

**THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document, or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you hold your Ordinary Shares in uncertified form (i.e. in CREST) you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by the Registrar (under CREST Participation ID RA10) by no later than 10.00 a.m. on 15 April 2016. The time of receipt will be taken to be the time from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

If you have sold or transferred all of your Ordinary Shares, please send this document and the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This document does not constitute an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), Ordinary Shares or an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), the Placing Shares. This document does not contain an offer of transferrable securities within the meaning of section 102B of FSMA and does not constitute a prospectus within the meaning of section 85 of FSMA. This document has not been examined or approved by the Financial Conduct Authority, the London Stock Exchange or any other regulatory authority.

Application has been made for the Firm Placing Shares to be admitted to trading on AIM, with dealings expected to commence on 4 April 2016. In due course application will be made for the Conditional Placing Shares to be admitted to trading on AIM and, on the assumption that, *inter alia*, the Resolutions are passed, dealings are expected to commence on 20 April 2016. The Placing Shares will, when issued, rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares and otherwise rank *pari passu* in all respects with the Existing Ordinary Shares.

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## **MedaPhor Group plc**

*(Incorporated and registered in England and Wales with registered no. 09028611)*

### **Placing of 7,111,112 new Ordinary Shares at 45 pence per share and Notice of General Meeting**

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**You are recommended to read the whole of this document but your attention is drawn to the letter from the Chairman of the Company which is set out on pages 5 to 8 (inclusive) of this document and which provides details of the Placing, and recommends you to vote in favour of the Resolutions to be proposed at the General Meeting.**

**The Notice of General Meeting to be held at MedaPhor Group plc, Cardiff Medicentre, Heath Park, Cardiff, CF14 4UJ, at 10.00 a.m. on 19 April 2016, is set out at the end of this document. The accompanying Form of Proxy for use in connection with the General Meeting should be completed by Shareholders and returned as soon as possible but, in any event, so as to be received by the Registrars at Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF no later than 10.00 a.m. on 15 April 2016 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting). The completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.**

Cenkos Securities plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company and for no one else in connection with the Placing. Persons receiving this document should note that Cenkos Securities plc will not be responsible to anyone other than the Company for providing the protections afforded

to customers of Cenkos Securities plc or for advising any other person on the arrangements described in this document. Cenkos Securities plc has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Cenkos Securities plc for the accuracy of any information or opinions contained in this document or for the omission of any information. Cenkos Securities plc, as nominated adviser and broker to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company or the Directors.

The Placing Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan. Accordingly, subject to certain exceptions, the Placing Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan. Shareholders who are residents or citizens of any country other than the United Kingdom and any person (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

In accordance with the AIM Rules, this document will be available on the Company's website ([www.medaphor.com](http://www.medaphor.com)) from the date of this document, free of charge. Copies of this document will also be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of MedaPhor being Suite 4, Cardiff Medicentre, Heath Park, Cardiff CF14 4UJ for a period of one month from the date of this document.

## **FORWARD LOOKING STATEMENTS**

This document includes "forward-looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or "similar" expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

## DIRECTORS AND ADVISERS

<b>Directors</b>	Riccardo Pigliucci <i>Non-Executive Chairman</i> Stuart Gall <i>Chief Executive Officer</i> Nicholas Sleep <i>Chief Technology Officer</i> Wilson Jennings <i>Finance Director</i> Professor Nazar Amso <i>Non-Executive Medical Director</i> David Baynes <i>Non-Executive Director</i> Professor Nick Avis <i>Non-Executive Director</i>
<b>Company Secretary</b>	Wilson Jennings
<b>Registered Office</b>	Cardiff Medicentre Heath Park Cardiff CF14 4UJ
<b>Nominated Adviser and Broker</b>	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS
<b>Solicitors to the Company</b>	Memery Crystal LLP 44 Southampton Buildings London WC2A 1AP
<b>Solicitors to the Nominated Adviser and Broker</b>	Howard Kennedy LLP No. 1 London Bridge London SE1 9BG
<b>Registrars</b>	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

## PLACING STATISTICS

Placing Price	45p
Number of Existing Ordinary Shares	20,136,300
Number of Firm Placing Shares to be issued pursuant to the Firm Placing	714,000
Number of Ordinary Shares in issue immediately following admission of the Firm Placing Shares	20,850,300
Number of Conditional Placing Shares to be issued pursuant to the Conditional Placing	6,397,112
Total number of new Ordinary Shares to be issued pursuant to the Placing, being both the Firm Placing and the Conditional Placing	7,111,112
Number of Ordinary Shares in issue immediately following Admission of the Firm Placing Shares and the Conditional Placing Shares	27,247,412
Percentage of the Enlarged Share Capital represented by the Placing Shares	26.1%
Gross proceeds of the Placing	Approximately £3.2 million
Estimated net proceeds of the Placing	£3.0 million

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

This document posted to Shareholders	1 April 2016
Admission and dealings in the Firm Placing Shares expected to commence on AIM	4 April 2016
Expected date for CREST accounts to be credited for Firm Placing Shares to be held in uncertified form	4 April 2016
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 15 April 2016
General Meeting	19 April 2016
Admission and dealings in the Conditional Placing Shares expected to commence on AIM	20 April 2016
Expected date for CREST accounts to be credited for Conditional Placing Shares to be held in uncertified form	20 April 2016
Despatch of definitive share certificates in respect of the Conditional Placing Shares to be held in certificated form, if applicable	By 4 May 2016

**Notes:**

1. Each of the times and dates above are indicative only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable in relation to the Conditional Placing are conditional on the passing at the General Meeting of the Resolutions.

# Letter from the Chairman of MedaPhor Group plc

(Incorporated in England and Wales with registered no. 09028611)

Directors:

**Riccardo Pigliucci** – Non-Executive Chairman  
**Stuart Gall** – Chief Executive Officer  
**Nicholas Sleep** – Chief Technology Officer  
**Wilson Jennings** – Finance Director  
**Professor Nazar Amso** – Non-Executive Medical Director  
**David Baynes** – Non-Executive Director  
**Professor Nick Avis** – Non-Executive Director

Registered office:

Cardiff Medicentre  
Heath Park  
Cardiff  
CF14 4UJ

1 April 2016

To Shareholders

## Placing of 7,111,112 new Ordinary Shares at 45 pence per share and Notice of General Meeting

### Introduction

The Company has today announced the terms of a placing by Cenkos, acting as the Company's Nominated Adviser and Broker, to raise £3.2 million by the issue and allotment by the Company of 7,111,112 new Ordinary Shares at the Placing Price of 45 pence per share.

A total of £0.3 million, representing the issue of 714,000 new Ordinary Shares, has been raised, by way of the Firm Placing, utilising the Company's existing share authorities put in place at the Company's annual general meeting held on 6 May 2015. The balance of the Placing, being £2.9 million, will be raised by way of the Conditional Placing, representing the issue of 6,397,112 new Ordinary Shares.

The Firm Placing is conditional only upon compliance by the Company in all material respects of its obligations under the Placing Agreement and admission of the Firm Placing Shares to trading on AIM. The Conditional Placing is conditional, *inter alia*, upon Shareholders approving the Resolutions at the General Meeting, compliance by the Company in all material respects of its obligations under the Placing Agreement and admission of the Conditional Placing Shares to trading on AIM. The Resolutions are contained in the Notice of General Meeting at the end of this document.

The purpose of this document is to explain the background to and reasons for the Placing, why the Directors are seeking authority from Shareholders to issue the Conditional Placing Shares for cash on a non pre-emptive basis and to recommend that you vote in favour of the Resolutions.

### Summary of MedaPhor Group plc

MedaPhor is a global provider of advanced ultrasound education and training simulators for medical professionals. Ultrasound is one of the fastest growing medical diagnostic tools and with the decreasing availability of experts to provide training, there is a growing unmet training demand. MedaPhor has developed advanced ultrasound simulation platforms which save time, money and resources for hospitals and training centres.

MedaPhor's main product is the ScanTrainer ultrasound simulator training platform. The ScanTrainer simulator assists students, doctors and sonographers to acquire ultrasound scanning skills, with minimal expert supervision and without the need for a patient to practise on. The platform is designed to facilitate both structured learning and skills based examinations, in which integrated metrics provide detailed real-time performance assessment and feedback.

To date, the Company has sold over 200 ScanTrainer simulators which are currently installed in hospitals and universities around the world. Sales are made directly to customers in the UK and US and predominantly through reseller partners across the rest of the world. ScanTrainer is now available in seven languages, opening up leading medical diagnostic markets in Asia, Europe, Africa and South America.

The Company also offers a subscription cloud service, which allows customers to upload and publish their own patient scans and share these with other users within their organisation or around

the world. In addition, subscribers are also offered access to Cloud Case Library which offers flexible cloud-access to a growing library of over 200 normal and abnormal cases created using real patient scans.

### **Background and Reasons for the Placing**

On 1 March 2016, the Company announced that it had signed a three year agreement with the American Board of Obstetrics and Gynecology (“ABOG”) for the planned use of ScanTrainer as the ABOG’s ultrasound skills examination simulator within its obstetrics and gynaecology certification exams.

The ABOG is the official body for certifying obstetricians and gynaecologists in the United States and conducts nearly 2,000 certification examinations per annum. Over 200 hospitals in the US run obstetrics and gynaecology residency programmes and the Directors believe these training hospitals will be key targets for ScanTrainer simulator systems.

The net proceeds of the Placing will allow the Company to invest in further development work required for ABOG and the sales and support infrastructure required to unlock the revenue potential of the ABOG contract. The Company will also use the net Placing proceeds to fund the continued growth of the existing business, including further development of its ScanTrainer simulation platforms and cloud based services, to improve Rest of World sales support and to provide general working capital.

The Directors believe that the net Placing proceeds will fund the Company through to profitability in the financial year ending 31 December 2017.

### **Current Trading and Outlook**

Current trading and cash flow is in line with management’s expectations, which gives the Directors confidence for the current year and beyond.

### **Placing**

Subject to the satisfaction of the conditions under the Firm Placing and the conditions under the Conditional Placing including, *inter alia*, the passing of the Resolutions, the Company will issue in total 7,111,112 new Ordinary Shares raising approximately £3.2 million, before expenses, and £3.0 million, after the expenses of the Placing (which are estimated to be £0.2 million (excluding VAT) in total). The Placing Shares have been conditionally placed by Cenkos, as agent for the Company, with institutional and other investors.

Application has been made for the Firm Placing Shares to be admitted to trading on AIM, with dealings expected to commence on 4 April 2016. In due course application will be made for the Conditional Placing Shares to be admitted to trading on AIM and, on the assumption that, amongst other things, the Resolutions are passed, dealings are expected to commence on 20 April 2016.

The Firm Placing is conditional, amongst other things, upon:

- i) Compliance by the Company in all material respects of its obligations under the Placing Agreement; and
- ii) Admission of the Firm Placing Shares to trading on AIM becoming effective by not later than 8.00 a.m. on 4 April 2016.

The Conditional Placing is conditional, amongst other things, upon:

- i) The Resolutions to be proposed at the General Meeting being passed without amendment;
- ii) Compliance by the Company in all material respects of its obligations under the Placing Agreement; and
- iii) Admission of the Conditional Placing Shares to trading on AIM becoming effective by not later than 8.00 a.m. on 30 June 2016.

The Placing Shares issued pursuant to the Placing will represent approximately 26.1 per cent. of the Enlarged Share Capital. The Placing Shares will, following Admission, rank in full for all dividends and distributions declared, made or paid in respect of the issued Ordinary Share capital of the Company after the date of their issue and will otherwise rank *pari passu* in all other respects with the Existing Ordinary Shares. The Placing Price represents a discount to the closing mid-market price of 9.1 per cent. per Ordinary Share as at 31 March 2016 (being the latest practicable date prior to the date of this document).

Pursuant to the Placing Agreement, Cenkos, as agent for the Company, has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. The Placing is not underwritten.

### **Irrevocable Undertakings**

The Company has obtained irrevocable undertakings from each of the IP Group entities, Finance Wales Investments (5) Limited, Finance Wales Investments (6) Limited and each of the Directors who hold Ordinary Shares to vote in favour of the Resolutions in respect of the Existing Ordinary Shares held by them which represent, in aggregate, approximately 78.5 per cent. of the Company's current issued share capital.

### **Lock-Ins and Orderly Market Agreements**

IP Group plc, Finance Wales Investments (5) Limited and Finance Wales Investments (6) Limited have undertaken to the Company and Cenkos that they will not (without the prior written consent of the Company or Cenkos) dispose of any interest in Existing Ordinary Shares or Placing Shares for the period of 12 months following Admission, except in certain limited circumstances. In addition, IP Group plc, Finance Wales Investments (5) Limited and Finance Wales Investments (6) Limited have undertaken to the Company and Cenkos that they will not (without the prior written consent of the Company or Cenkos) dispose of any interest in Existing Ordinary Shares or Placing Shares for the period of 12 months following the first anniversary of Admission other than through Cenkos, who shall arrange such disposal within 5 business days or the relevant party will otherwise be free to make such disposal.

The lock-in undertakings have been given in respect of 14,142,000 Ordinary Shares (respectively 70.2 per cent. of the Enlarged Share Capital).

### **Related parties' participation in the Placing**

IP Group, across its various entities, has agreed to subscribe for 2,221,162 Placing Shares pursuant to the Placing. IP Group is a "related party" (as defined by the AIM Rules) of the Company by virtue of being an existing substantial shareholder in the Company. David Baynes, a non-executive director of the Company, is also a director of, and therefore holds an indirect interest in, IP Group plc. Prior to this subscription of Placing Shares, IP Group held (and consequently Mr Baynes is deemed to have an indirect interest in) 9,500,000 Ordinary Shares representing 47.18 per cent. of the current issued Ordinary Share capital. Immediately following Admission, it is expected that IP Group will hold (and consequently Mr Baynes will be deemed to have an indirect interest in) 11,721,162 Ordinary Shares representing 43.0 per cent. of the Enlarged Share Capital.

The Directors, save for David Baynes, consider, having consulted with Cenkos, the Company's Nominated Adviser for the purposes of the AIM Rules, that the terms of the related party subscription(s) are fair and reasonable insofar as the shareholders of the Company are concerned.

### **The City Code**

On Admission, IP Group (and, therefore, a person who is deemed to be acting in concert with IP Group for the purposes of Rule 9 of the City Code), will, across its various entities, hold an aggregate of 11,721,162 Ordinary Shares, representing approximately 43.0 per cent. of the Enlarged Share Capital. As the overall percentage interest of IP Group in the Company has been reduced following the Placing, no requirement to make an offer is triggered under Rule 9 of the Code. Any subsequent acquisition of Ordinary Shares by any of the IP Group entities (or anyone who is deemed to be acting in concert with them) may, however, result in a requirement for them to make a general offer for the remaining equity shares of the Company in accordance with Rule 9 of the City Code.

### **Placing Agreement**

Pursuant to the Placing Agreement, Cenkos has agreed to use its reasonable endeavours as agent for the Company to procure subscribers for the Placing Shares at the Placing Price. The Placing Agreement provides, *inter alia*, for payment by the Company to Cenkos of a corporate finance fee and commissions based on certain percentages related to the number of Placing Shares placed by Cenkos multiplied by the Placing Price. The Company will bear all other expenses of and incidental to the Placing.

The Placing Agreement contains certain warranties and indemnities from the Company in favour of Cenkos and is conditional *inter alia* on:

- (a) Shareholder approval of the Resolutions at the General Meeting;
- (b) the Placing Agreement having become unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and
- (c) Admission of the Conditional Placing Shares becoming effective no later than 8 am on 20 April 2016 or such later time and/or date as the Company and Cenkos may agree being no later than 30 June 2016.

Cenkos may terminate the Placing Agreement in certain circumstances including for force majeure events.

### **General Meeting**

A notice is set out at the end of this document convening the General Meeting to be held at MedaPhor Group plc, Cardiff Medicentre, Heath Park, Cardiff, CF14 4UJ, at 10.00 a.m. on 19 April 2016 at which the following Resolutions will be proposed:

- (A) Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors to allot relevant securities up to an aggregate nominal value of £63,971.12;
- (B) Resolution 2, which will be proposed as a special resolution and which is subject to the passing of Resolution 1, disapplies statutory pre-emption rights, provided that such authority shall be limited to, *inter alia*, the allotment of 6,397,112 equity securities.

These Resolutions are in addition to the authorities granted to Directors at the last AGM. Resolution 1 authorises the allotment of such number of new Ordinary Shares as are necessary for the Conditional Placing. Consequently, Resolution 2 authorises the disapplication of statutory pre-emption rights in respect of such number of new Ordinary Shares as are necessary for the Conditional Placing.

### **Action to be taken**

Please check that you have received a Form of Proxy for use in relation to the General Meeting with this document:

**Whether or not you intend to be present in person at the General Meeting, you are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon so as to be received, by post or, during normal business hours only, by hand to Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, as soon as possible but in any event so as to arrive by not later than 10.00 a.m. on 15 April 2016 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a business day)).**

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting in the event of your absence. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so.

### **Recommendation**

**The Directors consider the Placing to be in the best interests of the Company and the Shareholders as a whole and, accordingly, unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do in respect of their own beneficial holdings amounting, in aggregate, to 1,674,000 Existing Ordinary Shares, representing approximately 8.3 per cent. of the Existing Ordinary Shares.**

Yours faithfully

**Riccardo Pigliucci**

Non-Executive Chairman



## DEFINITIONS

The following words and expressions shall have the following meanings in this document unless the context otherwise requires:

“ABOG”	the American Board of Obstetrics and Gynecology
“Admission”	the admission to trading on AIM of the Placing Shares becoming effective in accordance with Rule 6 of the AIM Rules
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the rules for AIM companies as published by the London Stock Exchange from time to time
“Board” or “Directors”	the directors of the Company
“Cenkos”	Cenkos Securities plc (company number: 05210733) whose registered office is at 6.7.8 Tokenhouse Yard, London EC2R 7AS
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST)
“Code”	The City Code on Takeovers and Mergers;
“Company” or “MedaPhor” or “Group”	MedaPhor Group plc, a company registered in England and Wales with registered number 09028611
“Conditional Placing”	the proposed placing by Cenkos on behalf of the Company of the Conditional Placing Shares pursuant to the terms of the Placing Agreement
“Conditional Placing Shares”	up to 6,397,112 new Ordinary Shares conditionally placed at the Placing Price pursuant to the Conditional Placing on the terms of the Placing Agreement and the allotment of which is conditional upon, amongst other things, the passing of the Resolutions at the General Meeting and admission to trading on AIM
“CREST”	the computerised settlement system to facilitate transfer of title to or interests in securities in uncertificated form operated by Euroclear UK & Ireland Limited
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST Rules, CCSS Operations Manual, Daily Time, CREST Applications Procedures and CREST Glossary of Terms promulgated by Euroclear UK & Ireland Limited on 15 July 1996 (and as amended since)
“CREST Proxy Instruction”	the appropriate CREST message which creates a proxy appointment
“Enlarged Share Capital”	the entire issued ordinary share capital of the Company immediately following the Placing
“Existing Ordinary Shares”	20,136,300 Ordinary Shares currently in issue at the date of this document
“General Meeting”	the general meeting of the Company, notice of which is set out at the end of this document, and any adjournment thereof
“Firm Placing”	the proposed placing by Cenkos on behalf of the Company of the Firm Placing Shares pursuant to the terms of the Placing Agreement
“Firm Placing Shares”	the 714,000 Ordinary Shares to be issued pursuant to the Firm Placing
“Form of Proxy”	the form of proxy for use at the General Meeting which accompanies this document
“Group”	the Company and its subsidiary undertakings
“IP Group”	together, IP2IPO Limited, Fusion IP Cardiff Limited and IP Venture Fund II LP

“London Stock Exchange”	London Stock Exchange plc
“Notice of General Meeting”	the notice of the General Meeting, which is set out at the end of this document
“Ordinary Shares”	ordinary shares of 1 pence each in the share capital of the Company
“Placing”	the Firm Placing and the Conditional Placing
“Placing Agreement”	the conditional agreement dated 31 March 2016 between the Company and Cenkos relating to the Placing
“Placing Price”	45 pence per Placing Share
“Placing Shares”	7,111,112 new Ordinary Shares to be issued by the Company pursuant to the Placing
“Registrars”	Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting
“Shareholder(s)”	holder(s) of Ordinary Shares
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “in uncertificated form”	a share or security recorded in the Company’s register of members as being held in uncertificated form, title to which may be transferred by means of CREST
“US” or “United States”	the United States of America

# MEDAPHOR GROUP PLC

*(Incorporated and registered in England and Wales with company number 09028611)*

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the general meeting of Medaphor Group Plc (the “**Company**”) will be held at the office of MedaPhor Group plc, Cardiff Medicentre, Heath Park, Cardiff, CF14 4UJ at 10.00 a.m on 19 April 2016 to consider, and if thought fit pass, the following resolutions of which resolution 1 will be proposed as an ordinary resolution and resolution 2 as a special resolution.

For the purposes of these Resolutions capitalised terms shall (unless the context requires otherwise) have the same meanings ascribed to them in the circular from the Company to the Shareholders dated 1 April 2016 (the “**Circular**”).

### ORDINARY RESOLUTION

1. **THAT**, in addition to all other powers granted to the directors of the Company (the “**Directors**”) at the Company’s Annual General Meeting on 6 May 2015, in accordance with section 551 of the Companies Act 2006 (the “**Act**”), the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £63,971.12 (being equal to 6,397,112 Ordinary Shares) pursuant to the Conditional Placing, provided that this authority will expire at whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2016, or the date falling 3 months from the date of the passing of this resolution (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this Resolution had not expired.

### SPECIAL RESOLUTION

2. **THAT**, in addition to all other powers granted to the directors of the Company (the “**Directors**”) at the Company’s Annual General Meeting on 6 May 2015, subject to and conditional upon the passing of Resolution 1, in accordance with section 570 of the Act, the Directors be empowered to allot equity securities for cash (within the meaning of section 560 of the Act) pursuant to the authority conferred by Resolution 1 above, as if section 561 of the Act did not apply to any such allotment, provided that this power shall:
  - be limited to the allotment of equity securities pursuant to the Conditional Placing up to an aggregate nominal value of £63,971.12 (being equal to 6,397,112 Ordinary Shares); and
  - expire at whichever is the earlier of the conclusion of the annual general meeting of the Company to be held in 2016 or the date falling 3 months from the date of passing this resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if such power had not expired.

*Registered Office*

The Cardiff Medicentre  
Heath Park  
CF14 4UJ

Dated: 31 March 2016

**Wilson Jennings**  
Company Secretary  
**Medaphor Group Plc**

**Notes:**

1. Pursuant to Regulation 41(3) of the Uncertificated Securities Regulations 2001/3755, the Company specifies that only those members registered on the Company's register of members at 6.00 p.m. on 15 April 2016 shall be entitled to attend and vote at the General 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's registrars 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 Capita Asset Services, PXS1 The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF; and
  - (c) received by them no later than 10.00 a.m. on 15 April 2016.
6. 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.
7. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
8. 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).
9. 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 20,136,300 ordinary shares of 1p each. 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 20,136,300.