relation to such Ordinary Shares.

A TTE Instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following additional details:

- (i) the number of Ordinary Shares which you wish to tender and be transferred to an escrow account;
- (ii) your member account ID;
- (iii) your participant ID;
- (iv) the participant ID of 8RA35, in its capacity as a CREST receiving agent. For the purposes of the Tender Offer, the member account ID is dependent upon the price per Ordinary Share at which you wish to tender, as set out in sub-paragraph (v) below;
- (v) the member account ID of Computershare, in its capacity as the Escrow Agent. For the purposes of the Tender Offer this will be dependent on the price per Ordinary Share at which you wish to tender, as set out below in this sub-paragraph (v).

The following sets out the different escrow accounts by price range and the relevant participant ID and member account ID for each.

Tender at Price (pence)	Participant ID	Member account ID
Strike Price	8RA35	REGSTR01
215	8RA35	REGTEN02
220	8RA35	REGTEN03
225	8RA35	REGTEN04
230	8RA35	REGTEN05
235	8RA35	REGTEN06
240	8RA35	REGTEN07
245	8RA35	REGTEN08
250	8RA35	REGTEN09

- (vi) the corporate action ISIN, which is GB00B06GNN57;
- (vii) the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (UK time) on 4 May 2016;
- (viii) input with standard delivery instruction of priority 80;
- (ix) the corporate action number for the relevant Price Range. These are allocated by Euroclear and can be found by viewing the corporate action details on screen in CREST; and
- (x) the contact name and telephone number inserted in the shared note field.

3.4 Deposits of Ordinary Shares into, and withdrawals of Ordinary Shares from, CREST

Normal CREST procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Ordinary Shares or otherwise). Eligible Shareholders who are proposing to convert any such Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Ordinary Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. (UK time) on 4 May 2016.

3.5 Validity of tenders

(a) Tender Forms

Notwithstanding the powers in paragraph 2.22 of this Part IV, the Company reserves the right to treat as valid only Tender Forms which are received entirely in order by 1.00 p.m. (UK time) on 4 May 2016 and which are accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof in respect of the entire number of Ordinary Shares tendered.

(b) Validity of Electronic Tenders

A Tender Form which is received in respect of Ordinary Shares held in uncertificated form will not constitute a valid tender and will be disregarded. Holders of Ordinary Shares in uncertificated form who wish to tender such shares should note that a TTE Instruction will be a valid tender as at 4 May 2016 only if it has settled on or before 1.00 p.m. (UK time) on that date (unless the Tender Offer is extended).

An appropriate announcement will be made if any of the details contained in this paragraph 3.5(b) are altered.

(c) General

Notwithstanding the completion of a valid Tender Form or settlement of a TTE Instruction, as applicable, the Tender Offer may lapse in accordance with the Conditions set out in this Part IV or be withdrawn.

The decision of the Company as to which Ordinary Shares have been validly tendered shall be conclusive and binding on all Ordinary Shareholders.

If you are in any doubt as to how to complete the Tender Form or as to the procedure for making an Electronic Tender, please telephone the Shareholder Helpline, details of which are set out on the front of this circular. You are reminded that, if you are a CREST Sponsored Member, you should contact your CREST Sponsor before taking any action.

Eligible Shareholders should note that once their Ordinary Shares are tendered, they may not be sold, transferred, charged or otherwise disposed of.

3.6 Settlement

Settlement of the consideration to which any Eligible Shareholder is entitled pursuant to valid tenders accepted by the Counterparty Bank will be made as follows:

(a) Ordinary Shares held in certificated form

Where an accepted tender relates to Ordinary Shares held in certificated form, cheques for the consideration due will be despatched by 16 May 2016 by the Receiving Agent by first class post to the person or agent whose name and address is set out in Box 1 of the Tender Form or, if none is set out, to the registered address of the tendering Eligible Shareholder or, in the case of joint holders, the address of the first named. All payments will be made in sterling by cheque drawn on a branch of a UK clearing bank.

(b) Ordinary Shares held in uncertificated form (that is, in CREST)

Where an accepted tender relates to Ordinary Shares held in uncertificated form, the consideration due will be paid by 16 May 2016 by means of CREST by Computershare (acting on behalf of the Counterparty Bank) procuring that a CREST payment is made in favour of the tendering Eligible Shareholder's payment bank in accordance with the CREST payment arrangements.

4. TENDER FORMS

Each Eligible Shareholder by whom, or on whose behalf, a Tender Form is executed undertakes, represents, warrants and agrees to and with the Counterparty Bank (so as to bind them, their personal representatives, heirs, successors and assigns) that:

- (a) the execution of the Tender Form shall constitute an offer to sell to the Counterparty Bank the aggregate number of Ordinary Shares as are inserted in Box 2 of the Tender Form, or deemed to be tendered, as applicable, on and subject to the terms and conditions set out or referred to in this circular and the Tender Form, as applicable and that, once lodged, such tender shall be irrevocable;
- (b) such Eligible Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by the Counterparty Bank, the Counterparty Bank will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended);
- (c) the execution of the Tender Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of the Counterparty Bank as such Eligible Shareholder's attorney and/or agent (the "**Attorney**"), and an irrevocable instruction to the Attorney to complete and execute all or any instruments of transfer and/or other documents at the Attorney's discretion in relation to the Ordinary Shares referred to in paragraph (a) above in favour of the Counterparty Bank or such other person or persons as the Counterparty Bank may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the Attorney, together with the share certificate(s) and/or other document(s) relating to such Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such Attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in the Counterparty Bank or its nominee(s) or such other person(s) as the Counterparty Bank may direct such Ordinary Shares;
- (d) such Eligible Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by the Counterparty Bank or any of its directors or officers or any person nominated by the Counterparty Bank in the proper exercise of its or their powers and/or authorities hereunder;
- (e) such Eligible Shareholder holding Ordinary Shares in certificated form will deliver to the Receiving Agent their share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares referred to in such paragraph (a) above, or an indemnity acceptable to the Counterparty Bank in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, no later than 1.00 p.m. on the Closing Date (unless the Tender Offer is extended);
- (f) the provisions of the Tender Form shall be deemed to be incorporated into the terms and Conditions of the Tender Offer;
- (g) such Eligible Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Counterparty Bank to be desirable, in each case to complete the purchase of the Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (h) such Eligible Shareholder, if an Overseas Ordinary Shareholder, has fully observed any applicable legal requirements and that the invitation under the Tender Offer may be made to them under the laws of the relevant jurisdiction;
- (i) the despatch of a cheque to an Eligible Shareholder as referred to in the section headed "Settlement" above, will discharge fully any obligation of the Counterparty Bank to pay such Eligible Shareholder the consideration to which they are entitled under the Tender Offer;
- (j) on execution the Tender Form takes effect as a deed; and
- (k) the execution of the Tender Form constitutes such Eligible Shareholder's submission to the jurisdiction of the courts of England in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form.

Each Eligible Shareholder to which this paragraph 4 applies acknowledges and agrees that the undertakings, representations, warranties and agreements referred to above shall be irrevocable (without prejudice to paragraph 4(a) above).

Each Eligible Shareholder to which this paragraph 4 applies hereby consents to the assignment by the Counterparty Bank to the Company of all such benefit as the Counterparty Bank may have, immediately prior to completion of the purchase of the relevant Ordinary Shares, in any covenants, representations and warranties in respect of the Ordinary Shares which are successfully tendered under the Tender Offer.

A reference in this paragraph to an Eligible Shareholder includes a reference to the person or persons executing the Tender Form and in the event of more than one person executing a Tender Form, the provisions of this paragraph will apply to them jointly and severally.

5. ELECTRONIC TENDERS

Each Eligible Shareholder by whom, or on whose behalf, an Electronic Tender is made undertakes, represents, warrants and agrees to and with the Counterparty Bank (so as to bind them, their personal representatives, heirs, successors and assigns) that:

- (a) the input of the TTE Instruction shall constitute an offer to sell to the Counterparty Bank such number of Ordinary Shares as are specified in the TTE Instruction, on and subject to the terms and Conditions set out or referred to in this circular and that once the TTE Instruction has settled, such tender shall be irrevocable;
- (b) such Eligible Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by the Counterparty Bank, the Counterparty Bank will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after 1.00 p.m. (UK time) on the Closing Date (unless the Tender Offer is extended);
- (c) the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of the Counterparty Bank as such Eligible Shareholder's agent ("**Agent**"), and an irrevocable instruction to the Agent to complete and execute all or any instruments of transfer and/or other documents or input any instructions into Euroclear at the Agent's discretion in relation to the Ordinary Shares referred to in paragraph 5(a) above in favour of the Counterparty Bank or such other person or persons as the Counterparty Bank may direct and to deliver any documents or input any instructions into Euroclear relating to such Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such agent be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in the Counterparty Bank or its nominee(s) or such other person(s) as the Counterparty Bank may direct such Ordinary Shares;
- (d) such Eligible Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by the Counterparty Bank or any of its directors or officers or any person nominated by the Counterparty Bank in the proper exercise of their powers and/or authorities hereunder;
- (e) such Eligible Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Counterparty Bank to be desirable, in each case to complete the purchase of the Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (f) such Eligible Shareholder, if an Overseas Ordinary Shareholder, has fully observed any applicable legal requirements and that the invitation under the Tender Offer may be made to them under the laws of the relevant jurisdiction;
- (g) the input of a CREST payment in favour of such Eligible Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in the section headed "Settlement" above will discharge fully any obligation of the Counterparty Bank to pay to such Eligible Shareholder the consideration to which they are entitled under the Tender Offer;
- (h) the input of the TTE Instruction constitutes such Eligible Shareholder's submission to the jurisdiction of the courts of England in relation to all matters arising out of or in connection with the Tender Offer;

- (i) if, for any reason, any Ordinary Shares in respect of which a TTE Instruction has been made are, prior to 1.00 p.m. (UK time) on the Closing Date, converted into certificated form, the Electronic Tender in respect of such Ordinary Shares shall cease to be valid and the Eligible Shareholder will need to comply with the procedures for tendering Ordinary Shares in certificated form as set out in this Part IV in respect of the Ordinary Shares so converted, if they wish to make a valid tender of such Ordinary Shares pursuant to the Tender Offer; and
- (j) if the appointment of Agent provision under paragraph 5(c) above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of the Counterparty Bank the benefit or authority expressed to be given therein, the Eligible Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable the Counterparty Bank to secure the full benefits of paragraph (c) above.

Each Eligible Shareholder to which this paragraph 5 applies acknowledges and agrees that the undertakings, representations, warranties and agreements referred to above shall be irrevocable.

Each Eligible Shareholder to which this paragraph 5 applies hereby consents to the assignment by the Counterparty Bank to the Company of all such benefit as the Counterparty Bank may have, immediately prior to completion of the purchase of the Ordinary Shares, in any covenants, representations and warranties in respect of the Ordinary Shares which are successfully tendered under the Tender Offer.

6. OVERSEAS SHAREHOLDERS

- 6.1 The making of the Tender Offer in, or to persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom and the United States or custodians, nominees or trustees for citizens, nationals or residents of jurisdictions outside the United Kingdom and the United States may be prohibited or affected by the laws of the relevant overseas jurisdiction. Eligible Shareholders who are Overseas Ordinary Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Eligible Shareholder wishing to tender Ordinary Shares to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. The Company will pay, or cause to be paid, all transfer taxes, if any, on the purchase of the Ordinary Shares, except as otherwise described herein. Any such Eligible Shareholder will be responsible for payment of any such other taxes or other requisite payments due by whomsoever payable and the Counterparty Bank and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Eligible Shareholder on an after-tax basis for any such other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Form in any territory outside the United Kingdom and the United States.
- 6.2 In particular, the Tender Offer is not being made directly or indirectly in or into or by use of the mails or by any means or instrumentality (including, without limitation, facsimile transmission, email, telex, and telephone) of interstate or foreign commerce, or any facility of a national securities exchange of any Restricted Jurisdiction.
- 6.3 Accordingly, copies of this circular, the Tender Forms and any related documents are not being and must not be mailed or otherwise distributed or sent in, into or from any Restricted Jurisdiction, including to Ordinary Shareholders with registered addresses in a Restricted Jurisdiction or to persons who are custodians, nominees or trustees holding Ordinary Shares for persons in a Restricted Jurisdiction.
- 6.4 Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from a Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Tender Offer.

- 6.5 The provisions of this paragraph and any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Ordinary Shareholders or on a general basis by the Counterparty Bank in its absolute discretion but only if the Counterparty Bank is satisfied that such waiver, variation or modification will not constitute or give rise to a breach of applicable securities or other law.
- 6.6 The provisions of this section headed “Overseas Shareholders” supersede any terms of the Tender Offer inconsistent herewith.

Overseas Ordinary Shareholders should inform themselves about and observe any applicable legal regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.

Part V

Certain Taxation Considerations in relation to the Tender Offer

A. United Kingdom Taxation

The following comments do not constitute tax advice and are intended only as a guide to current United Kingdom law and H.M. Revenue & Customs' published practice (which are both subject to change at any time, possibly with retrospective effect). They relate only to certain limited aspects of the United Kingdom taxation treatment of Ordinary Shareholders who are resident or, if individuals, ordinarily resident in the United Kingdom for United Kingdom tax purposes, who are, and will be, the beneficial owners of their Ordinary Shares and who hold, and will hold, their Ordinary Shares as investments (and not as assets to be realised in the course of a trade, profession or vocation). They may not relate to certain Ordinary Shareholders, such as dealers in securities or Ordinary Shareholders who have (or are deemed to have) acquired their Ordinary Shares by virtue of an office or employment. Ordinary Shareholders are advised to take independent advice in relation to the tax implications for them of selling Ordinary Shares pursuant to the Tender Offer.

1. Taxation of chargeable gains

The sale of Ordinary Shares by an Ordinary Shareholder to the Counterparty Bank pursuant to the Tender Offer should be treated as a disposal of those shares for United Kingdom tax purposes. This may, subject to the Ordinary Shareholder's individual circumstances and any available exemption or relief, give rise to a chargeable gain (or allowable loss) for the purposes of United Kingdom taxation of chargeable gains ("CGT").

For an Ordinary Shareholder who is an individual, the amount of CGT payable, if any, as a consequence of the sale of Ordinary Shares will depend on their own personal tax position. Broadly, an Ordinary Shareholder whose total taxable gains and income in a given tax year of assessment, including any gains made on the sale of Ordinary Shares ("Total Taxable Gains and Income"), are less than or equal to the upper limit of the income tax basic rate band applicable in respect of that tax year (the "Band Limit") will normally be subject to CGT at the basic rate in respect of any gain arising on the sale of their Ordinary Shares. An Ordinary Shareholder whose Total Taxable Gains and Income are more than the Band Limit will normally be subject to CGT at the basic rate in respect of any gain arising on the sale of their Ordinary Shares (to the extent that, when added to the Ordinary Shareholder's other taxable gains and income, the gain is less than or equal to the Band Limit) and at the higher rate in respect of the remainder of the gain arising on the sale of their Ordinary Shares.

As announced in the Budget 2016 it is expected that legislation will be introduced in the Finance Act 2016 to reduce (i) the basic rate of CGT from 18 per cent. to 10 per cent.; and (ii) the higher rate of CGT from 28 per cent. to 20 per cent., in each case with effect from 6 April 2016. Shareholders should take their own independent advice as to when, for CGT purposes, they would be deemed to have disposed of their Ordinary Shares pursuant to the Tender Offer.

However, no tax will be payable on any gain arising on the sale of Ordinary Shares if the amount of the chargeable gain realised by an Ordinary Shareholder in respect of the sale, when aggregated with other chargeable gains realised by that Ordinary Shareholder in the tax year of assessment (and after taking into account aggregate losses), does not exceed the annual exemption (£11,100 for 2016/2017).

A corporate Ordinary Shareholder is normally taxable on all of its chargeable gains, subject to any reliefs and exemptions. Corporate Ordinary Shareholders should be entitled to indexation allowance up to the date the chargeable gain is realised.

2. Transactions in Securities

Under the provisions of Part 15 of the Corporation Tax Act 2010 (for companies subject to corporation tax) and Chapter 1 of Part 13 of the Income Tax Act 2007 (for individuals and others subject to income tax), H.M. Revenue & Customs can in certain circumstances counteract tax advantages arising in relation to a transaction or transactions in securities. If these provisions were to be applied by H.M. Revenue & Customs to the Tender Offer, Ordinary Shareholders who are subject to corporation tax might be liable to corporation tax or income tax (as applicable) as if they had received an income amount rather than a capital amount.

In summary, these provisions do not apply where it can be shown, in the case of any corporation tax advantage, that the transaction or transactions in question were entered into for genuine commercial reasons and none of the transactions involved as one of their main objects the obtaining of any corporation tax advantage and, in the case of any income tax advantage, *inter alia*, that the person did not become a party to any of the transactions with one of the main purposes of obtaining an income tax advantage.

No application has been made to H.M. Revenue & Customs for clearance in respect of the application of Part 15 of the Corporation Tax Act 2010 or Chapter 1 of Part 13 of the Income Tax 2007 to the Tender Offer. Ordinary Shareholders are advised to take independent advice as to the potential application of the above provisions in light of their own particular motives and circumstances.

3. Stamp duty and stamp duty reserve tax (“SDRT”)

The sale of Ordinary Shares pursuant to the Tender Offer will not give rise to any liability to stamp duty or SDRT for the selling Ordinary Shareholder.

B. United States Taxation

The following is a summary of the anticipated material US federal income tax consequences of the Tender Offer to US holders (as defined below). This discussion is for general information only and does not purport to consider all aspects of US federal income taxation that might be relevant to US holders in light of their personal investment or tax circumstances. This discussion does not apply to US holders who acquired Ordinary Shares pursuant to the exercise of options or warrants or otherwise as compensation, or to US holders subject to special tax rules, including, without limitation, banks, insurance companies, tax-exempt entities, financial institutions, regulated investment companies, partnerships, S-corporations, other pass-through entities, broker-dealers, persons holding Ordinary Shares as part of a hedging, conversion, or constructive sale transaction or as part of a “straddle” US expatriates and persons subject to the alternative minimum tax or net investment income tax. This discussion does not discuss US tax consequences to any person that is a non-US holder (as defined below) or to any US holder having a functional currency other than the US dollar. In addition, it does not discuss the tax consequences of transactions effectuated prior or subsequent to, or concurrently with, the Tender Offer, whether or not in connection with the Tender Offer. Furthermore, this discussion does not discuss US federal estate or gift tax laws or tax consequences under the laws of any state, local or foreign jurisdiction.

As used in this discussion, a “**US holder**” means a holder of Ordinary Shares who holds such Ordinary Shares as capital assets within the meaning of the Code and is for US federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation or other entity taxable as a corporation organized under the laws of the United States, any State thereof or the District of Columbia, (iii) a trust if a court within the United States is able to exercise primary jurisdiction over its administration and one or more US persons have authority to control all substantial decisions of the trust, or (iv) any person that is subject to US federal income tax on its worldwide income. As used herein, a “non-US holder” refers to any holder of Ordinary Shares (other than a partnership) who is not a “US holder.”

The discussion set forth herein is based on the Code, applicable Department of Treasury Regulations, judicial authority, and administrative rulings, all as of the date of this Circular, and all of which are subject to change, possibly with retroactive effect. This discussion is not binding on the Internal Revenue Service, or the IRS, or the courts. In addition, the Company does not intend to request a ruling from the IRS with respect to the Tender Offer. Future legislative, judicial, or administrative changes or interpretations, which may or may not be retroactive, or the failure of any factual representations to be true, correct and complete in all material respects, or the breach of any of the covenants, may adversely affect the accuracy of the statements and conclusions described in this Circular.

US holders are advised to consult with their own tax advisors as to the specific tax consequences of the Tender Offer for Ordinary Shares, as applicable, including the applicable US federal, state, local and foreign tax consequences in light of their particular motives and circumstances.

1. In General

An exchange of Ordinary Shares for cash by a US holder pursuant to the Tender Offer will be a taxable transaction for US federal income tax purposes. Depending on the applicable US holder’s

particular circumstances, the tendering US holder will be treated either as recognising gain or loss from the disposition of the Ordinary Shares or as receiving a distribution from the Company.

2. Exchange of Ordinary Shares

Under Section 302 of the Code, a tendering US holder will recognise gain or loss on the exchange of Ordinary Shares for cash if the exchange:

- Results in a “complete termination” of all such US holder’s equity interest in the Company,
- Results in a “substantially disproportionate” redemption with respect to such US holder, or
- Is “not essentially equivalent to a dividend” with respect to the US holder.

The tests under Section 302 are applied on a shareholder-by-shareholder basis. With respect to those US holders that transfer all of their Ordinary Shares, participating in the Tender Offer will generally result in a complete termination of a US holder’s entire equity interest in the Company. However, in applying the Section 302 tests, each US holder must take into account Ordinary Shares that the US holder constructively owns under certain attribution rules, pursuant to which a US holder will be treated as owning any Ordinary Shares owned by certain family members (which family attribution, in certain circumstances, may be waived) and related entities, and Ordinary Shares that the US holder has the right to acquire by exercise of an option. Each US holder is expected to consult with their own tax advisor with respect to the application of those attribution rules given the US holder’s particular circumstances.

With respect to those US holders who do not transfer all of their Ordinary Shares (including because the attribution rules described above result in continuing deemed ownership of an interest in the Company), an exchange of Ordinary Shares for cash generally will be a substantially disproportionate redemption with respect to each such US holder if the percentage of the voting stock owned by the US holder immediately after the exchange, is less than 80% of the percentage of the voting stock owned by such US holder immediately before the exchange and after the exchange the US holder owns less than 50% of the total combined voting power of all classes of stock entitled to vote.

If an exchange of Ordinary Shares for cash fails to satisfy the “substantially disproportionate” test, the US holder may nonetheless satisfy the “not essentially equivalent to a dividend” test. An exchange of Ordinary Shares for cash will satisfy the “not essentially equivalent to a dividend” test if it results in a “meaningful reduction” of the US holder’s equity interest in the Company given the US holder’s particular facts and circumstances. The IRS has indicated in published rulings that a relatively minor reduction of the proportionate equity interest of a US holder whose relative equity interest is minimal and who does not exercise any control over or participate in the management of corporate affairs should be treated as “not essentially equivalent to a dividend.” Each US holder should consult their tax advisors regarding the application of the rules of Section 302 in its particular circumstances.

Subject to the PFIC rule discussed below, if a US holder satisfies any of the Section 302 tests explained above, the US holder will be treated as if they sold their Ordinary Shares and will recognise US source capital gain or loss equal to the difference between the amount of cash received under the Tender Offer and the US holder’s adjusted tax basis in the Ordinary Shares surrendered. This gain or loss will be long-term capital gain or loss if the US holder’s holding period for the Ordinary Shares that were sold exceeds one year as of the date of purchase under the Tender Offer. Specified limitations apply to the deductibility of capital losses by US holders. However, regardless of a US holder’s actual holding period, any loss may be long-term capital loss to the extent the US Holder received “Qualified dividend income” as described in section 1(h)(11) of the Code, which exceeded 10 per cent. of the US holder’s basis in its Ordinary Shares.

Gain or loss must be determined separately for each block of Ordinary Shares (Ordinary Shares acquired at the same cost in a single transaction) that is purchased from a US holder under the Tender Offer. A US holder may be able to designate, generally through their broker, which blocks of Ordinary Shares they wish to tender under the Tender Offer if fewer than all of their Ordinary Shares are tendered under the Tender Offer, and the order in which different blocks will be purchased in the event of a pro-ration under the Tender Offer. US holders should consult their own tax advisors concerning the mechanics and desirability of that designation.

Proceeds paid pursuant to the Tender Offer in pounds sterling will be included in a cash-basis US holder’s income in a US Dollar amount calculated by reference to the exchange rate in effect on

the payment date, regardless of whether the payment is in fact converted into US Dollars on that date. An accrual-method US holder may elect to have this rule apply to them. Any such election by an accrual basis US holder will apply for the taxable year in which it is made and all subsequent taxable years, unless revoked with the consent of the IRS. An accrual-method US holder who does not so elect will realise for US federal income tax purposes an amount equal to the US Dollar value of the pounds sterling to which such US holder becomes entitled on the date their Ordinary Shares are accepted for purchase by the Company, but will not be subject to US federal income tax on the subsequent receipt of such pounds sterling. A cash-basis US holder may have foreign currency gain or loss if the proceeds are not converted into US Dollars on the date of payment. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Ordinary Shares or upon exchange for US dollars) will be US source ordinary income or loss.

3. Distribution

If a US holder is not treated under the Section 302 tests as recognizing gain or loss on an exchange of Ordinary Shares for cash, the US holder will be treated as having received a distribution from the Company. As a result, the entire amount of cash received by the US holder pursuant to the exchange will be treated as a dividend to the extent of the US holder's allocatable portion of the Company's current and accumulated earnings and profits. Distributions in excess of the Company's current or accumulated earnings and profits, as determined for US federal income tax purposes, will be treated as a non-taxable return of capital to the extent of the US holder's tax basis in the Ordinary Shares, and thereafter as capital gain.

Subject to the PFIC rules described below, for US federal income tax purposes, a US holder will generally include in gross income the amount of any dividend paid by the Company to the extent paid out of the Company's current or accumulated earnings and profits, as determined for US federal income tax purposes, as ordinary income when the dividend is actually or constructively received by the US holder. However, dividends will be taxable to a non-corporate US holder at the special reduced rate normally applicable to long-term capital gains provided the Company is treated as a "qualified foreign corporation" and the US holder satisfies certain holding period and other requirements. In order to be treated as a "qualified foreign corporation" the Company must be eligible for benefits of the United States income tax treaty with the United Kingdom. Although the Company believes that it is currently eligible for such treaty benefits, there can be no assurance that this will be the case for any taxable year. Further, individual US holders will not be eligible for the reduced rates of dividend taxation if the Company is a PFIC for the taxable year of the dividend payment or the preceding taxable year. Dividends generally will be income from sources outside of the United States for foreign tax credit limitation purposes, and generally will not be eligible for the dividends-received deduction that is allowed to US corporations in respect of dividends received from other US corporations.

The amount of the dividend which may be included in the income of a US holder will be the US dollar value of the dividend determined at the spot rate on the date that dividend is capable of inclusion in the income of the US holder, regardless of whether the payment is in fact converted into US dollars at such time. A US holder will have a basis in any pounds sterling distributed by the Company equal to the US dollar value of the pounds sterling on the date it is actually or constructively received by the US holder. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date the dividend payment is includible in income to the date that payment is converted into US dollars will be treated as ordinary income or loss.

4. Passive Foreign Investment Company Rules

A foreign corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules," either (i) at least 75 per cent. of its gross income is "passive income" or (ii) at least 50 per cent. of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. This summary assumes that the Company is not and has not at any time been treated as a PFIC for US federal income tax purposes. However, the Company has not made a determination as to whether it was a PFIC for any prior years, and while the Company does not believe that it should currently be treated as a PFIC for US federal income tax purposes, the Company's possible status as a PFIC must be determined annually and therefore may be subject to change. This determination will depend in part on whether the

Company continues to earn substantial amounts of operating income, as well as on the market valuation of the Company's assets, the Company's spending schedule for its cash balances and the results of the Tender Offer. If the Company is or has been treated as a PFIC in any taxable year, US holders of Shares would be required (i) to pay a special US addition to tax on certain distributions and gains on sale and (ii) to pay tax on any gain from the sale of Shares as ordinary income.

US holders should consult their tax advisers regarding the potential application of the PFIC regime.

5. Backup Withholding and Information Reporting

In general, payments made (or deemed to be made) with respect to the Tender Offer within the United States may be subject to information reporting to the IRS and US backup withholding currently. Backup withholding will generally not apply to a holder who:

- furnishes a correct taxpayer identification number and certifies, under penalties of perjury, that such holder is not subject to backup withholding on a Form W-9, and otherwise complies with applicable requirements of the backup withholding rules;
- is a corporation or otherwise exempt from backup withholding and, when required, demonstrates this fact; or
- provides a certification of foreign status on Form W-8BEN or a successor form.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules will be allowed as a refund or credit against a holder's US federal income tax liability, provided the holder furnished the required information to the IRS.

The preceding discussion is intended only as a summary of certain US federal income tax consequences of the Tender Offer for Ordinary Shares and does not purport to be a complete analysis or discussion of all potential tax effects relevant thereto. Thus, US holders (and in the case of backup withholding and information reporting, those non-US holders who receive a dividend payment with respect to Ordinary Shares or sell or otherwise dispose (or are deemed to sell or otherwise dispose) of Ordinary Shares or within the United States) are urged to consult their own tax advisors as to the specific tax consequences to them of the Tender Offer, including tax return reporting requirements, the applicability and effect of foreign, federal, state, local, and other applicable tax laws and the effect of any proposed changes in the tax laws.

Part VI

Additional Information

1. Registered Office

Blancco Technology Group plc is a company registered in England and Wales (registered number 05113820) and its registered office is 190 High Street, Tonbridge, Kent, TN9 1BE.

2. Share Capital

The issued and fully paid share capital of the Company as at the date of this circular is 79,022,599 Ordinary Shares:

3. Major Shareholders

The Company has been notified as at 5 April 2016 of the following holdings of three per cent. or more of the Company's Issued Share Capital:

	<u>% Holdings</u>	<u>Number of shares</u>
M&G Investment Funds	13.00	10,278,053
FIL Limited	9.54	7,536,206
River and Mercantile Asset Management LLP	7.59	6,000,000
Hanover Investors Partners*	6.86	5,417,651
UBS Securities	6.39	5,045,618
Soros Fund Management	4.85	3,830,000
Investec Asset Management	3.90	3,082,475
NFU Mutual Insurance Society	3.60	2,841,341
Schroder Investment Management	3.09	2,443,042
The Regeneris Employee Benefit Trust	3.09	2,440,859

* including its connected persons

4. The Directors

The names and principal functions of the Directors of the Company are as follows:

<u>Directors</u>	<u>Position</u>
Matthew Peacock	Non-Executive Chairman
Patrick Clawson	Chief Executive Offer
Jog Dhody	Chief Financial Officer
Dr. Frank Blin CBE	Non-Executive Director
Rob Woodward	Non-Executive Director
Tom Skelton	Non-Executive Director

5. Directors' Interests

5.1 The interests (all of which are beneficial unless stated otherwise) of the Directors and of persons connected with them (within the meaning of Section 252 of the 2006 Act) in the issued ordinary share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this circular are as follows:

Percentage of issued share capital	Number of Ordinary Shares	
Matthew Peacock	—*	—*
Patrick J Clawson	—	—
Jog Dhody	418,081	0.53
Dr Frank Blin CBE	33,337	0.04
Tom Skelton	—	—
Rob Woodward	11,959	0.02

* Matthew Peacock has an indirect beneficial interest in Ordinary Shares through his association with Hanover Investors Management LLP. The combined holding of Hanover Investors Management LLP and its connected parties as at 5 April 2016 was 5,417,651 Ordinary Shares, representing approximately 6.86 per cent. of the issued Ordinary Shares.

5.2 The Company reminds Ordinary Shareholders of the terms of the Company's Incentive Share Plan 3 ("ISP3"). Further details of ISP3 are detailed in paragraph 4.3 of Part IV of the circular sent to shareholders by the Company on 15 February 2016 and a copy of which is available on the Company's website <http://www.blanco.com/investors/reports-presentations>.

6. Directors' participation in the Tender Offer

6.1 The following Directors have notified the Company that they are currently intending to tender some or all of their Ordinary Shares:

- (a) Jog Dhody
- (b) Frank Blin

6.2 Additionally, Hanover Investors Management LLP (with whom Matthew Peacock is associated) has notified the Company that it is currently intending to tender some or all of its Ordinary Shares.

6.3 Rob Woodward has notified the Company that he is not currently intending to tender any of his beneficial holdings of Ordinary Shares.

6.4 Notwithstanding the above, the Directors do not intend to be and shall not be bound to tender or not tender their shares in accordance with the above.

7. Agreements relating to the Ordinary Shares

The Company has entered into the following agreements in respect of the Ordinary Shares:

Option Agreement

On 6 April 2016, the Company entered into the Option Agreement with the Counterparty Bank. Pursuant to the terms of the Option Agreement, the Company appointed the Counterparty Bank to carry out the Tender Offer as principal.

In accordance with the terms of the Option Agreement, and conditional on the Tender Offer becoming unconditional in all respects and not lapsing or terminating in accordance with its terms, the Company has granted a put option to the Counterparty Bank which, on exercise, obliges the Company to purchase from the Counterparty Bank at the Strike Price, the Ordinary Shares purchased by the Counterparty Bank pursuant to the Tender Offer. Also under the Option Agreement, the Counterparty Bank has granted a call option to the Company which, on exercise, obliges the Counterparty Bank to sell to the Company, at the Strike Price, the Ordinary Shares purchased by the Counterparty Bank pursuant to the Tender Offer if the Counterparty Bank does

not exercise its put option. The Counterparty Bank has the right to terminate the Option Agreement in certain customary circumstances as outlined in paragraph 2.2 of Part IV of this circular.

Receiving Agent Engagement Letter

The Company has retained Computershare to act as Receiving Agent in connection with the Tender Offer in relation to the Ordinary Shares. The Receiving Agent may contact holders of shares by mail, email, facsimile and personal interviews and may request brokers, dealers and other nominee stockholders to forward materials relating to the Tender Offer to beneficial owners. The Receiving Agent will receive customary compensation for its services, will be reimbursed by the Company for reasonable out-of-pocket expenses and will be indemnified against certain liabilities in connection with the Tender Offer, including certain liabilities under the US federal securities laws.

8. Parties engaged in solicitations

Peel Hunt and Panmure Gordon and their respective affiliates have provided, and may in the future provide, various investment banking and other services to the Company, for which Peel Hunt and Panmure Gordon has each received and expects to receive, as the case may be, customary compensation from the Company. In the ordinary course of business, including in their trading and brokerage operations and in a fiduciary capacity, Peel Hunt, Panmure Gordon and their respective affiliates may hold positions, both long and short, for their own accounts and for those of their customers, in the Company's securities.

9. Legal Proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) of which the Company is aware relating to the Tender Offer.

10. Consents

Peel Hunt, Panmure Gordon and Computershare have each given, and not withdrawn, their written consent to the inclusion in this circular of the references to their names in the form and context in which they are included.

11. Financing the Tender Offer

The ultimate purchase by the Company of the Ordinary Shares successfully tendered under the terms of the Tender Offer will be funded from cash consideration derived from the Disposal.

12. Availability of this circular

This circular will be available on the Company's website www.blancco.com free of charge in accordance with the requirements of Rule 26 of the AIM Rules for Companies.

Part VII

Definitions

The following definitions apply throughout this circular unless the context requires otherwise:

2006 Act	the UK Companies Act 2006;
AIM	the market of that name operated by the London Stock Exchange;
AIM Rules	the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange;
AIM Rules for Nominated Advisers	the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange;
ARAN message	a registrar's adjustment message (as defined in the CREST Manual);
Board	the board of Directors of the Company from time to time;
Closing Date	4 May 2016 in respect of Ordinary Shares tendered in the UK or such other date as may be determined in accordance with paragraph 2.22 of Part IV of this circular;
Code	The United States Internal Revenue Code of 1986, as amended;
Company	Blanco Technology Group plc;
Computershare	Computershare Investor Services PLC of The Pavilions, Bridgwater Road, Bristol, BS99 6ZY;
Conditions	the conditions of the Tender Offer as set out in Part IV of this circular;
Counterparty Bank or Peel Hunt	Peel Hunt LLP of 120 London Wall, London, EC2Y 5ET;
CREST	the system of paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK and Ireland Limited in accordance with the CREST Regulations;
CREST Manual	the Manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof;
CREST member	a person who has been admitted by Euroclear UK as a system-member (as defined in the CREST Regulations);
CREST Participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations);
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;
CREST Sponsor	a CREST participant admitted to CREST as a CREST sponsor;
CREST Sponsored Member	a CREST member admitted to CREST as a sponsored member;
CTDI	Communications Test Design, Inc., a company incorporated in the United States of America (registered number 612002) and whose registered office is at 1373 Enterprise Drive, West Chester, PA 19380, USA;
Depot Solutions Business	the Group's physical electronic repair, logistics and refurbishment business;

Directors	the directors of the Company, whose names are set out in paragraph 4 of Part VI (Additional Information) of this circular (or, where the context requires, the directors of the Company from time to time);
Disclosure and Transparency Rules	the Disclosure and Transparency Rules of the FCA;
Disposal	the sale by the Company of the Repair Services Business to the Purchaser;
Electronic Tender	the inputting and settlement of a TTE Instruction in accordance with the procedures set out in Part IV of this circular which constitutes or is deemed to constitute a tender of Ordinary Shares pursuant to and on the terms of the Tender Offer as set out in this circular;
Eligible Shareholders	an Ordinary Shareholder who does not have a registered address in, is not incorporated in, is not registered in or is not otherwise resident or located in a Restricted Jurisdiction;
Escrow Agent	Computershare;
€ or Euro	the Single European currency unit used in many member states of the European Union,
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST;
Exchange Act	United States Securities Exchange Act of 1934;
FCA	the Financial Conduct Authority of the United Kingdom;
FSMA	the Financial Services and Markets Act 2000 (as amended from time to time);
General Meeting	the general meeting of the Company held on 2 March 2016;
Group	the Company, together with its subsidiary undertakings;
Issued Ordinary Share Capital	the issued Ordinary Shares in the capital of the Company;
London Stock Exchange	the London Stock Exchange plc;
Maximum Price	250 pence per Ordinary Share;
member account ID	the identification code or number attached to any member account in CREST;
Minimum Price	215 pence per Ordinary Share;
Non-Executive Directors	the non-executive directors of the Company as at the date of this circular and “ Non-Executive Director ” means any one of them;
Option Agreement	the put and call option agreement between Peel Hunt and the Company dated 6 April 2016, as described in paragraph 7 of Part VI of this circular;
Ordinary Shareholder(s)	the holder(s) of Ordinary Shares from time to time;
Ordinary Shares	the ordinary shares of £0.02 each in the share capital of the Company;
Overseas Ordinary Shareholders	an Ordinary Shareholder who is a resident in, or a citizen of, a jurisdiction outside the United Kingdom;
Panmure Gordon	Panmure Gordon (UK) Limited of One New Change, London EC4M 9AF;
participant ID	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
pounds sterling, £ or pence	pounds sterling, the lawful currency of the UK;
Price Range	215 pence to 250 pence per Ordinary Share;
Purchaser	CTDI Repair Services Limited, a wholly owned subsidiary of CTDI;

Receiving Agent	Computershare;
Registrar	Computershare;
Regulatory Information Service	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA's website http://www.fca.org.uk ;
Repair Services Business	the Group's former Depot Solutions Business and Set Top Box Business;
Restricted Jurisdiction	each and any of Australia, Canada, Japan, New Zealand, Russia and the Republic of South Africa and any other jurisdiction where the mailing of this document into or inside or from such jurisdiction would breach any applicable law or regulations;
Revolving Credit Facility	the Group's former revolving credit facility with HSBC Bank plc in the amount of £30 million which was due for repayment in October 2019;
SEC	the United States Securities and Exchange Commission;
Set Top Box Business	the Group's former set-top box diagnostics business which provides automated equipment test solutions including in-field testing;
Shareholder Helpline	the helpline available to Eligible Shareholders in connection with the Tender Offer in respect of Ordinary Shares;
Strike Price	the price per Ordinary Share at which the successfully tendered Ordinary Shares will be acquired by Peel Hunt which will be determined in accordance with the provisions of Part IV of this circular;
Strike Price Tenders	tenders of Ordinary Shares at the Strike Price rather than at a specific numerical price in the Price Range;
subsidiary	a subsidiary as that term is defined in section 1159 of the 2006 Act;
Tender Form	the form enclosed with this circular for use by Eligible Shareholders who hold Ordinary Shares in certificated form in connection with the Tender Offer;
Tender Offer	the invitation by the Counterparty Bank to Eligible Shareholders to tender Ordinary Shares to the Counterparty Bank on the terms and Conditions set out in this circular and also, in the case of certificated Ordinary Shares only, the Tender Form;
TFE Instruction	a transfer from escrow instruction (as defined by the CREST Manual issued by Euroclear);
TTE Instruction	a transfer to escrow instruction (as defined by the CREST Manual issued by Euroclear);
uncertificated form	recorded on the register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations, may be transferred by means of CREST;
Unconditional Time	has the meaning given to it in paragraph 2.1 of Part IV of the circular;
United Kingdom or UK	The United Kingdom of Great Britain and Northern Ireland;
United States or US	the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

US dollar or USD or \$
US Ordinary Shareholders

the lawful currency of the United States; and
Ordinary Shareholders who are located in the US.

