

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or what action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares prior to the Ex-entitlement Date, please send this Document, together with its accompanying documents, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred part of your holding of Existing Ordinary Shares prior to the Ex-entitlement Date, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected and refer to the instructions regarding split applications set out in the accompanying Application Form. However, the distribution of this Document and/or any accompanying documents into a jurisdiction other than the United Kingdom may be restricted by law or regulation and therefore such documents should not be distributed, forwarded to or transmitted in or into the United States of America, Canada, Australia, New Zealand, Japan, the Republic of South Africa or the Republic of Ireland, nor in or into any other jurisdiction where the extension of the Fundraising would breach any applicable law or regulation.

The total consideration under the Open Offer shall be less than €5 million (or an equivalent Sterling amount) in aggregate. Therefore, in accordance with Section 85 and Schedule 11A of FSMA, this Document is not, and is not required to be, a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this Document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom, pursuant to sections 85 and 87 of FSMA, the London Stock Exchange, any securities commission or any other authority or regulatory body.

The Existing Ordinary Shares are currently admitted to trading on the AIM market of the London Stock Exchange ("AIM"). Application will be made for the New Ordinary Shares to be admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. **This Document does not comprise an admission document under the AIM Rules and the London Stock Exchange has not itself examined or approved the contents of this Document. The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the New Ordinary Shares to the Official List. The New Ordinary Shares will not be dealt on any other recognised investment exchange and no other such application will be made.** It is anticipated that Admission will become effective and that dealings in the New Ordinary Shares, will commence on AIM at 8.00 a.m. on 17 October 2014. The New Ordinary Shares will, on their admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company by reference to a record date falling after Admission.

bango[®]

Bango plc

(incorporated and registered in England and Wales under number 5386079)

**Proposed Firm Placing of 4,173,650 New Ordinary Shares and
Proposed Placing and Open Offer of 2,076,350 New Ordinary Shares
at a price of 96 pence per share**

and

Notice of General Meeting

Cenkos Securities Plc ("Cenkos"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Bango plc and no-one else in connection with the Fundraising and Admission. Cenkos will not regard any other person as its customer or be responsible to any other person for providing the protection afforded to customers of Cenkos nor for providing advice in relation to the transactions and arrangements detailed in this Document. Cenkos' responsibilities as nominated adviser and broker under the AIM Rules are owed solely to the London Stock Exchange and are not owed to Bango plc or to any of its directors or to any other person whether in respect of such person's decision to acquire Ordinary Shares in relation to any part of this Document or otherwise. Cenkos is not making any representation or warranty, express or implied, as to the contents of this Document.

This Document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this Document and, in particular, to paragraph 8 which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting and to the Risk Factors in Part II of this Document.

Notice of a General Meeting of Bango plc to be held at 5 Westbrook Centre, Cambridge, CB4 1YG at 11.00 a.m. on 16 October 2014 is set out at the end of this Document. If you are unable to attend and vote at the General Meeting, a Form of Proxy for use at the meeting is enclosed. To be valid, Forms of Proxy should be completed, signed and returned in the enclosed addressed envelope so as to be received by Computershare as soon as possible, but in any event so as to be received not later than 48 hours before the time of the General Meeting (excluding any day which is not a working day), being 11.00 a.m. on 14 October 2014 together with any power of attorney or other authority (or a notarially certified copy thereof) under which it is signed. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish. Please refer to the detailed notes contained in the Notice of General Meeting and the Form of Proxy.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 15 October 2014. The procedure for application is set out in Part III of this Document and the Application Form.

Qualifying Non-CREST Shareholders will find an Application Form accompanying this Document. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 30 September 2014. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked “ex-entitlement” by the London Stock Exchange. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this Document and the Open Offer.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

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

A copy of this Document will also be available from the Company's website, www.bangoinvestor.com.

No person has been authorised to make any representations on behalf of the Company concerning the Firm Placing or the Placing or the Open Offer which are inconsistent with the statements contained in this Document and any such representations, if made, may not be relied upon as having been authorised. No person should construe the contents of this Document as legal, tax or financial advice and recipients of this Document should consult their own advisers as to the matters described in this Document.

This Document contains statements about the Company that are or may be “forward-looking statements”. All statements, other than statements of historical facts, included in this Document may be forward-looking statements and are subject to, *inter alia*, the risk factors described in Part II of this Document. Without limitation, any statements preceded or followed by, or that include, the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “should”, “anticipates”, “estimates”, “projects” or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of the Company. These forward-looking statements are not guarantees of future performance and have not been reviewed by the auditors of the Company. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the Disclosure and Transparency Rules and/or the Prospectus Rules), the Company does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this Document are based on information available to the Directors of the Company at the date of this Document, unless some other time is specified in relation to them, and the posting or receipt of this Document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2014

Record Date and time for entitlements under the Open Offer	5.00 p.m. on 25 September
Announcement of the Fundraising	7.00 a.m. on 29 September
Posting of this Document, the Form of Proxy and, to Qualifying Non-CREST Shareholders only, the Application Form	29 September
Existing Ordinary Shares marked 'ex' by London Stock Exchange	8.00 a.m. on 30 September
Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	8.00 a.m. on 30 September
Recommended latest time for requesting withdrawal of CREST Open Offer Entitlements from CREST	4.30 p.m. on 9 October
Latest time for depositing CREST Open Offer Entitlements into CREST	3.00 p.m. on 10 October
Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 13 October
Latest time and date for receipt of completed Forms of Proxy to be valid at the General Meeting	11.00 a.m. on 14 October
Latest time and date for receipt of completed Application Forms from Qualifying Shareholders and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11.00 a.m. on 15 October
General Meeting	11.00 a.m. on 16 October
Announcement of result of General Meeting	16 October
Results of Open Offer announced through an RIS	16 October
Admission and commencement of dealings in the New Ordinary Shares	17 October
New Ordinary Shares credited to CREST stock accounts	17 October
Despatch of definitive share certificates for New Ordinary Shares held in certificated form	within 14 days of Admission

Notes:

- (1) References to times in this Document are to London time (unless otherwise stated).
- (2) The timing of the events in the above timetable and in the rest of this Document is indicative only and may be subject to change. In particular, certain of the events in the above timetable are conditional upon, amongst other things, the approval of the Resolutions to be proposed at the General Meeting.
- (3) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement to an RIS.
- (4) In order to subscribe for Open Offer Shares under the Open Offer, Qualifying Shareholders will need to follow the procedure set out in Part III of this Document and, where relevant, complete the accompanying Application Form. If Qualifying Shareholders have any queries or questions relating to this Document, the completion and return of the Application Form, or the procedure for acceptance and payment, or wish to request another Application Form, they should contact Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH on 0870 889 3224, between 9.00 a.m. and 5.00 p.m. Monday to Friday (except UK public holidays) from within the UK or + 44 870 889 3224 if calling from outside the UK. Calls to the helpline cost approximately ten pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. Computershare cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

The Company's SEDOL code is B0BRN55 and ISIN code is GB00B0BRN552.

FUNDRAISING STATISTICS

Closing price per Existing Ordinary Share ⁽¹⁾	100 pence
Issue Price of each New Ordinary Share	96 pence
Discount to Closing Price per Existing Ordinary Share	4.0 per cent.
Number of Existing Ordinary Shares in issue ⁽²⁾	45,679,713
Entitlement under Open Offer	1 Open Offer Share for every 22 Existing Ordinary Shares
Number of Firm Placing Shares to be issued pursuant to the Firm Placing	4,173,650
Maximum number of Open Offer Shares to be issued pursuant to the Placing and Open Offer ⁽³⁾	2,076,350
Proceeds of the Fundraising (before expenses) ⁽⁴⁾	£6,000,000
Enlarged Share Capital following the Fundraising ⁽⁴⁾	51,929,713
Firm Placing Shares as a percentage of the Enlarged Share Capital ⁽⁴⁾	8.04 per cent.
Open Offer Shares as a percentage of the Enlarged Share Capital ⁽⁴⁾	4.00 per cent.
Market capitalisation of the Company immediately following the Fundraising ^{(4) (5)}	£51.9 million
Estimated aggregate net proceeds of the Firm Placing and Placing and Open Offer	£5.6 million

Notes:

- (1) Closing Price on AIM on 26 September 2014, being the last Business Day prior to the publication of this Document.
- (2) As at 26 September 2014, being the last Business Day prior to the publication of this Document.
- (3) The actual number of New Ordinary Shares to be issued under the Open Offer will be subject to rounding down to eliminate fractions.
- (4) Assuming 6,250,000 New Ordinary Shares are issued pursuant to the Fundraising.
- (5) Based on the closing Price on AIM on 26 September 2014, being the last Business Day prior to the publication of this Document.

EXCHANGE RATES

The rate of exchange used throughout this Document, unless otherwise stated, is US\$1.6255: £1.00 and £0.6152: US\$1.00 and €1.2803: £1.00 and £0.7811: €1 being the rate published in the Financial Times on 26 September 2014, the last Business Day prior to the publication of this Document.

DEFINITIONS

“Acceptance Date”	11.00 a.m. on 15 October 2014, being the latest date Qualifying Non-CREST Shareholders can return the Application Form
“Act”	the Companies Act 2006
“Admission”	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM rules for companies published by the London Stock Exchange in May 2014 (as amended) governing the admission to and the operation of AIM
“App Store”	a digital distribution platform for mobile applications
“Application Form”	the application form in the agreed form on which Qualifying Non-CREST Shareholders may apply for Open Offer Shares in respect of the Open Offer accompanying this Document
“Australia”	the Commonwealth of Australia, its states, territories or possessions
“Business Day”	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England
“Canada”	Canada, its provinces and territories and all areas subject to its jurisdiction and any political sub-divisions thereof
“Cenkos”	Cenkos Securities plc, the Company’s nominated adviser and broker
“Closing Price”	the closing middle market quotation of an Ordinary Share as derived from the Daily Official List of the London Stock Exchange
“Company” or “Bango”	Bango plc (registered number 05386079)
“Computershare” or “Registrars”	Computershare Investor Services PLC
“Conditional Places”	those persons (if any) to whom Open Offer Shares not acquired by Qualifying Shareholders in the Open Offer are to be placed
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations)
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST

	Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996, as amended);
“CREST member”	a person who has been admitted to CREST as a system-member (as defined in the CREST Manual)
“CREST member account ID”	the identification code or number attached to a member account in CREST
“CREST Open Offer Entitlement”	the entitlement of a Qualifying CREST Shareholder, pursuant to the Open Offer, to apply to acquire Open Offer Shares pursuant to the Open Offer
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST regulations)
“CREST participant ID”	shall have the meaning given in the CREST Manual issued by Euroclear
“CREST payment”	shall have the meaning given in the CREST Manual issued by Euroclear
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member
“Directors” or “Board”	the directors of the Company whose names appear on page 11 of this Document
“Direct Carrier Billing” or “DCB”	directly placing a charge on a mobile phone user’s mobile operator bill
“Document”	this document which, for the avoidance of doubt, does not comprise a prospectus (under the Prospectus Rules) or an admission document (under the AIM Rules)
“Enlarged Share Capital”	the issued ordinary share capital of the Company as enlarged following the issue of the New Ordinary Shares
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Ex-entitlement Date”	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer, being 30 September 2014
“Existing Ordinary Share”	each Ordinary Share in issue as at the date of this Document
“FCA”	the Financial Conduct Authority
“Firm Placees”	those institutional investors and current Shareholders participating in the Firm Placing

“Firm Placing”	the firm placing of 4,173,650 New Ordinary Shares with the Firm Placees
“Firm Placing Shares”	the 4,173,650 New Ordinary Shares which are the subject of the Firm Placing
“Form of Proxy”	the form of proxy for use in relation to the General Meeting enclosed with this Document
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	the Firm Placing and the Placing and Open Offer
“General Meeting”	the General Meeting of the Company to be held at 11.00 a.m. on 16 October 2014, notice of which is set out at the end of this Document
“Group”	the Company and its subsidiaries
“ISIN”	International Securities Identification Number
“Issue Price”	96 pence per Share, whether pursuant to the Firm Placing, the Placing or the Open Offer
“Japan”	Japan, its cities, prefectures, territories and possessions
“Listing Rules”	the Listing Rules of the UKLA made in accordance with section 73A(2) of FSMA
“London Stock Exchange”	London Stock Exchange plc
“Member Account ID”	the identification code or number attached to any member account in CREST
“MNO”	mobile network operator
“Money Laundering Regulations”	Money Laundering Regulations 2007, the money laundering provisions of the Criminal Justice Act 1993, Part VIII of FSMA (together with the provisions of the Money Laundering Sourcebook of the FCA and the manual of guidance produced by the Joint Money Laundering Steering Group in relation to financial sector firms), the Terrorism Act 2000, the Anti Terrorism Crime and Security Act 2001, the Proceeds of Crime Act 2002 and the Terrorism Act 2006
“New Ordinary Shares”	the new Ordinary Shares to be issued pursuant to the Fundraising, subject to the Resolutions being passed at the General Meeting
“Notice of General Meeting”	the notice convening the General Meeting as set out at the end of this Document
“Open Offer”	the conditional invitation made to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in Part III of this Document and in the Application Form

“Open Offer Entitlement”	means the entitlement of a Qualifying Shareholder, pursuant to the Open Offer, to apply to acquire Open Offer Shares pursuant to, and subject to the terms of, the Open Offer
“Open Offer Shares”	means the 2,076,350 New Ordinary Shares which Qualifying Shareholders will be invited to acquire pursuant to the Open Offer
“Ordinary Shares”	ordinary shares of 20 pence each in the capital of the Company
“Overseas Shareholders”	a Shareholder with a registered address outside the United Kingdom
“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST Participant
“Placing”	the conditional placing by the Company of the Open Offer Shares at the Issue Price, subject to clawback in respect of valid applications for Open Offer Shares by Qualifying Shareholders under the Open Offer, as further described in this Document
“Placing Agreement”	the placing agreement between the Company and Cenkos dated 29 September 2014 details of which are set out in paragraph 3.1 of Part IV of this Document
“Prospectus Rules”	the Prospectus Rules made in accordance with EU Prospectus Directive 2003/71/EC
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in a CREST account
“Qualifying non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date (but excluding any Overseas Shareholder who has a registered address in any Restricted Jurisdiction)
“Record Date”	5.00 p.m. on 25 September 2014 in respect of the entitlements of Qualifying Shareholders under the Open Offer
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
“Restricted Jurisdiction”	the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa and the Republic of Ireland and any other jurisdiction in which it would be unlawful to offer the Firm Placing Shares or the Open Offer Shares, or where the Firm Placing or Placing and Open Offer would be required to be approved by a regulatory body
“RIS”	a regulatory information service as defined by the Listing Rules

“Securities Act”	the US Securities Act of 1933, as amended
“Shareholders” or “Bango Shareholders”	the holders of Existing Ordinary Shares
“Sterling”, “£” or “pounds”	pounds sterling, the basic unit of currency in the UK
“Substantial Shareholder”	as defined in the AIM Rules
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority” or “UKLA”	the UK Listing Authority, being the FCA acting as competent authority for the purposes of Part V of FSMA
“United States”, “United States of America” or “US”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all areas subject to its jurisdiction
“US\$”	the United States dollar, the basic unit of currency of the United States of America
“VAT”	value added tax

DIRECTORS, SECRETARY AND ADVISERS

Directors	David Sear Ray Anderson Gerry Tucker Anil Malhotra Martin Rigby Rudy Burger	<i>Non-executive Chairman</i> <i>Chief Executive Officer</i> <i>Chief Financial Officer</i> <i>Vice President Marketing and Alliances</i> <i>Non-executive Director</i> <i>Non-executive Director</i>
Company Secretary Registered Office	Henry Goldstein 5 Westbrook Centre Milton Road Cambridge CB4 1YG	
Nominated Adviser & Broker	Cenkos Securities plc 66 Hanover Street Edinburgh EH2 1EL and 6. 7. 8 Tokenhouse Yard London EC2R 7AS	
Legal adviser to the Company	Mills & Reeve LLP Botanic House 100 Hills Road Cambridge CB2 1PH	
Legal advisers to the Nomad and Broker	Wragge Lawrence Graham & Co LLP 4 More London Riverside London SE1 2AU	
Registrars and Receiving Agents	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE	

PART I

LETTER FROM THE CHAIRMAN OF BANGO PLC



5 Westbrook Centre
Cambridge
CB4 1YG

Registered Number: 05386079

29 September 2014

Dear Shareholder,

Proposed Firm Placing, Placing and Open Offer of up to 6,250,000 New Ordinary Shares at 96 pence per share and Notice of General Meeting

1. Introduction

The Company has today announced a conditional Firm Placing, Placing and Open Offer of up to 6,250,000 New Ordinary Shares at 96 pence per share to raise up to £6 million before expenses.

Under the Fundraising, the Board is proposing to issue 4,173,650 New Ordinary Shares through the Firm Placing (on a non-pre-emptive basis) and 2,076,350 New Ordinary Shares through the Placing and Open Offer.

The Board feels strongly that our existing Shareholders should, where it is practical for them to do so, have the opportunity to participate in any fundraising undertaken by the Company and, on behalf of the Directors, it is my pleasure to offer Qualifying Shareholders an opportunity to participate in the Open Offer to subscribe for an aggregate of 2,076,350 New Ordinary Shares, to raise gross proceeds of approximately £1.99 million.

The Fundraising is conditional, amongst other things, on the passing of the Resolutions by Shareholders at the General Meeting, notice of which is set out at the end of this Document. If the Resolutions are passed, the New Ordinary Shares will be allotted after the General Meeting. Admission is expected to occur no later than 8.00 a.m. on 17 October 2014 or such later time and/or date(s) as Cenkos Securities and the Company may agree. None of the Firm Placing, the Placing or the Open Offer will be underwritten.

The purpose of this Document is to explain the background to the Fundraising and to set out the reasons why your Board believes that the Fundraising is in the best interests of the Company and its Shareholders and to seek your approval to the Resolutions at the forthcoming General Meeting, which will be held at the offices of the Company at 11.00 a.m. on 16 October 2014, notice of which is set out at the end of this Document.

2. Reasons for the Fundraising and Use of Proceeds

The worldwide smartphone market grew by 25.3 per cent. year on year in the second quarter of 2014, establishing a new record of 301.3 million smartphone shipments in a given quarter. This is the first time that quarterly smartphone shipments have surpassed the 300 million unit mark, representing a major milestone for the industry (IDC 2014).

Juniper Research in June 2014 acknowledged that mobile commerce is the fastest growing trend within the mobile industry and that mobile is “the key ecosystem for the digital economy today”. It estimated that the value of digital content billed via Direct Carrier Billing will increase from approximately €790 million last year to more than €5.2 billion in 2017, representing average annual growth over the forecast period of 46 per cent.

An important part of the mobile commerce ecosystem is apps. Gartner predicts that by 2017, mobile apps will be downloaded more than 268 billion times, generating revenue of more than \$77 billion. For many, carrier billing is the preferred payment method throughout mobile markets worldwide; the option of carrier billing makes consumers five times more likely to complete an App Store purchase than if they used a credit card. Across Europe, more than 283 million users do not own a credit card, but at the same time the handset penetration is over 120 per cent., making carrier billing a great monetisation opportunity, according to Juniper research.

Bango is well positioned to capitalise on the extraordinary consumer appetite for smartphones and for digital content and services. Bango has leading technology, strong App Store relationships and an unmatched existing network of MNO integrations. Bango is therefore in an advantageous position from which to capitalise on future growth in this large and expanding market.

Bango’s performance during the first half of 2014 has been very encouraging (see paragraph 3 below). Based on this success and a large pipeline of MNO integrations underway and being planned, the Directors expect the number of MNO integrations and the speed of App Store activations to accelerate during the next 12 months. Accordingly, in order to be better positioned to take advantage of these opportunities, Bango has announced today a conditional Firm Placing, Placing and Open Offer of 6,250,000 New Ordinary Shares at 96 pence per share.

Bango intends to use the net proceeds of the Fundraising (which are expected to be approximately £5.6 million) to:

- generally strengthen Bango’s balance sheet. The Directors believe that the Company will be a more attractive potential partner for major App Stores if it remains well capitalised throughout its period of growth. Furthermore, the Fundraising enables the Company to maintain the independence of its platform. Securing investment from MNOs and other payment platforms, for example, may be considered by its prospective partners to compromise Bango’s own independence;
- increase the resources available to the Board with a view to developing the Company’s pipeline of existing and future strategic relationships to their full potential. In particular, the Fundraising may give the Company the flexibility to integrate with MNO billing systems ahead of the MNO achieving significant transaction fees to further expand its base; and
- maintain its expenditure in research and development to enhance the Company’s offering. In particular, the Board believes that further building customer care, analytics and big data capabilities into the Bango platform will appeal to MNOs.

3. Highlights from announcement of interim results

Bango announced its interim results for the six month trading period to 30 June 2014 on 24 September 2014. The interim results contained the following highlights:

Operational highlights

- Continued expansion of Direct Carrier Billing integrations worldwide for Bango integrated app stores including Google, Amazon, Microsoft, BlackBerry and Mozilla;
- Mobile carrier billing routes for app stores grew to 130 direct activations (vs. 112 by September 2013) including new Google, Microsoft and Mozilla activations;

- Pipeline of new app store activations increased by more than 30;
- New activity in emerging markets with Etisalat UAE, Saudi Telecom and Mobily Saudi Arabia, Mobinil Egypt, Telkom South Africa, Telefónica Chile, Iusacell in Mexico and Telenor Hungary;
- Announced Etisalat operator group deal to establish Bango as the app store integration platform across Etisalat 18 countries; and
- Deployed additional Bango datacenter to provide future growth capacity and increased resilience – subsequently shortlisted for 2014 datacenter of the year award.

Financial highlights

- End user spend £10.74m up 63 per cent. on 1h2013, entering 2h2014 with £29m annualized rate;
- Gross profit on end user spend up 24 per cent. to £0.28m compared with 1h2013;
- Margin on end user spend 2.6 per cent. (2013 2.3 per cent.), within target range of 2-5 per cent.;
- Platform fees reduced as pricing shifted from up front model to monthly fees for Mobile Network Operators (MNOs) to accelerate pace of operator integrations and provide recurring revenue base;
- Total gross profit £0.71m (1h2013: £1.20m);
- Adjusted LBITDA* -£1.85m (1h2013: -£1.18m) reflecting the planned and managed increased investment in people and technology during 2013 as previously announced. Current installed capacity is designed to support end user spend up to approx. £600m (\$1Bn) annualized rate; and
- Cash of £2.65m on 30 June 2014 (£5.11m on 31 December 2013).

* *Adjusted LBITDA is Operating Loss before depreciation, amortization and share based payments.*

Post period highlights

- Amazon Appstore now live using Bango for Direct Carrier Billing (September 2014);
- Deutsche Telekom group deal for app store purchases (August 2014); and
- Agreement with major global App Store for direct operator billing (announcement with further details in 2h2014).

The full text of the interim results announcement is available at www.bangoinvestor.com.

4. Principal terms of the Fundraising

The Company proposes to raise approximately £6 million (before expenses) in aggregate by way of the Fundraising.

The Shareholder approvals necessary for the Fundraising will be sought at the General Meeting to be held at 11.00 a.m. on 16 October 2014, the full details of which are set out in the Notice of General Meeting at the end of this Document.

The Fundraising is conditional, amongst other things, upon:

- (i) the passing of all of the Resolutions;
- (ii) the Placing Agreement becoming or being declared unconditional in all respects and not having been terminated in accordance with its terms prior to Admission; and

- (iii) Admission of the New Ordinary Shares becoming effective by no later than 8.00 a.m. on 17 October 2014 or such later time and/or date (being no later than 8.00 a.m. on 31 October 2014) as Cenkos and the Company may agree.

If any of the conditions are not satisfied or waived (where capable of waiver), the New Ordinary Shares will not be issued and all monies received from the Firm Placees, Conditional Placees and/or Qualifying Shareholders will be returned to them (at the risk of these investors and without interest) as soon as possible thereafter.

Firm Placing

The Firm Placees, who comprise certain institutional investors and current Shareholders of the Company have agreed to subscribe for the Firm Placing Shares at the Issue Price pursuant to the Firm Placing. The Firm Placing Shares are not subject to clawback and are not part of the Placing and Open Offer.

The Firm Placing Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid by reference to a record date falling after Admission.

Application will be made for the Firm Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on AIM at 8.00 a.m. on 17 October 2014.

Placing and Open Offer

Cenkos, as agents of the Company, have also entered into arrangements with the Conditional Placees in connection with the conditional Placing of the Open Offer Shares at the Issue Price, subject to clawback in respect of valid applications by Qualifying Shareholders under the Open Offer.

The Directors propose to offer Open Offer Shares by way of the Open Offer to all Qualifying Shareholders (other than, subject to certain exceptions, Overseas Shareholders resident in Restricted Jurisdictions) on the following basis:

1 Open Offer Share for every 22 Existing Ordinary Shares

and so in proportion for any number of Existing Ordinary Shares held on the Record Date. Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Open Offer Shares. Fractional entitlements which would otherwise arise will not be offered to the Qualifying Shareholders but will be aggregated with those of other shareholders and made available to be subscribed for via the Placing.

Not all Shareholders will be Qualifying Shareholders. In particular, Overseas Shareholders who are located in, or are citizens of, or have a registered office in a Restricted Jurisdiction will not qualify to participate in the Open Offer. The attention of Qualifying Shareholders and in particular Overseas Shareholders is drawn to paragraph 8 of Part III of this Document.

Valid applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements. Qualifying Shareholders can apply for less than their entitlements under the Open Offer.

The Issue Price of 96 pence per New Ordinary Share represents a discount of 4.0 per cent. to the Closing Price of 100 pence per Existing Ordinary Share on 26 September 2014 (being the latest practicable date prior to the date of this Document).

Open Offer Entitlements set out in an Application Form may be converted into uncertificated form, that is, deposited into CREST (whether such conversion arises as a result or as a renunciation of those

rights or otherwise). Similarly, CREST Open Offer Entitlements held in CREST may be withdrawn from CREST and an Application Form used instead.

Application has been made for the Open Offer Entitlements to be admitted to CREST. It is expected that such CREST Open Offer Entitlements will be credited to CREST on 30 September 2014. The CREST Open Offer Entitlements will be enabled for settlement in CREST until 11.00 a.m. on 15 October 2014. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of *bona fide* market claims. The Open Offer Shares must be paid in full on application.

The latest time and date for receipt of completed Application Forms or CREST application and payment in respect of the Open Offer is 11.00 a.m. on 15 October 2014.

Qualifying Shareholders should note that the Open Offer is not a rights issue and therefore Open Offer Shares which are not applied for by Qualifying Shareholders will not be sold in the market for the benefit of the Qualifying Shareholders who do not apply under the Open Offer. The Application Form is not a document of title and cannot be traded or otherwise transferred.

The Open Offer Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue. Application will be made to the London Stock Exchange for the admission of the Open Offer Shares to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 17 October 2014, at which time it is also expected that the Open Offer Shares will be enabled for settlement in CREST.

Details of the further terms and conditions of the Fundraising, including the procedure for application and payment, are contained in Part III of this Document and on the Application Form enclosed with this Document.

Dilutionary impact of Fundraising

The proposed issue of the Firm Placing Shares and the Open Offer Shares pursuant to the Firm Placing and the Placing will dilute existing shareholdings of Shareholders. Qualifying Shareholders will be able to mitigate the extent of this dilution by applying for Open Offer Shares in the Open Offer.

The following table outlines the maximum dilution which a Shareholder will be subject to if he/she does not participate in the Open Offer:

Maximum Dilution

Following the Firm Placing	8.4 per cent.
Following the Fundraising	12.0 per cent.

Overseas Shareholders

The attention of Qualifying Shareholders who have registered addresses outside the United Kingdom, or who are citizens or residents of countries other than the United Kingdom, or who are holding Existing Ordinary Shares for the benefit of such persons, (including, without limitation, custodians, nominees, trustees and agents) or who have a contractual or other legal obligation to forward this Document or the Application Form to such persons, is drawn to the information which appears in paragraph 8 of Part III of this Document.

In particular, Qualifying Shareholders who have registered addresses in or who are resident in, or who are citizens of, countries other than the UK (including without limitation any Restricted Jurisdiction), should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer Entitlements.

5. General Meeting

The Directors do not currently have authority to allot all of the New Ordinary Shares and, accordingly, the Board is seeking the approval of Shareholders to allot the New Ordinary Shares on a non pre-emptive basis at the General Meeting. In addition, the Directors are seeking the approval of Shareholders to renew standard authorities to allot Ordinary Shares.

You will find set out at the end of this Document a notice convening the General Meeting to be held at the offices of the Company at 5 Westbrook Centre, Cambridge, CB4 1YG at 11.00 a.m. on 16 October 2014.

The Resolutions to be proposed at the General Meeting are as follows:

- Resolution 1, which is an ordinary resolution, to (i) authorise the Directors to allot Ordinary Shares up to an aggregate nominal amount of £1,250,000, being equal to 6,250,000 New Ordinary Shares (i.e. the maximum number of New Ordinary Shares available under the Fundraising) pursuant to the Fundraising and (ii) to allot shares and/or grant rights to subscribe for or to convert any security into shares otherwise than in connection with the Fundraising up to an aggregate nominal amount of £3,461,980.80 or, if less, 33.3 per cent. of the aggregate nominal value of the Enlarged Share Capital; and
- Resolution 2, which is conditional on the passing of resolution 1 and is a special resolution, to authorise the Directors to issue and allot (i) up to 6,250,000 Ordinary Shares in connection with the Fundraising; and (ii) up to an aggregate nominal amount of £519,297.20 or, if less, 5 per cent. of the aggregate nominal value of the Enlarged Share Capital, each pursuant to the authority conferred by resolution 1, on a non pre-emptive basis.

The authorities to be granted pursuant to resolutions 1 and 2 shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2015 (unless renewed varied or revoked by the Company prior to or on that date) and shall be granted in substitution for the Directors' existing authorities to allot relevant securities and disapply statutory pre-emption rights granted at the Company's Annual General Meeting held in 2014.

6. Action to be taken

In respect of the General Meeting

You will find enclosed with this Document a Form of Proxy for use by Shareholders at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return in the envelope addressed to Computershare the Form of Proxy in accordance with the instructions printed thereon, together with any power of attorney or other authority (or a notarially certified copy thereof) under which it is signed. To be valid, completed Forms of Proxy must be received by Computershare as soon as possible and in any event not later than 11.00 a.m. on 14 October 2014, being 48 hours before the time appointed for holding the General Meeting (excluding any day which is not a Business Day). Completion of a Form of Proxy will not preclude you from attending the meeting and voting in person if you so choose.

In respect of the Open Offer

Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares must complete the Application Form, which accompanies this Document, in accordance with the instructions set out in paragraph 4 of Part III of this Document and on the accompanying Application Form and return it with the appropriate payment in the envelope addressed to Computershare by post to Computershare, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, so as to arrive no later than 11.00 a.m. on 15 October 2014.

If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form. Shareholders are nevertheless requested to complete and return the Form of Proxy.

If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in paragraph 5 of Part III of this Document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 5 of Part III of this Document by no later than 11.00 a.m. on 15 October 2014.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this Document and the Open Offer.

7. Additional Information

Your attention is drawn to the Risk Factors and Additional Information set out in Parts II and IV respectively of this Document. Shareholders are advised to read the whole of this Document and not rely solely on the summary information presented in this letter.

8. Recommendation and intentions of the Directors

The Directors, acting in good faith, believe that the Firm Placing and Placing and Open Offer and the passing of the Resolutions are most likely to promote the success of the Company for the benefit of its members as a whole. The Directors unanimously recommend the Shareholders to vote in favour of the Resolutions as they intend to do in respect of their aggregate beneficial holdings of 10,666,281 Ordinary Shares representing approximately 23.35 per cent of the Existing Ordinary Shares.

Yours faithfully

David Sear
Chairman

PART II

RISK FACTORS

An investment in the New Ordinary Shares involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below in addition to the other information contained in this Document before investing in the New Ordinary Shares. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not purport to comprise all those risks associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following occur, the Company's business, financial condition, capital resources, results and/or future operations could be materially and adversely affected. In this event, the price of the New Ordinary Shares could decline and investors may lose all or part of their investment.

The investment offered in this Document may not be suitable for all of its recipients. Before making an investment decision, prospective investors should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities. A prospective investor should consider carefully whether an investment in the Company is suitable for him/her in the light of his/her personal circumstances and the financial resources available to him/her.

1. Risks relating to the Company's business

(a) The Group has a relatively short operating history and operates in an evolving market

The mobile internet payments industry is rapidly evolving. The Group's business and prospects must, therefore, be considered in light of the risks and difficulties the Group encounters operating in this evolving industry. These risks and difficulties include:

- difficulties in managing rapid growth in operations;
- complex technology that may require substantial investment to keep up with technological developments;
- lack of profitability to date; and
- reliance on customers to change procurement habits and adopt the Group's solution.

The Group cannot be certain that its business strategy will be successful or that it will successfully address these risks. The Group's failure to address any of the risks described above could have an adverse effect on its business.

In particular, Bango has experienced revenue growth in recent periods. Such growth rates may not be sustainable and may decrease in the future. In view of the rapidly changing nature of the Group's rate of growth in prior years, the Directors believe that period-to-period comparisons of its operating results are not necessarily meaningful and should not be relied upon as an indication of future performance.

(b) Financial risk

The Company has a history of operating losses. These losses have arisen mainly from the costs incurred in research and development of its products and general administrative costs. In order to support the research and development of the Company's product candidates, the Company is likely to incur expenses considerably in excess of revenue. The Company may not be successful in developing any additional products and any other products it may develop may not generate revenues.

The lack of a substantial recurrent revenue stream and the significant resources needed for ongoing investment in its R&D pipeline require the Company to gain access to additional funding from licensing, capital markets or elsewhere. There can be no assurances that such funding will be available on favourable terms, if at all.

Additional funding might be required to allow the Company time to reach profitability. If the Company is unable to raise further funding, there may be insufficient finance for product development or operations and consequent delay, reduction or elimination of development programmes could result.

The Company has a small portfolio of products. The Company's success depends on acceptance of the Company's products by the market and consequently the Company's progress may be adversely affected if it is unable to achieve market acceptance of its products.

This in turn may make it difficult for the Company to continue funding its development programme. The Company has not paid dividends in the past and does not expect that dividends will be paid in the foreseeable future. The declaration and payment of any dividends in the future and the amount of any future dividends will depend upon the results of operations, financial conditions, cash requirements, future prospects, profits available for distribution and other factors deemed by Directors to be relevant at the time.

(c) Additional capital requirements to fund ongoing operations

The current funding round may not be sufficient to take Bango to profitability, requiring the Company to raise additional capital from equity or debt sources. Further equity financing may be further dilutive to existing Shareholders or result in the issuance of securities whose rights, preference and privileges rank ahead of those of the owners of New Ordinary Shares.

If any such future funding requirements are met through additional debt financing, the Company may be required to adhere to covenants restricting its future operational and financial activities. Debt funding may also require assets of the Group to be secured in favour of the lender, which security may be exercised if the Group were to be unable to comply with the terms of the relevant debt facility agreement.

If the Company is unable to secure additional funds when needed or cannot do so on terms it finds acceptable, the Company may be unable to continue to trade, expand its operations, take full advantage of future commercial opportunities or respond adequately to competitive pressures, any of which may have an adverse effect on its business and results of operations.

If the Company were to choose to accept equity investment from one of the major App Stores, this could be seen as threatening or harmful to the independence of Bango by current or future customers and could therefore slow the growth of the business.

(d) Rapid growth

In order to manage the further expansion of the Group's business and the growth of its operations and personnel, the Group will need to expand and enhance its infrastructure and technology, and improve its operational and financial systems and procedures and controls from time to time in order to be able to match that expansion. The Group may face challenges in matching the pace of its expansion with achieving corresponding improvements and enhancements in its controls and procedures. It will also need to expand, train and manage its growing employee base. There can be no assurance that the Group's current and planned personnel, infrastructure, systems, procedures and controls will be adequate to support its expanding operations in the future. If the Group fails to manage its expansion effectively, its business, operations and prospects may be materially and adversely affected.

(e) The expenditure required by the Company may be more than currently anticipated

There is a risk that the amounts the Company anticipates will be needed to fund its growth will be insufficient, that the anticipated timing of such investment will prove incorrect, or that the Company will be unable to raise the amounts required (if at all). The Company may not be able to generate revenues at the times targeted. Costs may be greater than planned, or timings may vary from those targeted.

(f) The Group's IT systems depend on each other and a failure in one may disrupt the efficiency and functioning of the Group's operations

The Group is reliant on numerous systems to manage its mobile internet payments platform. The different user interfaces are dependent on each other to be able to complete their processes. Therefore, a failure of any of the core IT systems may result in failures of other IT systems as well, which in turn could result in interruption to the efficient operation of the Group's business.

The Group relies to a significant degree on the efficient and uninterrupted operation of its computer and communications systems and those of third parties, including the internet. Customer access to the Group's systems and the speed with which customers and suppliers navigate and interact with the mobile internet payments platform affects the sales of the Group and the attractiveness of its services. Any failure of the internet generally or any failure of current or new computer and communication systems could impair the value of the Group's business.

While the Group does have normal disaster recovery and business continuity contingency plans, no assurance can be given that, if a serious disaster affecting the business, systems or operations occurred such plans would be sufficient to enable the Group to recommence trading without loss of business.

Furthermore, the Group has, from time to time, experienced operational "bugs" in its systems and technologies which have resulted in errors. The Group expects operational bugs to continue to occur from time to time due to a combination of one or more of the following: electro-mechanical equipment failures, computer server or system failures, network outages, software performance problems or power failures.

The efficient operation of the Group's business systems and IT is critical to attracting and retaining customers. If the Group is unable to meet customer demand or service expectations due to one or more of the aforementioned issues arising, a deterioration in the Group's financial condition and future prospects may occur.

(g) Reliance on key systems

The Group's business relies on various key systems, including software. If the Group's access to or use of these systems was restricted or terminated the Group would have to incur expense sourcing suitable replacement and/or alternative systems, and time in relation to staff training, which could have an adverse effect on the Group's business, operation and financial position.

(h) Service Level Agreements

The Company operates payment systems for large partners, who impose certain service level obligations on the performance of the Company's key systems and software. If the systems should fail to meet these obligations in future, there will be financial penalties that could harm the Company's financial prospects.

(i) Reliance on customers to change procurement habits

The Group relies on its disruptive technology and business model to procure new customers. Whilst the Directors believe that the Group offers a number of attractive solutions to the problems faced by both MNOs and App Stores, the business model relies on customers to change their traditional

procurement habits. Failure by customers to adopt the Group's disruptive procurement platform will have a material adverse impact on the Group's future growth prospects.

(j) The use of mobile devices to access the internet is increasing, and the Group's services may not be compatible with, or widely adopted by users of, these devices.

The number of people who access the internet through mobile devices, including mobile telephones, smart phones, tablet computers and hand-held personal digital assistants has increased in recent years. The Group may incur significant research and development costs to support such devices. If the Group is slow to develop technologies that are compatible with these devices, it may fail to capture a significant share of mobile internet payments industry, which would have a material adverse effect on the Group's business, financial condition and results of operations.

(k) New products may impact growth

The Group's future growth will be dependent on its ability to develop and evolve its products and services, including adaptation to new operator billing platforms and the needs of major App Stores. There can be no guarantees that such enhanced or new products and services will be successfully developed or, if developed, successfully sold to customers. This could affect the growth of the Group's future revenues and profits.

(l) Technological risks

The Group operates in an industry where competitive advantage is heavily dependent on technology. It is possible that technological development may reduce the importance of the Group's function in the market. Staying abreast of technological changes may require substantial investment. The Group's existing reference designs may become obsolete or may be superseded by new technologies or changes in customer requirements. The technology used in the Group's platform is still evolving and is highly complex and may change rapidly. If it fails to keep up with technological developments and the resulting changes in user behaviour, its business, financial condition and results of operations may be materially and adversely affected.

(m) The Group may face online security breaches including hacking and vandalism

The Group relies on encryption and authentication technology to provide the security necessary to effect the secure transmission of information from its customers, such as credit or debit card numbers. The Group cannot guarantee absolute protection against unauthorised attempts to access its IT systems, including malicious third party applications that may interfere with or exploit security flaws in its products and services. Viruses, worms and other malicious software programs could, among other things, jeopardise the security of information stored in a user's computer or in the Group's computer systems or attempt to change the internet experience of users by interfering with the Group's ability to connect with its users. If any compromise in the Group's security measures were to occur and the Group's efforts to combat this breach are unsuccessful, the Group's reputation may be harmed leading to an adverse effect on the Group's financial condition and future prospects.

The Group also processes personal data (some of which may be sensitive) as part of its business. There is a risk that such data could become public if there were a security breach in respect of such data and, if one were to occur, the Group could face liability under data protection laws and lose the goodwill of its customers, which may have an adverse effect on the Group's financial condition and future prospects.

(n) Retention of key personnel risk

The Company's success is largely dependent on the personal efforts and abilities of the Company's existing senior management, key employees and advisers. The loss of any key individual for whatever reason could cause disruption or the loss of experience, skills or customer relationships of such personnel, which could have a material adverse effect on the Group's business, financial condition

and results of operations. Future success depends on its ability to attract and retain key management and employees and there can be no assurance that the Company will be able to attract and retain such persons.

(o) Expansion into overseas/new markets

The Group's future growth will be dependent on its ability to generate business in additional geographical markets. Whilst the Directors believe that geographical expansion will prove rewarding, there is no guarantee that the Group will be able to generate the required level of sales or profitability if the costs of entry into and operating in these new geographical areas prove to be higher than expected. Other anticipated barriers to entry include language and the legal and regulatory regimes of the geography concerned. There is also no guarantee that expansion into additional geographical markets will not cause disruption and harm to the Group's existing business.

(p) Market risks

The Group faces competitive and strategic risks that are inherent in a rapidly growing market. The Group's technology platform is complex and may contain undetected defects; problems may also be discovered from time to time in existing, new or enhanced services. Undetected defects could increase the Group's costs or reduce revenues.

The Group's success will depend on market acceptance of the Group's technology platform and operating model and there can be no guarantee that this acceptance will be forthcoming. Market opportunities targeted by the Group may change and this could lead to an adverse effect upon its revenue and earnings.

(q) Competition

Current and potential competitors of the Group may have substantially greater financial, technical and marketing resources, longer operating histories, larger customer bases, greater name recognition and more established relationships than the Group and so may be better able to compete in the Group's target markets.

Some mobile operators may continue to develop in-house solutions to their engagement with App Stores thereby reducing the available range of customers available to Bango.

(r) Reputation

The Group's reputation is central to its future success, in terms of the services and products it provides, the way in which it conducts its business and the financial results which it achieves. Failure to meet the expectations of its clients, suppliers, employees, shareholders and other business partners may have a material adverse effect on the Group's reputation and future revenue.

(s) Geographical expansion may present money laundering and other legal risks on the Group

As a function of the Group's growth, the Group has supported payment platforms in a large number of countries. Some of these include territories that may carry money laundering risks, other legal risks and/or sanctions. The Group will monitor brief and project delivery from these territories and will act appropriately should any such risks or issues arise.

(t) Any expansion by the Group through merger and acquisition activity may be unsuccessful

The Group may expand through mergers and acquisitions. In identifying potential merger and acquisition targets, the Group will make every effort to ensure appropriate due diligence is carried out, but acquisitions would necessarily leave the Group exposed, at least to some degree, to any operational failings of the target company and potentially to overpaying for any such target. Any payment for such target company with Ordinary Shares could dilute the interests of Shareholders.

Merger and acquisition activity, including the difficulties involved in integrating companies, businesses or assets, may divert financial and management resources from the Group's core business, which could have an adverse effect on the Group's financial condition and future prospects. In addition, there can never be a guarantee that mergers or acquisitions will successfully achieve their aims.

(u) Currency risk

The Company expects to present its financial information in Sterling although part or all of its business may be conducted in other currencies. As a result, it will be subject to foreign currency exchange risk due to exchange rate movements which will affect the Company's transaction costs and the translation of its results. There can be no guarantee that the Group would be able to compensate or hedge against such adverse effects and therefore negative exchange rate effects could have a material adverse effect on the Group's business and prospects, and its financial performance.

(v) The Group may be affected by an increase in governmental regulation of the internet and/or online service provision

The application or modification of existing laws or regulations, or adoption of new laws and regulations relating to the internet, mobile and online operations could adversely affect the manner in which the Group currently conducts its business. The law of the internet remains largely unsettled, even in areas where there has been some legislative action. In addition, the growth and development of the market for online service provision may lead to more stringent customer protection laws which may impose additional burdens on the Group, all of which may have an adverse effect on the Group's financial condition and future prospects.

Operator partners in some countries will not permit the storage of data on computer systems located in the USA. The Company has a distributed architecture that enables processing to be located anywhere and it will need to continue its infrastructural investments to maintain processing flexibility.

Regulators may restrict mobile network operators' ability to use customer phone bills to collect payment on behalf of third party providers.

Mobile network operators may be required to withdraw the right for third parties to use personally identifiable information for payment processing and related tasks, such as the customer phone numbers (or MSISDN). The Company will be required to use systems and technology that enable private identification keys to be used as substitute identities for billing and payments, for which there are no existing standards.

(w) Intellectual property protection

Any failure to protect the Group's intellectual property may result in another party copying or otherwise obtaining and using its proprietary technology without authorisation. There may not be adequate protection for the intellectual property in every country in which the Group's services are made available and policing unauthorised use of proprietary information is difficult and expensive. Due to the Group's size and limited cash resources, it may not be able to detect and prevent infringement of its intellectual property.

Any misappropriation of the Group's intellectual property could have a negative impact on the Group's business and its operating results. Furthermore, the Group may need to take legal action to enforce its intellectual property, to protect trade secrets or to determine the validity or scope of the proprietary rights of others. Litigation relating to the Group's intellectual property, whether instigated by the Group to protect its rights or arising out of alleged infringement of third party rights, may result in substantial costs and the diversion of resources and management attention and there can be no guarantees as to the outcome of any such litigation.

(x) Litigation

Whilst the Group has taken, and intends to continue to take, such precautions as it regards appropriate to avoid or minimise the likelihood of any legal proceedings or claims, or any resulting financial loss to the Group, the Directors cannot preclude the possibility of litigation being brought against the Group.

There can be no assurance that claimants in any litigation proceedings will not be able to devote substantially greater financial resources to any litigation proceedings or that the Group will prevail in any such litigation. Any litigation, or potential litigation, whether or not determined in the Group's favour or settled by the Group, may be costly and may divert the efforts and attention of the Group's management and other personnel from normal business operations.

(y) Taxation

Any change in the Company's tax status or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the investments or assets held by the Company, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Statements in this Document concerning the taxation of the Company and its investors are based upon current tax law and practice which may be subject to change.

Despite the company having made significant investment in advice and implementation of its global structure to minimize the danger of unilateral action by individual countries, it is possible that activity outside any one country may be affected by changes in tax law within that country.

(z) Dividends

The Group's current policy is not to pay dividends. There can be no assurance as to the level of future dividends (if any) that may be paid by the Group. Any determination to pay dividends in the future will be a decision for the Board (and, except in the case of an interim dividend, will be subject to Shareholder approval) and may depend upon the Group's contractual restrictions, restrictions imposed by applicable law and generally accepted accounting principles from time to time, and other factors the Board deems relevant.

The payment of dividends by the Group is subject to its having sufficient distributable reserves and cash for such purpose, each of which will depend on the underlying profitability of the Group.

(aa) Directors

The Directors have and may have in the future additional professional responsibilities and as such, may experience conflicts of interest and demands on their time to the possible detriment of the Group.

(bb) The Group's objectives may not be fulfilled

Although the Group has a clearly defined future strategy there can be no guarantee that its objectives will be achieved. The failure of the Group to fulfil its strategy as currently anticipated (whether in whole or in part) may have an adverse effect on future Group revenue.

(cc) The Group has discretion as to the use of the net proceeds of the Placing and may not use these funds in a manner Shareholders would prefer

The Group's management will have broad discretion in how it applies the net proceeds receivable by the Group from the Fundraising. In addition, the Group is unable to determine how much of the net proceeds will be used for any identified purpose because circumstances regarding its planned use of the proceeds may change, although the Directors currently have no intention of departing materially from the purposes referred to in paragraph 2 of Part I. Investors will not have the opportunity to evaluate the economic, financial or other information on which the Group bases its decisions on how

to use the net proceeds. The failure of the Group's management to apply these funds effectively could harm investor confidence and cause the price of the Ordinary Shares to decline.

(dd) Virtual currencies

The emergence of new virtual currencies and trading systems such as Bitcoin and Litecoin may replace mobile operator billing as a way that consumers fund purchases on-line. The Company may be unable to successfully integrate with these new systems either for regulatory reasons or due to technology limitations or other reasons.

Transmission of funds or licensing required by the Company to transmit such funds may require onerous registrations, licensing, audits or inspections which could be unduly burdensome and slow business growth, limit access to certain countries or reduce profitability.

2. Risks relating to the New Ordinary Shares

(a) Conditionality of the Fundraising

The Fundraising is conditional upon, among other things, Admission. In the event that any condition to which Admission is subject is not satisfied or, if capable of waiver, waived, Admission will not be implemented.

(b) The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, many of which may be out of the Company's control

The share price of publicly traded companies can be highly volatile and subject to wide fluctuations in price in response to a variety of factors. The price at which the Ordinary Shares may be quoted and the price which Shareholders may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its operations, and some which may affect the industry as a whole or quoted companies generally.

These factors include those referred to in this Part II as well as, amongst other things, technological innovations, changes in government policies, changes in legislation and economic conditions, the provision of new services by the Company or its competitors, fluctuations in the Company's operating results, changes in economic performance or market valuations of similar businesses, announcements by the Company or its competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments, additions or departures of key personnel, litigation and press, newspaper and other media reports. In addition, the Ordinary Shares may not be traded in sufficient volumes to give share liquidity to Shareholders.

Stock markets have also from time to time experienced extreme price and volume fluctuations, which have affected the market prices of securities and which have often been unrelated to the operating performance of the companies affected. These broad market fluctuations, as well as general economic and political conditions, could adversely affect the market price for the Ordinary Shares. Accordingly, the market price of the Ordinary Shares may not reflect the underlying value of the Group's net assets, and the price at which investors may dispose of their Ordinary Shares at any point in time may be influenced by a number of factors, only some of which may pertain to the Group while others of which may be outside the Group's control.

(c) AIM

The New Ordinary Shares will be traded on AIM and no application is being made for the admission of the Ordinary Shares to the Official List. AIM has been in existence since June 1995 but admission to AIM should not be taken to imply that there is or will be a liquid market in the Ordinary Shares. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached rather than for larger or more established companies. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial

adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities. An investment in a share which is traded on AIM, such as the Ordinary Shares, may be difficult to realise and carries a high degree of risk. The ability of an investor to sell Ordinary Shares will depend on there being a willing buyer for them at an acceptable price. Consequently, it might be difficult for an investor to realise his/her investment in the Group and he/she may lose all of his/her investment.

(d) Investment risk

An investment in a share which is traded on AIM, such as the Ordinary Shares, may be difficult to realise and carries a high degree of risk. The ability of an investor to sell Ordinary Shares will depend on there being a willing buyer for them at an acceptable price. The Ordinary Shares may be illiquid and, accordingly, an investor may find it difficult to sell Ordinary Shares, either at all or at an acceptable price. Consequently, it might be difficult for an investor to realise his/her investment in the Group and he/she may lose all of his/her investment.

Investors should be aware that the market price of the Ordinary Shares may be volatile and may go down as well as up and investors may therefore be unable to recover their original investment and could even lose their entire investment. This volatility could be attributable to various facts and events, including the availability of information for determining the market value of an investment in the Group, any regulatory or economic changes affecting the Group's operations, variations in the Group's operating results, developments in the Group's business or its competitors, or changes in market sentiment towards the Ordinary Shares. In addition, the Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. The Ordinary Shares may, therefore, not be suitable as a short term investment.

(e) No guarantee that the Ordinary Shares will continue to be traded on AIM

The Company cannot assure investors that the Company's Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded could decline.

(f) Future issues of Ordinary Shares will result in immediate dilution

The Group may require additional capital in the future which may not be available to it. If available, future financings to provide this capital may dilute shareholders' proportionate ownership in the Company. The Company may raise capital in the future through public or private equity financings or by raising debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the Company's existing shareholders. Moreover, the further issue of Ordinary Shares could have a negative impact on and/or increase the volatility of the market price of the Ordinary Shares.

Furthermore, the issue of additional Ordinary Shares may be on more favourable terms than the Fundraising.

The Company may also issue further Ordinary Shares, or create further options over Ordinary Shares, as part of its employee remuneration policy, which could in aggregate create a dilution in the value of the Ordinary Shares and the proportion of the Company's share capital in which investors are interested.

In addition, the issue of additional Ordinary Shares by the Company, or the possibility of such issue or exercise, may cause the market price of the Ordinary Shares to decline and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price.

(g) Future sale of Ordinary Shares

The Company is unable to predict when and if substantial numbers of Ordinary Shares will be sold in the open market. Any such sales, or the perception that such sales might occur, could result in a material fall in the market price of the Ordinary Shares.

(h) Risks relating to Open Offer entitlements

If a Shareholder does not take up his Open Offer Entitlement, his interest in the Company will be diluted. Shareholders' proportionate ownership and voting interest in the Company will be reduced pursuant to the Fundraising. In addition, to the extent that Shareholders do not take up their Open Offer Entitlement, their proportionate ownership and voting interest in the Company will be further reduced.

(i) Risks relating to US securities legislation

The New Ordinary Shares have not been, nor will they be, registered under the Securities Act and there are restrictions on transfer under the Securities Act. The New Ordinary Shares are being offered and sold outside the United States in transactions exempt from the registration requirements of the Securities Act in reliance on Regulation S under the Securities Act. The New Ordinary Shares may not be offered, sold or delivered in or into the United States unless the transfer is registered under the Securities Act, or an exemption from the registration requirements of Section 5 of the Securities Act provided by section 4(2) under the Securities Act or another applicable exemption is available.

Only the Company is entitled to register the Ordinary Shares under the Securities Act and the Company has no obligation to do so. The Company can give no assurances that an exemption from registration under the Securities Act will be available to any subscribers for or purchasers of Ordinary Shares.

The risks noted above do not necessarily comprise all those potentially faced by the Group and are not intended to be presented in any assumed order of priority.

Although the Directors will seek to minimise the impact of the risk factors, including those noted above, investment in the Company should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult an investment adviser authorised under the FSMA who specialises in investments of this nature before making any decision to invest.

PART III

TERMS AND CONDITIONS OF THE PLACING AND OPEN OFFER

1. Introduction

As explained in Part I, the Company is proposing to raise £6,000,000 (net of expenses) by the issue of 6,250,000 New Ordinary Shares at the Issue Price through the Firm Placing and Placing and Open Offer.

4,173,650 New Ordinary Shares are proposed to be issued pursuant to the Firm Placing and 2,076,350 New Ordinary Shares are proposed to be issued pursuant to the Placing and Open Offer.

Further details of the Firm Placing and Placing and Open Offer are set out in this Part III.

The Open Offer is an opportunity for Qualifying Shareholders to apply for in aggregate 2,076,350 Open Offer Shares *pro rata* to their current holdings at the Issue Price of 96 pence.

The Conditional Placees have agreed to acquire the Open Offer Shares at the Issue Price subject to clawback in respect of valid applications by Qualifying Shareholders under the Open Offer.

The Fundraising is conditional on, amongst other things, the passing of the Resolutions at the General Meeting, the Placing Agreement becoming unconditional and Admission.

The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares and will together represent approximately 12.04 per cent. of the Enlarged Share Capital. As a result of the issue of the New Ordinary Shares, the Company's net assets will be increased by approximately £5.6 million. The issue of the New Ordinary Shares will have no effect on the Company's earnings, save for interest that may be earned on the net proceeds of the Fundraising.

The New Ordinary Shares will be created under the Act.

2. Terms and conditions of the Open Offer

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, the Application Form), each Qualifying Shareholder (other than Shareholders in Restricted Jurisdictions) is being given an opportunity to apply for Open Offer Shares at the Issue Price (payable in full and free of all expenses) on the following *pro rata* basis:

1 Open Offer Share at 96 pence each for every 22 Existing Ordinary Shares

held and registered in their name at 5.00 p.m. on 25 September 2014 (the "Record Time") and so on in proportion to any other number of Existing Ordinary Shares then held. Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' entitlement. Any fractional entitlements will be aggregated, rounded down to the nearest whole number, and then made available to be subscribed for via the Placing. Accordingly, Qualifying Shareholders with fewer than 22 Existing Ordinary Shares will not be entitled to take up any Open Offer Shares. Applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements. The total number of Open Offer Shares is fixed and will not be increased.

The Issue Price represents a discount of 4.0 per cent. to the Closing Price for an Ordinary Share of 100 pence on 26 September 2014 (being the latest practicable date prior to the date of this Document).

Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating the Open Offer.

Qualifying Shareholders should note that the Open Offer is not a rights issue and therefore New Ordinary Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer, and Qualifying Shareholders who do not apply to take up their entitlements will have no rights nor receive any benefit under the Open Offer. The Application Form is not a document of title and cannot be traded or otherwise transferred. Any Open Offer Shares which are not applied for under the Open Offer will be issued to Conditional Placees, with the proceeds retained for the benefit of the Company.

The attention of Qualifying Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document or an Application Form into a jurisdiction other than the UK or the Netherlands is drawn to paragraph 8 of this Part III (“Overseas Shareholders”). In particular, Shareholders in a Restricted Jurisdiction will not be sent this document or the Application Form, and will not have their CREST stock accounts credited with Open Offer Entitlements.

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared after the date of their issue.

Application will be made for the Open Offer Entitlements to be credited to Qualifying CREST Shareholders’ CREST accounts. The Open Offer Entitlements are expected to be credited to CREST accounts by 30 September 2014.

Application has been made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on AIM at 8.00 a.m. on 17 October 2014.

None of the Firm Placing, the Placing or the Open Offer will be underwritten.

The Firm Placing and Placing and Open Offer are conditional, amongst other things, upon:

- (i) the passing of all of the Resolutions;
- (ii) the Placing Agreement becoming or being declared unconditional in all respects and not having been terminated in accordance with its terms prior to Admission; and
- (iii) Admission of the New Ordinary Shares becoming effective by no later than 8.00 a.m. on 17 October 2014 or such later time and/or date (being no later than 8.00 a.m. on 31 October 2014) as Cenkos and the Company may agree.

If any of the conditions are not satisfied or waived (where capable of waiver), the Firm Placing and Placing and Open Offer will be revoked and will not proceed. In such circumstances, application monies will be returned without payment of interest, as soon as practicable thereafter. No temporary documents of title will be issued in respect of the Open Offer Shares held in uncertificated form.

Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to the Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form by 31 October 2014.

The Existing Ordinary Shares are already CREST-enabled. No further application for admission to CREST is required for the New Ordinary Shares and all of the New Ordinary Shares when issued and fully paid may be held and transferred by means of CREST. Applications will be made for the Open Offer Entitlements to be admitted to CREST as participating securities.

Subject to the conditions above being satisfied and save as provided in this Part III, it is expected that:

- (A) Computershare will instruct Euroclear to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than Shareholders in Restricted Jurisdictions) with such Shareholders' CREST Open Offer Entitlements with effect from 8.00 a.m. on 30 September 2014;
- (B) New Ordinary Shares in uncertificated form will be credited by 8.00 a.m. on 17 October 2014 to the appropriate stock accounts of relevant Qualifying CREST Shareholders who validly take up their CREST Open Offer Entitlements; and
- (C) share certificates for the New Ordinary Shares held in certificated form will be despatched by 31 October 2014 to relevant Qualifying Non-CREST Shareholders who validly take up their Open Offer Entitlements.

Qualifying Shareholders taking up their Open Offer Entitlement will be deemed to have given the representations and warranties set out in the subparagraphs with the heading "Effect of Application" in paragraph 4 of this Part III (in the case of Qualifying Non-CREST Shareholders), and paragraph 5 of this Part III (in the case of Qualifying CREST Shareholders) unless, in each case, such requirement is waived by the Company. All Qualifying Shareholders taking up their rights under the Open Offer will be deemed to have given the representations and warranties set out in paragraph 8 of this Part III ("Overseas Shareholders").

All documents and cheques posted to or by Qualifying Shareholders and/or their transferees or renounees (or their agents, as appropriate) will be posted at their own risk.

The attention of Overseas Shareholders is drawn to paragraph 8 of this Part III which forms part of the terms and conditions of the Fundraising.

References to dates and times in this document should be read as subject to adjustment. The Company will make an appropriate announcement to an RIS giving details of any revised dates or times.

3. Action to be taken in connection with the Open Offer

The action to be taken in respect of the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has received an Application Form in respect of his entitlement under the Open Offer or has had his Open Offer Entitlements credited to his CREST Stock account in respect of such entitlement.

If you are a Qualifying Non-CREST Shareholder and you are not a Shareholder in a Restricted Jurisdiction, please refer to paragraph 4 and paragraphs 7, 9 to 12 (inclusive) of this Part III.

If you are a Qualifying CREST Shareholder and you are not a Shareholder in a Restricted Jurisdiction, please refer to paragraph 5 and paragraphs 7, 9 to 12 (inclusive) of this Part III.

Qualifying Non-CREST Shareholders who wish to deposit their Open Offer Entitlements into CREST, or Qualifying CREST Shareholders who wish to withdraw their Open Offer Entitlements from CREST, should read paragraph 6 of this Part III.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors, as only their CREST sponsors will be able to take the necessary actions specified below to apply under the Open Offer in respect of the CREST Open Offer Entitlements of such members held in CREST.

CREST members who wish to apply under the Open Offer in respect of their CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to above.

4. Action to be taken by Qualifying Non-CREST Shareholders

General

Save as provided paragraph 8 of this Part III in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will have received an Application Form with this document. The Application Forms sent to each such Qualifying Non-CREST Shareholder sets out:

- (A) in Box 2, the number of Existing Ordinary Shares registered in such person's name at the Record Time (on which a Qualifying Non-CREST Shareholder's entitlement to New Ordinary Shares is based);
- (B) in Box 3, the maximum number of Open Offer Shares for which such person is entitled to apply under the Open Offer, taking into account that they will not be entitled to take up any fraction of a New Ordinary Share arising when their Open Offer Entitlement was calculated;
- (C) in Box 4, how much they would need to pay in sterling if they wish to take up their Open Offer Entitlement in full;
- (D) the procedures to be followed if such Qualifying Non-CREST Shareholder wishes to convert all or part of his Open Offer Entitlement into uncertificated form; and
- (F) instructions regarding acceptance and payment, consolidation, splitting and registration of renunciation.

Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.

The instructions and other terms set out in the Application Form constitute part of the terms and conditions of the Open Offer to Qualifying Non-CREST Shareholders.

The latest time and date for receipt of the Application Forms and payment in full will be 11.00 a.m. on 15 October 2014.

The New Ordinary Shares are expected to be issued on 17 October 2014. After such date the New Ordinary Shares will be freely transferable by written instrument of transfer, and will be either in registered (or uncertificated) form, or, if they have been issued in or converted into uncertificated form, in electronic form under the CREST system.

Qualifying Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form.

Qualifying Shareholders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the Form of Proxy.

Bona fide market claims

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Ordinary Shares through the market prior to 8:00 a.m. on 30 September 2014 (being the date upon which the Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer). Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims made prior to 3.00 p.m. on 13 October 2014.

The Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Ordinary Shares prior to the date upon which the Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer (being 8.00 a.m. on 30 September 2014), should consult his broker or

other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee (a “*bona fide* market claim”).

Qualifying non-CREST Shareholders who have sold all of their registered holdings prior to 8.00 a.m. on 30 September 2014 should, if the market claim is to be settled outside CREST, complete Box 8 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee (if known). The Application Form should not, however, be forwarded to or transmitted in or into the Restricted Jurisdictions.

Qualifying Non-CREST Shareholders who have sold or otherwise transferred part only of their registered holdings prior to 8.00 a.m. on 30 September 2014 should, if the market claim is to be settled outside CREST, complete Box 8 of the Application Form and immediately deliver to the broker, bank or other agent through whom the sale or transfer was effected (or to Computershare) the Application Form, together with a letter stating:

- (i) the number of replacement Application Forms required (being one for the Qualifying Non-CREST Shareholder in question and one for each of the purchasers or transferees);
- (ii) the total number of Existing Ordinary Shares to be included in each replacement Application Form (the aggregate of which must equal the aggregate number of Existing Ordinary Shares held by such Qualifying Non-CREST Shareholder prior to the part-transfer or disposal); and
- (iii) the total number of Open Offer Entitlements to be included in each replacement Application Form (the aggregate of which must equal the number shown in Box 3 of the original Application Form being returned with such letter),

so as to be received by 3.00 p.m. on 13 October 2014. Computershare will then create new Application Forms, mark the Application Forms “Declaration of sale or transfer duly made” and send them by post to the person submitting the original Application Form.

Application procedures

Qualifying Non-CREST Shareholders who wish to apply to subscribe for all or any of the Open Offer Shares in respect of their Open Offer Entitlement must return the Application Form in accordance with the instructions thereon.

Completed Application Forms should be posted in the accompanying pre-paid envelope (in the UK only) or delivered by hand (during normal office hours only) to Computershare (who will act as the Company’s receiving agent in relation to the Open Offer) so as to be received by Computershare by no later than 11.00 a.m. on 15 October 2014, after which time, subject to the limited exceptions set out below, Application Forms will not be valid. Applications delivered by hand will not be checked upon delivery and no receipt will be provided. Qualifying Non-CREST Shareholders should note that applications, once made, will, subject to the very limited withdrawal rights set out in this document, be irrevocable and receipt thereof will not be acknowledged.

If an Application Form is being sent by first-class post in the UK, Qualifying Non-CREST Shareholders are recommended to allow at least four working days for delivery. Completed Application Forms should be returned together with a cheque or banker’s draft in sterling made payable to “CIS PLC re Bango Plc” for the full amount payable on acceptance, by post to Computershare, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom so as to be received as soon as possible and, in any event, not later than 11.00 a.m. on 15 October 2014.

Payment in sterling

All payments must be made by cheque or banker's draft in sterling made payable to "CIS PLC re Bango Plc". Third party cheques may not be accepted except building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the building society cheque or banker's draft to such effect. The account name should be the same as that shown on the application. Cheques or banker's drafts must be drawn on an account at a bank or building society or a branch of a bank or building society which must be in the UK, the Channel Islands or the Isle of Man and which is either a settlement member of Cheque & Credit Clearing Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided by either of those companies. Cheques and banker's drafts must bear the appropriate sorting code number in the top right-hand corner. Post-dated cheques will not be accepted. Payments via CHAPS, BACS or electronic transfer will not be accepted.

The Company reserves the right to have cheques and banker's drafts presented for payment on receipt. No interest will be allowed on payments made before they are due and any interest on such payments will be paid to the Company. It is a term of the Fundraising that cheques must be honoured on first presentation and the Company may elect to treat as invalid any acceptances in respect of which cheques are not honoured. Return of the Application Form with a cheque will constitute a warranty that the cheque will be honoured on first presentation. If cheques or banker's drafts are presented for payment before the conditions of the Fundraising are fulfilled, the application monies will be kept in an interest-bearing account retained for the Company until all conditions are met. If the Fundraising does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable, following the lapse of the Fundraising.

If New Ordinary Shares are allotted to a Qualifying Shareholder and a cheque for that allotment is subsequently not honoured, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such shares on behalf of such Qualifying Shareholder and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the acceptance being treated as invalid and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares, and of all amounts payable by such Qualifying Shareholder pursuant to the provisions of this Part III in respect of the acquisition of such shares) on behalf of such Qualifying Shareholder. Neither the Company nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by any Qualifying Shareholder as a result.

All enquires in connection with the Application Forms should be addressed to Computershare on 0870 889 3224 between 9.00 a.m. and 5.00 p.m. Monday to Friday (except UK public holidays) from within the UK or + 44 870 889 3224 if calling from outside the UK. Calls to the helpline cost approximately ten pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes.

Discretion as to validity of acceptances

If payment is not received in full by 11.00 a.m. on 15 October 2014, the offer to subscribe for Open Offer Shares will be deemed to have been declined and will lapse. However, the Company may, but shall not be obliged to, treat as valid (a) Application Forms and accompanying remittances that are received through the post not later than 10.00 a.m. on 16 October 2014 (the cover bearing a legible postmark not later than 11.00 a.m. on 15 October 2014); and (b) acceptances in respect of which a remittance is received prior to 11.00 a.m. on 16 October 2014 from an authorised person (as defined in section 31(2) of FSMA) specifying the number of New Ordinary Shares to be acquired and

undertaking to lodge the relevant Application Form, duly completed, by 10.00 a.m. on 16 October 2014 and such Application Form is lodged by that time.

The Company may also (in its absolute discretion) treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required. The Company reserves the right to treat as invalid any application or purported application for the New Ordinary Shares pursuant to the Fundraising that appears to the Company to have been executed in, despatched from, or that provides an address for delivery of definitive share certificates for New Ordinary Shares in a Restricted Jurisdiction.

Effect of Application

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form the applicant:

- (A) represents and warrants to the Company and Cenkos that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (B) agrees with the Company and Cenkos that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;
- (C) confirms with the Company and Cenkos that in making the application he is not relying on any information or representation other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information contained in this document (including information incorporated by reference);
- (D) represents and warrants to the Company and Cenkos that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he received such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (E) requests that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and the Application Form, subject to the Articles of Association;
- (F) represents and warrants to the Company and Cenkos that if he has received some or all of his Open Offer Entitlements from a person other than the Company, he is entitled to apply under this Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (G) represents and warrants to the Company and Cenkos that he is not, nor is he applying on behalf of any person who is: (a) located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, in or of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and, (b) he is not applying with a view to re-offering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of his application to, or for the benefit of, a person who is located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law, except where proof satisfactory to the Company has been provided to the Company, in respect of (a) and (b) above, that he is able to

accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor a person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (H) represents and warrants to the Company and Cenkos that he is not, nor is he applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organized in or under any laws, of the United States of America or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States of America or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (I) represents and warrants to the Company and Cenkos that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (J) confirms that in making the application he is not relying and has not relied on the Company and Cenkos or any person affiliated with the Company and Cenkos in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

Money Laundering Regulations

To ensure compliance with the Money Laundering Regulations, Computershare may require, in its absolute discretion, verification of the identity of the beneficial owner by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the "verification of identity requirements"). If an application is made by a UK-regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of Computershare. In such case, the lodging agent's stamp should be inserted on the Application Form.

The applicant lodging the Application Form with payment, including any person who appears to Computershare to be acting on behalf of some other person, shall thereby be deemed to agree to provide Computershare with such information and other evidence as Computershare may require to satisfy the verification of identity requirements. Submission of an Application Form shall constitute a warranty that the Money Laundering Regulations will not be breached by the acceptance of remittance and an undertaking by the applicant to provide promptly to Computershare such information as may be specified by Computershare as being required for the purpose of the Money Laundering Regulations.

If Computershare determines that the verification of identity requirements apply to any applicant or application, the relevant New Ordinary Shares (notwithstanding any other term of the Fundraising) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. Computershare is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and neither

Computershare nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, Computershare has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the application monies will be returned (at the applicant's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn.

The verification of identity requirements will not usually apply if:

- (A) the applicant is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- (B) the applicant is an organisation required to comply with the EU Money Laundering Directive (No. 91/308/EEC) as amended by Directives 2001/97/EC and 2005/60/EC; or
- (C) the applicant is a company whose securities are listed on a regulated market subject to specified disclosure obligations; or
- (D) the applicant (not being an applicant who delivers his/her application in person) makes payment through an account in the name of such applicant with a credit institution which is subject to the Money Laundering Regulations or with a credit institution situated in a non-EEA state which imposes requirements equivalent to those laid down in that directive; or
- (E) the aggregate subscription price for the relevant New Ordinary Shares is less than €15,000 (approximately £12,000).

Submission of the Application Form with the appropriate remittance will constitute a warranty to the Company from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

Where the verification of identity requirements apply, please note the following as this will assist in satisfying the requirements. Satisfaction of these requirements may be facilitated in the following ways:

- (i) if payment is made by cheque or banker's draft in sterling drawn on a branch of a bank or building society in the UK and bears a UK bank sort code number in the top right hand corner, the following applies. Cheques, which are recommended to be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to "CIS PLC re Bango Plc". Third party cheques may not be accepted except for building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the building society cheque/banker's draft to such effect. The account name should be the same as that shown on the application; or
- (ii) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in sub-paragraph (B) above or which is subject to anti-money laundering regulations in a country which is a member of the Financial Action Task Force (the non-EU members of which are Argentina, Australia, Brazil, Canada, members of the Gulf Co-operation Council (being Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), Hong Kong, Iceland, Japan, Mexico, Luxembourg, New Zealand, Norway, the Russian Federation, Singapore, South Africa, Switzerland, Turkey and the US), the agent should provide written confirmation that it has that status with the Application Form(s) and written assurances that it has obtained and recorded evidence of the identity of the person for whom it acts and that it

will on demand make such evidence available to Computershare and/or any relevant regulatory or investigatory authority; or

- (iii) if an Application Form is lodged by hand by the applicant in person, he should ensure that he has with him evidence of identity bearing his photograph (for example, his passport) and evidence of his current address (for example, a photocard driving licence or utility bill).

To confirm the acceptability of any written assurance referred to in paragraph (ii) above, or in any other case, the applicant should contact Computershare on 0870 889 3224 between 9.00 a.m. and 5.00 p.m. Monday to Friday (except UK public holidays) from within the UK or + 44 870 889 3224 if calling from outside the UK. Calls to the helpline cost approximately ten pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes.

Issue of New Ordinary Shares in certificated form

Definitive share certificates in respect of the New Ordinary Shares to be held in certificated form are expected to be despatched by post by 31 October 2014, at the risk of the person(s) entitled to them, to accepting Qualifying Non-CREST Shareholders or their agents or, in the case of joint holdings, to the first-named Shareholder, in each case at their registered address (unless lodging agent details have been completed on the Application Form).

5. Action to be taken by Qualifying CREST Shareholders

General

Save as provided in paragraph 8 of this Part III in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder is expected to receive a credit to his CREST stock account of his CREST Open Offer Entitlements equal to the maximum number of Open Offer Shares for which he is entitled to apply to subscribe under the Open Offer.

Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' entitlement and will be aggregated and made available to be subscribed for via the Placing.

The CREST stock account to be credited will be an account under the CREST participant ID and CREST member account ID that apply to the Ordinary Shares held at the Record Time by the Qualifying CREST Shareholder in respect of which the CREST Open Offer Entitlements have been allocated.

If for any reason it is impracticable to credit the stock accounts of Qualifying CREST Shareholders by 30 September 2014 (or such later time as the Company shall decide), Application Forms shall, unless the Company determines otherwise, be sent out in substitution for the CREST Open Offer Entitlements which have not been so credited and the expected timetable as set out in this document may be adjusted as appropriate. References to dates and times in this document should be read as subject to any such adjustment. The Company will make an appropriate announcement to a RIS giving details of the revised dates but Qualifying CREST Shareholders may not receive any further written communication.

Qualifying CREST Shareholders who wish to take up all or part of their entitlements in respect of CREST Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST sponsored member, you should consult your CREST sponsor if you wish to take up your entitlement, as only your CREST sponsor will be able to take the necessary action to take up your entitlements in respect of Open Offer Shares. If you have any queries on the procedure for acceptances and payment, you should contact Computershare on 0870 889 3224 between 9.00 a.m. and 5.00 p.m. Monday to Friday (except UK public holidays) from within

the UK or + 44 870 889 3224 if calling from outside the UK. Calls to the helpline cost approximately ten pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes.

In accordance with the instructions of this Section 5 the CREST instruction must have been settled by 11.00 a.m. on 15 October 2014.

Bona fide market claims

The CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction.

Transactions identified by the Euroclear's Claims Processing Unit as "cum" the CREST Open Offer Entitlement will generate an appropriate market claim transaction and the relevant CREST Open Offer Entitlement(s) will thereafter be transferred accordingly.

USE Instructions

Qualifying CREST Shareholders who are CREST members and who wish to apply for Open Offer Shares in respect of all or some of their CREST Open Offer Entitlements must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE Instruction to CREST which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of Computershare under the CREST participant ID and CREST member account ID specified below, with a number of CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of Computershare in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above.

Content of USE Instructions in respect of Open Offer Entitlements

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of CREST Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to Computershare);
- (ii) the ISIN of the CREST Open Offer Entitlement. This is GB00BQXX0297;
- (iii) the CREST participant ID of the CREST member;
- (iv) the CREST member account ID of the CREST member from which the CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of Computershare in its capacity as a CREST receiving agent. This is RA66;
- (vi) the CREST member account ID of Computershare in its capacity as a CREST receiving agent. This is BANGO;

- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 15 October 2014; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above. In order to assist prompt settlement of the USE Instruction, CREST members may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 15 October 2014 in order to be valid is 11.00 a.m. on that day. After 17 October 2014, the New Ordinary Shares will be registered and freely transferable in electronic form under the CREST system.

If the conditions to the Fundraising are not fulfilled at or before 8.00 a.m. on 17 October 2014, or such other time and/or date as may be agreed between the Company and Cenkos, the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and Computershare will refund the amount paid by way of a CREST payment, without interest as soon as practicable thereafter.

The interest earned on such monies, if any, will be retained for the benefit of the Company.

CREST procedures and timings

Qualifying CREST Shareholders who are CREST members and CREST sponsors (on behalf of CREST sponsored members) should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the Qualifying CREST Shareholder concerned to take (or, if the Qualifying CREST Shareholder is a CREST sponsored member, to procure that his CREST sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 11.00 a.m. on 15 October 2014. In this connection, Qualifying CREST Shareholders and (where applicable) CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Validity of application

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by not later than 11.00 a.m. on 15 October 2014 will constitute a valid application under the Open Offer.

Incorrect or incomplete applications

If a USE Instruction includes a CREST payment for an incorrect sum, the Company, through the Registrar, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question (without interest);

- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE Instruction, refunding any unutilised sum to the CREST member in question (without interest).

Effect of application

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

- (A) represents and warrants to the Company and Cenkos that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (B) agrees with the Company and Cenkos that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;
- (C) confirms with the Company and Cenkos that in making the application he is not relying on any information or representation other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information contained in this document (including information incorporated by reference);
- (D) represents and warrants to the Company and Cenkos that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he received such CREST Open Offer Entitlements by virtue of a *bona fide* market claim;
- (E) requests that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and the Application Form, subject to the Articles of Association;
- (F) represents and warrants to the Company and Cenkos that if he has received some or all of his CREST Open Offer Entitlement from a person other than the Company, he is entitled to apply under this Open Offer in relation to such CREST Open Offer Entitlements by virtue of a *bona fide* market claim;
- (G) represents and warrants to the Company and Cenkos that he is not, nor is he applying on behalf of any person who is: (a) located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, in or of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and, (b) he is not applying with a view to re-offering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of his application to, or for the benefit of, a person who is located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law, except where proof satisfactory to the Company has been provided to the Company, in respect of (a) and (b) above, that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-

discretionary basis nor a person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (H) represents and warrants to the Company and Cenkos that he is not, nor is he applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organized in or under any laws, of the United States of America or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States of America or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (I) represents and warrants to the Company and Cenkos that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (J) confirms that in making the application he is not relying and has not relied on the Company and Cenkos or any person affiliated with the Company and Cenkos in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

Discretion as to rejection and validity of acceptances

The Company may:

- (i) reject any acceptance constituted by a USE Instruction, which is otherwise valid, in the event of breach of any of the representations, warranties and undertakings set out or referred to in this paragraph 5 of this Part III. Where an acceptance is made as described in this paragraph 5 which is otherwise valid, and the USE Instruction concerned fails to settle by 11.00 a.m. on 15 October 2014 (or by such later time and date as the Company and Cenkos may determine), the Company shall be entitled to assume, for the purposes of their right to reject an acceptance as described in this paragraph 5, that there has been a breach of the representations, warranties and undertakings set out or referred to in this paragraph 5 above unless the Company is aware of any reason outside the control of the Qualifying CREST Shareholder or CREST sponsor (as appropriate) concerned for the failure of the USE Instruction to settle;
- (ii) treat as valid (and binding on the Qualifying CREST Shareholder concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this paragraph 5;
- (iii) accept an alternative properly authenticated dematerialised instruction from a Qualifying CREST Shareholder or (where applicable) a CREST sponsor as constituting a valid acceptance in substitution for, or in addition to, a USE Instruction and subject to such further terms and conditions as the Company may determine;
- (iv) treat a properly authenticated dematerialised instruction (in this sub-paragraph (iv), the “first instruction”) as not constituting a valid acceptance if, at the time at which Computershare receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or Computershare has received actual notice from Euroclear

of any of the matters specified in CREST Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

- (v) accept an alternative instruction or notification from a Qualifying CREST Shareholder or (where applicable) a CREST sponsor, or extend the time for acceptance and/or settlement of a USE Instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any Qualifying CREST Shareholder or (where applicable) CREST sponsor or Qualifying CREST Shareholder is unable validly to take up all or part of his CREST Open Offer Entitlement by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of facilities and/or systems operated by Computershare in connection with CREST.

Money Laundering Regulations

If you hold your Open Offer Shares in CREST and apply to take up all or part of your entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a bank, a broker or another UK financial institution), then, irrespective of the value of the application, Computershare is required to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. Such Qualifying CREST Shareholders must therefore contact Computershare before sending any USE Instruction or other instruction so that appropriate measures may be taken.

Submission of an USE Instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above constitutes a warranty and undertaking by the applicant to the Company, Cenkos and Computershare to provide promptly to Computershare any information Computershare may specify as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Computershare as to identity, Computershare, having consulted with the Company, may take, or omit to take, such action as it may determine to prevent or delay settlement of the USE Instruction. If satisfactory evidence of identity has not been provided within a reasonable time, Computershare will not permit the USE Instruction concerned to proceed to settlement (without prejudice to the right of the Company to take proceedings to recover any loss suffered by it/them as a result of failure by the applicant to provide satisfactory evidence).

Right to allot/issue in certificated form

Despite any other provision of this document, the Company reserves the right to allot and to issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST (or of any part of CREST) or of a part of the facilities and/or systems operated by Computershare in connection with CREST.

6. Deposit of Open Offer Entitlements into, and withdrawal from, CREST

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A Qualifying Non-CREST Shareholder who wishes to make such a deposit should sign and complete Box 11 of their Application Form, and then deposit their Application Form with the CREST Courier and Sorting Service. In addition, the normal CREST stock deposit procedures will need to be carried out, except that (a) it will not be necessary to complete and lodge a separate CREST transfer form (as

prescribed under the Stock Transfer Act 1963) with the CREST Courier and Sorting Service and (b) only the Open Offer Entitlement shown in Box 3 of the Application Form.

If you have received your Application Form by virtue of a *bona fide* market claim, the declaration in Box 8 must be completed or (in the case of an Application Form which has been split) marked "Declaration of sale or transfer duly made". If you wish to take up your Open Offer Entitlement, the CREST Deposit Form in Box 11 of your Application Form must be completed and deposited with the CREST Courier and Sorting Service in accordance with the instructions above. A holder of more than one Application Form who wishes to deposit Open Offer Entitlements shown on those Application Forms into CREST must complete Box 11 of each Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlement following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 15 October 2014.

In particular, having regard to normal processing times in CREST and on the part of the Registrar, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as an Open Offer Entitlement in CREST, is 3.00 p.m. on 10 October 2014, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of an Open Offer Entitlement from CREST is 4.30 p.m. on 9 October 2014 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlement following the deposit or withdrawal (whether as shown in an Application Form or held in CREST), to take all necessary steps in connection with applying in respect of the Open Offer Entitlement prior to 11.00 a.m. on 15 October 2014.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account or the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and Computershare by the relevant CREST member(s) that it is/they are not in breach of the provisions of the notes set out in the Application Form, and a declaration to the Company and Computershare from the relevant CREST member(s) that it/they is/are not located in, or citizen(s) or resident(s) of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law, and that it/they is/are not located in the United States and, where such deposit is made by a beneficiary or a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

7. Withdrawal rights

Qualifying Shareholders wishing to exercise the withdrawal rights under section 87Q(4) of FSMA after the issue by the Company of a circular or prospectus supplementing this document (if any) must do so by lodging a written notice of withdrawal, which shall not include a notice sent by facsimile or any other form of electronic communication, which must include the full name and address of the person wishing to exercise such statutory withdrawal rights and, if such person is a Qualifying CREST Shareholder the CREST participant ID and the CREST member account ID of such Qualifying CREST Shareholder with Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, so as to be received no later than two business days after the date on which the supplementary circular or prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received by Computershare after expiry of such period will not constitute a valid withdrawal.

8. Overseas Shareholders

The comments set out in this paragraph 8 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

General

The distribution of this document and the making or acceptance of the Open Offer to or by persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organized under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom, may be affected by the laws or regulatory requirements of the relevant jurisdictions. It is the responsibility of those persons to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

No action has been or will be taken by the Company, Cenkos or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom. Receipt of this document and/or an Application Form and/or a credit of a CREST Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

Application Forms will not be sent to, and CREST Open Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or a Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of CREST Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Application Form and/or credit of CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to satisfy themselves as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

None of the Company, Cenkos, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of CREST Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/ or an Application Form and/or a credit of CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company and Cenkos determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Application Form and/or transfers CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part III “Terms and Conditions of the Open Offer” and specifically the contents of this paragraph 8.

The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any other jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or in the case of a credit of CREST Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in the United States or a Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this document or the relevant Application Form, the Company and Cenkos reserve the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or banker’s drafts or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST.

Due to restrictions under the securities laws of the United States and the Restricted Jurisdictions, and subject to certain exceptions, Qualifying Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with CREST Open Offer Entitlements. No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into the United States or any Restricted Jurisdiction. Receipt of this document and/or an Application Form and/or a credit of a CREST Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

United States

The New Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, within the United States except in reliance on an exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States unless an exemption from the registration requirements of the US Securities Act is available and, subject to certain exceptions, neither this document nor the Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any New Ordinary Shares in the United States. Subject to certain exceptions, neither this document nor an Application Form will be sent to, and no New Ordinary Shares will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares issued upon exercise thereof outside the United States.

Subject to certain exceptions, any person who acquires New Ordinary Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the New Ordinary Shares, that they are not, and that at the time of acquiring the New Ordinary Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of New Ordinary Shares, or which does not make the warranty set out in the Application Form to the effect that the person completing the Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares in the United States or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any New Ordinary Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any New Ordinary Shares may be transferred. In addition, the Company and Cenkos reserve the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the New Ordinary Shares. In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the New Ordinary Shares within the United States by a dealer (whether or not participating in the and Open Offer) may violate the registration requirements of the US Securities Act.

Restricted Jurisdictions

Due to restrictions under the securities laws of the Restricted Jurisdictions and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with CREST Open Offer Entitlements. The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption. No offer or invitation to apply for Open Offer Shares is being made by virtue of this document or the Application Forms into any Restricted Jurisdiction.

Other overseas territories

Application Forms will be sent to Qualifying Non-CREST Shareholders and Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United States or the Restricted Jurisdictions may, subject

to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form. Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares in respect of the Open Offer.

Representations and warranties relating to Overseas Shareholders

(a) Qualifying Non-CREST Shareholders

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company and Cenkos and the Registrars that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Open Offer Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories. The Company and/or the Registrars may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or a Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph (a).

(b) Qualifying CREST Shareholders

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part III represents and warrants to the Company and Cenkos that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he or she is not within the United States or any Restricted Jurisdiction; (ii) he or she is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares; (iii) he or she is not accepting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he or she is not acquiring any Open Offer Shares with a view to offer, sell, resell, transfer, deliver or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories.

Waiver

The provisions of this paragraph 8 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company and Cenkos in their absolute discretion. Subject to this, the provisions of this paragraph 8 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 8 to Shareholders shall include references to the person or persons executing an

Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 8 shall apply to them jointly and to each of them.

9. Times and Dates

The Company shall, in agreement with Cenkos and after consultation with its financial and legal advisers, be entitled to amend the dates that Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall notify the London Stock Exchange, and make an announcement on an RIS but Qualifying Shareholders may not receive any further written communication.

If a supplementary circular is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

10. Taxation

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

11. Further information

Your attention is drawn to the further information set out in this document and also, in the case of Qualifying Non-CREST Shareholders and other Qualifying Shareholders to whom the Company has sent Application Forms, to the terms, conditions and other information printed on the accompanying Application Form.

12. Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law.

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares, by way of their Open Offer Entitlement, in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART IV

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names appear in paragraph 2 below, accept responsibility for the information contained in this Document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document is in accordance with the facts and there is no omission likely to affect the import of such information.

2. Share Capital, Interests And Dealings

2.1 Share Capital

The following table shows the issued ordinary share capital as it is now and as it will be following the Fundraising:

	Existing Ordinary Shares		Enlarged ordinary share capital following the Firm Placing		Enlarged Share Capital	
	Aggregate nominal value (£)	Number of Ordinary Shares	£	Number of Ordinary Shares	£	Number of Ordinary Shares
Ordinary Shares	9,135,942.60	45,679,713	9,970,672.50	49,853,363	10,385,942.60	51,929,713

2.2 Directors

- (a) At the close of business on 26 September 2014 (being the last practicable date prior to the publication of this Document), the interests of the Directors (all of which are beneficial) and their families and the interests of persons connected with them (within the meaning of section 346 of the Act) in Ordinary Shares are as follows:-

Director	Before Admission		On Admission*	
	Number of Ordinary Shares	% of Issued Share Capital	Number of Ordinary Shares	% of Issued Share Capital
David Sear	0	n/a	0	n/a
Ray Anderson	6,624,036	14.50	6,624,036	12.76
Gerry Tucker	11,933	0.03	11,933	0.02
Anil Malhotra	4,016,145	8.79	4,016,145	7.73
Martin Rigby	14,067	0.03	14,067	0.03
Rudy Burger	0	n/a	0	n/a

* These numbers and percentages are calculated assuming that none of the Directors take up their Open Offer Entitlements.

- (b) Save as described below, during the period of 12 months preceding the date of this Document there have been no dealings made by the Directors and their connected persons in the Company's securities:
- (i) On 4 October 2013, Gerry Tucker purchased 1,857 Ordinary Shares at a price of 133.25 pence per share and 1,903 Ordinary Shares at a price of 130.00 pence per share. Also on 4 October 2013, Mr Tucker was granted 32,500 options to subscribe for Ordinary Shares at the exercise price of 126.0 pence being the closing mid-market price on 3 October 2013.

- (ii) On 16 January 2014, Anil Malhotra sold 5,855 Ordinary Shares at a price of 188 pence per share in order to use up his annual Capital Gains Tax Allowance for the tax year 2013/2014.
- (iii) On 1 April 2014 Gerry Tucker was granted 32,500 options to subscribe for Ordinary Shares at the exercise price of 136.0 pence being the opening mid-market price on 31 March 2014.
- (iv) On 6 June 2014, Gerry Tucker purchased a total of 3,702 Ordinary Shares at a price of 121.2 pence per Ordinary Share.
- (v) On 23 July 2014, Ray Anderson purchased 191,146 Ordinary Shares on behalf of his SIPP at a price of 99.4 pence per share from his own direct holding.

2.3 Options

- (a) At the close of business on 26 September 2014 (being the last practicable date prior to the publication of this Document), the Directors were interested in the following options over Ordinary Shares in the Company pursuant to the Bango plc Share Option Plan:

<i>Director</i>	<i>Number of options held</i>	<i>Price per share (p)</i>	<i>Date of grant</i>	<i>Expiry date</i>
David Sear	100,000	153.00	7 February 2011	4 February 2021
Gerry Tucker	132,500	232.50	26 March 2013	24 March 2023
Gerry Tucker	32,500	126.00	4 October 2013	2 October 2023
Gerry Tucker	32,500	136.00	1 April 2014	29 March 2024

- (b) At the close of business on 26 September 2014 (being the last practicable date prior to the publication of this Document), the outstanding options, which exclude the share options granted to Directors, were as follows:

<i>Date of grant</i>	<i>Average exercise price (p)</i>	<i>Number of shares</i>	<i>Expiry date</i>
27 February 2004	28.75	35,000	30 June 2015
28 August 2004	50.00	14,000	30 June 2015
18 February 2005	50.00	76,000	30 June 2015
21 September 2005	202.00	58,000	19 September 2015
1 March 2006	177.50	30,000	27 February 2017
25 May 2006	140.00	158,250	22 May 2016
9 October 2006	106.50	26,000	6 October 2016
23 March 2007	50.50	106,000	20 March 2017
19 September 2007	41.00	110,250	16 September 2017
31 January 2008	23.00	59,917	28 January 2018
15 October 2008	53.50	58,750	13 October 2018
19 February 2009	44.00	62,500	17 February 2019
1 October 2009	44.50	62,520	29 September 2019
17 March 2010	59.50	84,212	14 March 2020
24 September 2010	167.00	85,810	21 September 2020
17 March 2011	82.50	83,010	14 March 2021
9 September 2011	82.00	111,835	6 September 2021
27 September 2011	76.50	20,000	24 September 2021
8 December 2011	68.50	20,000	5 December 2021
23 March 2012	142.50	122,322	21 March 2022
13 August 2012	187.50	7,000	11 August 2022
20 September 2012	166.50	202,323	18 September 2022

<i>Date of grant</i>	<i>Average exercise price (p)</i>	<i>Number of shares</i>	<i>Expiry date</i>
6 November 2012	218.00	100,000	4 November 2022
26 March 2013	232.50	294,500	24 March 2023
2 April 2013	218.50	10,000	31 March 2023
27 June 2013	180.00	50,000	25 June 2023
4 October 2013	126.00	352,875	2 October 2023
1 April 2014	136.00	406,500	29 March 2024
		2,807,574	

3. Material Contracts

Save as described below, no contracts have been entered into by the Company or any of its subsidiaries, other than in the ordinary course of business, within the two years prior to the publication of this Document which are or may be material.

3.1 Placing Agreement

The Company entered into the Placing Agreement with Cenkos on 29 September 2014 pursuant to which Cenkos agreed to use its reasonable endeavours, as agent of the Company, to (i) procure Placees in respect of the Firm Placing Shares pursuant to the Firm Placing and (ii) procure Conditional Placees in respect of the Open Offer Shares pursuant to the Placing, but subject to clawback in respect of valid applications by Qualifying Shareholders under the Open Offer.

If and to the extent that such Placees and/or Conditional Placees fail to subscribe for, or pay for, any of the Firm Placing Shares and/or Open Offer Shares, Cenkos is not obliged to subscribe, acquire or pay for any of the Firm Placing Shares and/or Open Offer Shares.

The obligations on Cenkos under the Placing Agreement are conditional upon, amongst other things, the passing of the Resolutions at the General Meeting and Admission becoming effective no later than 8.00 a.m. on 17 October 2014 or such later date as Cenkos and the Company may agree but in any event being no later than 31 October 2014.

The Placing Agreement contains certain warranties and indemnities given by the Company in favour of Cenkos and provisions allowing Cenkos to terminate the Placing Agreement in certain circumstances prior to Admission, in each case customary for an agreement of this type. There is no time or value limit to these warranties and indemnities.

Under the Placing Agreement, Cenkos will receive a fee of £25,000 and a commission of 5 per cent. of an amount equal to the Issue Price multiplied by the number of New Ordinary Shares. In addition, the Company will also pay to Cenkos certain costs and expenses incurred in connection with the Fundraising.

3.2 Lease of 5 Westbrook Centre, Milton Road, Cambridge

The Company entered into a lease in relation to the Company's registered office with HSBC Bank Pension Trust (UK) Limited (the "Landlord") on 7 March 2014 for the period from 18 November 2013 to 17 November 2023, pursuant to which the Company shall pay to the Landlord the principal amount of £142,450 per annum (together with certain additional rents and service charges) for the period until 17 November 2018, at which date the rent payable by the Company shall be reviewed.

The lease includes certain restrictions, covenants and conditions which apply to the Company's occupation of the property (all of which are customary for such a lease), including in relation to repairs and maintenance to be carried out by the Company from time to time, restrictions as regards the use of, and the making of alterations to, the property, and provisions in relation to the Company under-letting the property to a third party.

In consideration for the payment of rent by the Company, the Landlord agrees pursuant to the lease to provide certain building and estate services to the Company, including the maintenance of common areas, and the provision of central heating, air conditioning and water to the property.

3.3 *Dell master lease agreement and other finance arrangements in relation to the Company's computing equipment*

The Company entered into a master lease agreement with Dell Bank International Limited ("Dell") on 25 November 2013 pursuant to which Dell provides to the Company certain computing equipment for use in the Company's business.

The master lease agreement is entered into on Dell's standard terms and conditions, and includes certain warranties, indemnities and exclusions, together with rights of termination and recall exercisable by Dell, all of which are customary for a finance lease of this nature.

The balance payable by the Company under the master lease agreement as at 1 September 2014 was £356,833.90.

Prior to entry into the Dell master lease agreement, the Company financed the purchase of computing equipment pursuant to three separate agreements, comprising: (i) an equipment purchase and lease back agreement with Siemens Financial Services Limited ("Siemens") dated 20 September 2012, (ii) an equipment purchase and lease back agreement with CF Capital PLC ("CF Capital") dated 9 October 2012, and (iii) a master lease and financing agreement with Hewlett-Packard International Bank PLC ("HP") dated 29 May 2013. The aggregate balance outstanding under these agreements as at 1 September 2014 was £330,200.83. Each agreement is entered into on the standard terms and conditions of each of Siemens, CF Capital and HP respectively, and includes provisions which are customary for agreements of this nature.

4. Other Information

- 4.1 Cenkos has given and has not withdrawn its written consent to the inclusion in this Document of references to its name in the form and context in which they appear.
- 4.2 The total costs, charges and expenses payable by the Company in respect of the Fundraising are estimated to amount to approximately £0.4 million (including irrecoverable VAT).
- 4.3 The net proceeds of the Fundraising are expected to be approximately £5.6 million.
- 4.4 The New Ordinary Shares are in registered form and are capable of being held in uncertificated form. Settlement of the New Ordinary Shares will, at the option of Placees or Qualifying CREST Shareholders (as the case may be), be within CREST and New Ordinary Shares will be delivered into the CREST account of Placees and Qualifying Shareholders on 17 October 2014. No temporary documents of title will be issued. Definitive share certificates for Placees not settling through CREST and Qualifying Non-CREST Shareholders will be despatched by 31 October 2014. Prior to the despatch of such certificates, transfers will be certified against the register of members of the Company.

5. Documents available for inspection

Copies of this Document are available free of charge at the Company's registered office, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), and shall remain available for at least one month after Admission. In addition, this Document will be available in accordance with the AIM Rules on the Company's website www.bango.com.

Dated: 29 September 2014

NOTICE OF GENERAL MEETING

BANGO PLC

Registered in England and Wales with number 5386079

NOTICE is hereby given that a General Meeting of Bango plc (the "Company") will be held at the Company's offices at 5 Westbrook Centre, Cambridge, CB4 1YG at 11.00 a.m. on 16 October 2014 to consider and, if thought fit, pass the following Resolutions, of which Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution. Unless the context requires otherwise, words and expressions defined in the circular dated 29 September 2014, of which this notice forms part, have the same meanings when used in this notice.

ORDINARY RESOLUTION

1. THAT, in substitution for all subsisting authorities to the extent unused, in accordance with section 551 of the Companies Act 2006 (the "Act"), the directors of the Company from time to time (the "Directors") be generally and unconditionally authorised to exercise all powers of the Company:
 - a. to allot up to 6,250,000 Ordinary Shares pursuant to the Fundraising; and
 - b. to allot shares and/or grant rights to subscribe for or to convert any security into shares ("Rights") otherwise than in connection with the Fundraising up to an aggregate nominal value of £3,461,980.80 or, if less, 33.3 per cent. of the aggregate nominal value of the Enlarged Share Capital,

such authority to expire on the earlier of the conclusion of the next annual general meeting of the Company following the passing of this resolution and 30 June 2015, save that the Company may at any time before such expiry make any offer(s) or enter into any agreement(s) which would or might require shares to be allotted or Rights to be granted after such expiry and the directors may allot shares or grant Rights in pursuance of any such offer(s) or agreement(s) as if the power and authority conferred by this resolution had not expired.

SPECIAL RESOLUTION

2. THAT, in substitution for all subsisting authorities to the extent unused and subject to and conditional upon the passing of resolution 1, in accordance with section 571(1) of the Act, the Directors be empowered to allot or make offers or agreements to allot:
 - a. up to 6,250,000 Ordinary Shares for cash pursuant to the authority conferred by resolution 1a above, as if section 561 of the Act did not apply to any such allotment; and
 - b. equity securities (as defined in section 560 of the Act) for cash either pursuant to the authority conferred by resolution 1b above or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment or sale provided that this power shall be limited to:
 - (i) the allotment or sale of equity securities in connection with an issue of equity securities to holders of Ordinary Shares in proportion (as nearly as may be) to their respective holdings and to holders of other equity securities as are required by those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors consider necessary or expedient to deal with any treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any stock exchange or regulatory authority; and

- (ii) the allotment or sale (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal amount of £519,297.20 or, if less, 5 per cent. of the aggregate nominal value of the Enlarged Share Capital,

and this authority shall expire on the earlier of conclusion of the annual general meeting of the Company following the passing of this resolution and 30 June 2015 save that the Company may, before this authority expires, make an offer or agreement which would or might require equity securities or rights to be allotted or granted after this authority expires and that the Directors may allot equity securities or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

By Order of the Board

Henry Goldstein

Company Secretary

5 Westbrook Centre, Cambridge, CB4 1YG

Dated 29 September 2014

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at 11.00 a.m. on 14 October 2014 shall be entitled to attend and vote at the General Meeting. Changes to entries on the register of members after this time will be disregarded in determining the right of any person to attend or vote at the meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a proxy form with this notice of General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company Secretary at the address set out in note 5.
5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- (a) completed and signed;
- (b) sent or delivered to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE; and
- (c) received by them no later than 11.00 a.m. on 14 October 2014.

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

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

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. As at 5.00 p.m. on the day immediately prior to the date of posting of this notice of General Meeting, the Company's issued share capital comprised 45,679,713 Ordinary Shares. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5.00 p.m. on the day immediately prior to the date of posting of this notice of General Meeting is 45,679,713.

