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FOR IMMEDIATE RELEASE

7 August 2013



SOURCE BIOSCIENCE PLC ("SOURCE BIOSCIENCE")

RECOMMENDED CASH OFFER

for

VINDON HEALTHCARE PLC ("VINDON ")

Introduction

The Boards of Source BioScience and Vindon are pleased to announce that they have reached agreement on the terms of a recommended offer, to be made for the entire issued and to be issued share capital of Vindon not already owned by Source BioScience for cash consideration of approximately £12.2 million (the "Offer").

Source BioScience currently owns 150,000 Vindon Shares and has received irrevocable undertakings to accept the Offer from Vindon Shareholders owning, in aggregate, a further 58.67% of Vindon's entire issued share capital.

Defined terms used in this announcement have the meanings set out in Appendix IV to this announcement.

The Offer

- All cash offer for the entire issued and to be issued share capital of Vindon not already owned by Source BioScience, at a price of 13.7 pence per Vindon Share.
- The Offer values the entire issued and to be issued share capital of Vindon at approximately £12.2 million, based on the total number of 88,850,000 Vindon Shares in issue as at the date of this announcement.
- The Offer Price represents:
 - a premium of 44.2 per cent. to the Closing Price of 9.5 pence as at the close of business on 15 July 2013, being the last Business Day before the announcement of the Possible Offer; a premium of 38.1 per cent. to the average Closing Price of 9.9 pence for the three months ended on 15 July 2013, being the last Business Day before the announcement of the Possible Offer; and a premium of 34.7 per cent. to the average Closing Price of 10.2 pence for the six months ended on 15 July 2013, being the last Business Day before the announcement of the Possible Offer; and

- a premium of 7.5 per cent. to the Closing Price of 12.8 pence on 6 August 2013, being the last Business Day before the date of this announcement; a premium of 29.9 per cent. to the average Closing Price of 10.5 pence for the three months ended on 6 August 2013, being the last Business Day before the date of this announcement; and a premium of 32.2 per cent. to the average Closing Price of 10.4 pence for the six months ended on 6 August 2013, being the last Business Day before the date of this announcement
- Source BioScience has obtained from:
 - the Independent Vindon Directors, irrevocable undertakings to accept the Offer amounting in aggregate to 8.05 per cent. of Vindon’s entire issued share capital;
 - Richard Hughes and Martin Burrill, as Vindon Shareholders, irrevocable undertakings to accept the Offer amounting in aggregate to a further 17.45 per cent. of Vindon’s entire issued share capital; and
 - certain other Vindon Shareholders, irrevocable undertakings to accept the Offer amounting in aggregate to a further 33.18 per cent. of Vindon’s entire issued share capital.
- All of the irrevocable undertakings from the Vindon Directors will remain binding in the event of a competing offer being made for Vindon and will cease to be binding only if the Offer lapses or is withdrawn.
- Save as set out in Appendix III, the irrevocable undertakings from certain other Vindon Shareholders will remain binding in the same circumstances as the irrevocable undertakings from the Vindon Directors. In aggregate, the Offer therefore enjoys the support of Vindon Shareholders representing 58.67 per cent. of Vindon’s entire issued share capital.
- It is proposed that Liam Ferguson will join the Source Bioscience Board as a non-executive director, and the remaining members of the Vindon Board will become employees of the Enlarged Group with the exception of Vindon non-executive directors Richard Hughes and Martin Burrill, who are stepping down.
- The cash consideration payable under the Offer is being financed by a combination of a draw down under the New Debt Facility which has been arranged with Source BioScience’s relationship bank and a substantial proportion of the proceeds of the Firm Placing.

The Offer Document setting out further details of the Offer and the procedures to be followed in connection with the acceptance of the Offer will be posted to Vindon Shareholders today.

Recommendation

- The Independent Vindon Directors, who have been so advised by Diagnostic Capital, consider the terms of the Offer to be fair and reasonable in so far as the Vindon Shareholders are concerned.
- Accordingly, the Independent Vindon Directors have unanimously recommended that Vindon Shareholders accept the Offer, as the Independent Vindon Directors have irrevocably undertaken to do in respect of their entire beneficial holdings comprising, in aggregate, 7,150,000 Vindon Shares, representing approximately of 8.05 per cent of Vindon’s entire issued share capital.

The terms of the Offer have been recommended by the Independent Vindon Directors. The Vindon Board has determined that Richard Hughes and Martin Burrill are not independent directors for the purposes of considering and recommending the Offer by virtue of being directors of Zeus Capital.

Rationale for the Offer

The anticipated benefits of the proposed acquisition of Vindon can be summarised as follows:

- **Geographic expansion into the United States:** Vindon has US-based facilities and an operational infrastructure which Source BioScience would be able to utilise to extend its LifeSciences (including DNA sequencing) and Healthcare diagnostic activities into North America.
- **Extension of international reach for products:** Source BioScience envisages operating a network of -80°C temperature storage facilities in key satellite locations to aid distribution of its portfolio of over 20 million antibodies and clones.
- **Expansion of the product and service offering:** the resulting additional breadth from combining Source BioScience's service expertise, particularly in diagnostic testing and genetic analysis, and Vindon's existing services will provide its customers with the ability to buy a greater range of products and services from a single supplier.
- **Environmentally controlled storage expertise:** Vindon's international storage expertise will bring immediate benefits to Source BioScience, to the advantage of the Enlarged Group.
- **Significant cross selling opportunities:** for the provision of analysis, testing and storage solutions to each company's existing client base, with the potential to reduce clients' risks and costs by reducing the need to move samples between storage sites and testing locations.
- **Financially beneficial to the Enlarged Group:** the acquisition of Vindon would be expected to result in accretion to the Enlarged Group's earnings per share and potentially create EBITDA¹ margin enhancement in the first full year of ownership (FYE December 2014)².

¹ Earnings before interest, tax, depreciation and amortisation

² This should not be construed as a profit forecast or interpreted to mean that the future earnings per share, profits, margins or cashflows of the Enlarged Group will necessarily be greater than the historic published figures.

Nick Ash, CEO of Source BioScience commented:

"The potential combination of Source BioScience and Vindon Healthcare brings a multitude of benefits to both companies; from extended geographic reach and in-house expertise, to a broader offering of products and services for our customers. As an enlarged group, there will be financial benefits and the opportunity to accelerate our growth. Having the support of the Vindon Board for this transaction has been crucial to Source BioScience making this offer, and we look forward to informing our shareholders of further progress."

Liam Ferguson, Chairman of Vindon added:

"There are true synergistic benefits in bringing together Vindon and Source BioScience and this is an attractive opportunity for our shareholders, management and staff. With Source BioScience's expertise in testing and diagnostics, and its world leading DNA clone library, Vindon can broaden its offering to its customer base. In return, our US facilities and environment storage expertise can support Source BioScience's activities and further expansion. I recommend this Offer to our shareholders."

This summary should be read in conjunction with and is subject to, the full text of this announcement and the Appendices. The Offer will be made subject to the Conditions and certain further terms set out in Appendix I and those set out in the Offer Document and (in respect of Vindon Shares held in certificated form) in the Form of Acceptance.

Enquiries

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About Source BioScience

Source BioScience (LSE: Source BioScience) is an international diagnostics and genetic analysis business serving the healthcare and research markets. The LifeSciences division provides core laboratory research support from conceptualisation to implementation, calling upon a wide range of cutting-edge technology platforms including the world's largest online catalogue of biomolecular tools. The Source BioScience Group is a trusted provider of a complete range of sophisticated microarray, next generation and conventional sequencing services. GLP, GCP and CPA accreditations make the sequencing offerings very attractive for applications in regulatory studies or clinical settings. The Healthcare operations provide screening and reference laboratory diagnostic testing for cancer and other diseases and additional predictive testing for treatment optimisation for clinicians and patients. The Group has its headquarters in Nottingham, UK. For more information, see www.sourcebioscience.com.

About Vindon:

Vindon (LSE: VDN) along with its subsidiaries, is engaged in the manufacture of environmental control products for the pharmaceutical industry, life sciences and food sectors together with the provision of related services. Vindon provides products and services for the management of temperature, humidity and light, where controlled storage is required. Its product range includes controlled environment rooms and storage chambers, blood bank storage units and plant growth chambers. Vindon also offers controlled environment storage facilities for its clients at its sites in the UK and Ireland and the US (Atlanta and Southern California). For more information, see www.vindonhealthcare.com.

Appendix I to this announcement sets out the conditions to which the Offer will be subject and certain further terms of the Offer.

Appendix II to this announcement sets out the bases and sources of information from which the financial calculations used in this announcement have been derived.

Appendix III to this announcement contains particulars of the irrevocable undertakings received by Source BioScience.

Appendix IV to this announcement contains particulars of the payments in respect of the termination of certain Vindon Directors appointments.

Appendix V to this announcement contains the definitions of terms used in this announcement (including this summary).

Further Information

N+1 Singer, which is authorised and regulated in the UK by the FCA, is acting as exclusively as sponsor, financial adviser and broker to Source BioScience in connection with the contents of this announcement and the Offer and no one else and will not be responsible to anyone other than Source BioScience for providing the protections afforded to clients of N+1 Singer nor for providing advice in relation to the Offer or any other matter referred to in this announcement.

Diagnostic Capital, which is authorised and regulated in the UK by the FCA, is acting exclusively as Rule 3 adviser to Vindon in connection with the contents of this announcement and the Offer and no one else and will not be responsible to anyone other than Vindon for providing the protections afforded to clients of Diagnostic Capital nor for providing advice in relation to the Offer or any other matter referred to in this announcement.

Zeus Capital, which is authorised and regulated in the UK by the FCA, is acting exclusively as financial adviser to Vindon in connection with the contents of this announcement and the Offer and no one else and will not be responsible to anyone other than Vindon for providing the protections afforded to clients of Zeus Capital nor for providing advice in relation to the Offer or any other matter referred to in this announcement.

This announcement is not intended to, and does not, constitute, or form part of, an offer or solicitation of any offer to sell or an invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of an offer to buy any securities, pursuant to the Offer or otherwise. The Offer will be made solely by the Offer Document and, in respect of Vindon Shares held in certificated form, the Form of Acceptance, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. Any acceptance or other response to the Offer should be made on the basis of the information in the Offer Document and the Form of Acceptance. Vindon Shareholders are advised to read carefully the formal documentation in relation to the Offer once it has been despatched.

Overseas shareholders

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any

jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. This announcement has been prepared in accordance with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of jurisdictions outside England.

The availability of the Offer to persons who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located. The Offer will not be made, directly or indirectly, in or into any jurisdiction where to do so would constitute a breach of securities laws in that jurisdiction, and the Offer will not be capable of acceptance from or within any such jurisdiction. Accordingly, copies of this announcement are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would constitute a breach of securities laws in that jurisdiction, and persons receiving this announcement (including custodians, nominees and trustees) must not mail or otherwise distribute or send it in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Offer.

This announcement is not an offer of securities for sale in the United States, Australia, Canada or Japan or in any other jurisdiction in which such an offer is unlawful.

Forward-looking statements

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Source BioScience and Vindon and their respective subsidiaries and certain plans and objectives of the Source BioScience Directors and the Vindon Directors with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words of similar meaning. These statements are based on assumptions and assessments made by the Source BioScience Directors and the Vindon Directors in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this announcement could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although the Source BioScience Directors and the Vindon Directors believe that the expectations reflected in such forward-looking statements are reasonable, neither Source BioScience nor Vindon can give any assurance that such expectations will prove to have been correct and assume no obligation to update or correct the information contained in this announcement (except to the extent legally required) and Source BioScience and Vindon therefore caution you not to place undue reliance on these forward-looking statements which speak only as at the date of this announcement.

Nothing in this announcement is intended to be a profit forecast and the statements in this announcement should not be interpreted to mean that the earnings per Source BioScience Share, or that the profits, margins or cashflows of the Source BioScience group for the current or future financial periods will necessarily be greater than those for the relevant preceding financial period.

Dealing disclosure requirements of the City Code

Under Rule 8.3(a) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the

announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

Rule 2.10 Disclosure

In accordance with Rule 2.10 of the City Code, Vindon has confirmed that it has 88,850,000 ordinary shares of one pence each in issue and admitted to trading on AIM, a market operated by the London Stock Exchange under the UK ISIN Code GB00B06N4S86.

Publication on website

In accordance with Rule 30.4 of the City Code, a copy of this announcement will be made available free of charge, subject to certain restrictions relating to persons resident in restricted jurisdictions, on Source BioScience's website at www.sourcebioscience.com and Vindon's website at www.vindonhealthcare.com by no later than 12:00 p.m. (London time) on 8 August 2013 (being the Business Day following the date of this announcement). For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this announcement.

Documents in hard copy form

Any person entitled to receive a copy of documents, announcements and information relating to the Offer is entitled to receive such documents in hard copy form. Such person may request that all future documents, announcements and information in relation to the Offer are sent to them in hard copy form.

Copies of this announcement and all future documents, announcements and information required to be sent to persons in relation to the Offer may be requested from Equiniti by way of written request to Equiniti, Aspect House, Spencer Road, Lancing West Sussex BN99 6DA or by calling Equiniti on telephone number 0871 384 2468 (from within the UK) or +44 121 415 0107 (from outside the UK) between 9.00 a.m. and 5.00 p.m., Monday to Friday (excluding public holidays).

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7 August 2013



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RECOMMENDED CASH OFFER

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VINDON HEALTHCARE PLC ("VINDON ")

1 Introduction

The Boards of Source BioScience and Vindon are pleased to announce that they have reached agreement on the terms of a recommended offer, to be made by Source BioScience for the entire issued and to be issued ordinary share capital of Vindon not already owned by Source BioScience for cash consideration of approximately £12.2 million.

2 The Offer

The Offer, which will be subject to the Conditions and further terms set out in Appendix I to this announcement and those to be set out in the Offer Document and (in respect of Vindon Shares held in certificated form) the Form of Acceptance, will be made on the following basis:

for each Vindon Share 13.7 pence in cash

this values the entire issued and to be issued share capital of Vindon at approximately £12.2 million, based on the total number of 88,850,000 Vindon Shares in issue as at the date of this announcement.

The Offer Price represents:

- a premium of 44.2 per cent. to the Closing Price of 9.5 pence as at the close of business on 15 July 2013, being the last Business Day before the announcement of the Possible Offer; a premium of 37.9 per cent. to the average Closing Price of 9.9 pence for the three months ended on 15 July 2013, being the last Business Day before the announcement of the Possible Offer; and a premium of 34.7 per cent. to the average Closing Price of 10.2 pence for the six months ended on 15 July 2013, being the last Business Day before the announcement of the Possible Offer; and
- a premium of 7.5 per cent. to the Closing Price of 12.8 pence on 6 August 2013, being the last Business Day before the date of this announcement; a premium of 29.9 per cent. to the average Closing Price of 10.5 pence for the three months ended on 6 August 2013, being the last Business Day before the date of this announcement; and a premium of 32.2 per cent. to the average Closing Price of 10.4 pence for the six months ended on 6 August 2013, being the last Business Day before the date of this announcement.

Source BioScience has today sent to its shareholders an explanatory prospectus also comprising a class 1 circular summarising the background to and reasons for the Offer. The prospectus will include a notice convening the Source BioScience GM.

The Offer will be conditional on, amongst other things, the approval of Source BioScience Shareholders. The Source BioScience Directors unanimously recommend that the Source BioScience Shareholders vote in favour of the Source BioScience Resolutions at the Source BioScience GM.

3 Recommendation

The Independent Vindon Directors believe that Source BioScience provides an excellent strategic fit with Vindon and the Offer will provide a number of commercial, operational and financial opportunities which will benefit both its clients and employees.

Source BioScience's service expertise, particularly diagnostic testing and genetic analysis services, adds breadth and depth to Vindon's existing services. This will enable Vindon's storage service customers access to Source BioScience's tissue and gene-based analysis testing services and technologies. Vindon's offering would also complement Source BioScience's existing products and services portfolio and enhance the combined customer base and geographical reach of both Vindon and Source BioScience.

The Independent Vindon Directors believe that:

- significant cross selling opportunities are likely to arise from each of Vindon and Source BioScience selling its respective services to the other's customer base;
- the support and backing available as part of the Enlarged Group, together with the potential for greater availability of funding, will mean that Vindon is better placed to continue to grow its client base; and
- the acquisition by Source BioScience will provide additional opportunities and attractive career prospects for Vindon's employees as a result of being part of a larger, more profitable Enlarged Group.

Vindon already enjoys a strong position in the UK and Irish markets in the provision of environmentally controlled storage services and consequently the growth of the business is now reliant upon the expansion into overseas markets and the development of new product lines. Although Vindon has invested overseas in line with its business strategy, it is not without risk.

Furthermore, the Independent Vindon Directors believe that the terms of the Offer, entitling Vindon Shareholders to receive 13.7 pence in cash for each Vindon Share, is attractive and represents a significant (44 per cent.) premium to the Closing Price on the last Business Day prior to the commencement of the Offer Period and provides an opportunity to realise the whole of their investment in cash, without dealing costs, at a value which they might not otherwise obtain in the short to medium term.

Therefore, the Independent Vindon Directors, having been so advised by Diagnostic Capital, consider the terms of the Offer to be fair and reasonable and in the best interests of Vindon Shareholders as a whole. Accordingly, the Vindon Directors unanimously recommend that the Vindon Shareholders accept the Offer.

4 Background to, and reasons, for the Offer

The Source BioScience Board believes Vindon represents a significant opportunity in the context of Source BioScience's growth and stated acquisition strategy, as it meets a number of the Source BioScience Group's acquisition criteria.

The Source BioScience Board considers Vindon to be an excellent strategic fit with Source BioScience and believes that the proposed acquisition of Vindon will provide a number of commercial, operational and financial benefits which are expected to create value for Shareholders. The anticipated benefits are as follows:

- **Geographic expansion in the United States:** Vindon has US-based facilities and operational infrastructure. This would enable Source BioScience to extend its LifeSciences and Healthcare

Diagnostic activities into North America, on both the East and the West coast, to address a substantial market for its products and services, with Vindon's established infrastructure providing a significantly de-risked market entry. In particular, Source BioScience anticipates being able to launch its DNA sequencing services promptly in these new locations following completion of the acquisition of Vindon;

- **Extension of international reach for Source BioScience products:** Vindon's environmentally controlled storage solutions and expertise will also allow Source BioScience to further internationalise its products business, particularly with respect to clone products. Source BioScience envisages operating a network of -80°C temperature storage facilities in key satellite locations worldwide which, when coupled with the extended reach of Source BioScience's products business, would reduce the risk of investment in infrastructure while providing the potential to increase revenue from both Vindon's storage services and Source BioScience's products business in parallel, also reducing the logistics and pricing challenges Source BioScience faces in shipping mainly from the UK at present;
- **Expansion of the product and service offering:** Source BioScience's service expertise, particularly in diagnostic testing and genetic analysis services, will add breadth and depth to Vindon's existing services and benefit its customers by providing the ability to buy additional products and services from the same supplier and remove the need to incur the cost and risk of moving valuable or unique samples for analysis. For example, pharmaceutical and regenerative medicine customers using Vindon's storage services will also have access to Source BioScience's latest available tissue and gene-based analysis testing services and technologies at the point of storage.
- **Expertise in environmentally controlled storage:** Vindon will be able to bring immediate benefits from its international storage solution expertise, to the advantage of the Enlarged Group. This includes in the storage of Source BioScience's portfolio of more than 20 million cDNA clones which are currently stored in -80°C freezers at the Source BioScience Group's facilities in Cambridge with a duplicate archive maintained in Nottingham.
- **Enhancement of the customer base and geographical reach:** Vindon's service offering will add breadth and depth to Source BioScience's existing products and services portfolio, considerably strengthen the Enlarged Group's pool of innovative technology and know-how, and its proposition across a range of specialist products and support services, with the potential to enhance the customer base and geographical reach of the Enlarged Group.
- **Significant cross selling opportunities:** These are likely to arise from each company selling its respective services to the other's customer base, including into new territories when compared to the existing geographic market reach of either of the two businesses.
- **Financially beneficial to the Enlarged Group:** Completion of the Offer would be expected to result in accretion to the Enlarged Group's earnings per share and EBITDA¹ margin enhancement in the first full financial year following completion of the acquisition of Vindon and of the firm placing of new shares in Source BioScience to part fund it².

¹ Earnings before interest, tax, depreciation and amortisation

² This should not be construed as a profit forecast or interpreted to mean that the future earnings per share, profits, margins or cashflows of the Enlarged Group will necessarily be greater than the historic published figures.

5 Information on Source BioScience

Source BioScience, which is listed on the Main Market, is an international diagnostic and genetic analysis services business providing complementary products and services to its customers through its Healthcare and LifeSciences divisions. Source BioScience has over 120 employees based across six sites in the UK and Europe. Source BioScience's head office is located in Nottingham with additional laboratory facilities in Cambridge, Oxford, Motherwell, Dublin and Berlin. The head office comprises approximately 23,000 square feet of freehold premises and contains Source BioScience's

main reference laboratory accredited to GLP and GCP for clinical trial contract research activities. The business also holds CPA accreditation for clinical diagnostics services, is licensed by the Human Tissue Authority and registered with the Care Quality Commission.

The Healthcare division provides diagnostic services for cancer and other diseases to the UK NHS, processing and reporting more than 40,000 cases per year. Source BioScience also offers a portfolio of complementary products which it supplies to the NHS and other healthcare customers. Source BioScience supports over 50 per cent. of the NHS Cervical Cancer Screening Programme in England and Wales, providing equipment, technical support, training, laboratory consumables and clinical kits to deliver over 2 million cervical cancer screening tests per annum. In addition, following the acquisition of Inverclyde Biologicals earlier in the year Source BioScience offers a comprehensive portfolio of blood group serology reagents and associated products.

The LifeSciences division provides ultra-fast DNA sequencing services and a portfolio of complementary products, delivered by an international network of laboratories and distributors to academic research groups, biotechnology and pharmaceutical companies. Source BioScience offers a portfolio of more than 20 million cDNA clones and 100,000 antibodies which customers can access via GenomeCube®, Source BioScience's proprietary e-commerce platform, database and search engine. The clone portfolio is maintained in -80°C storage facilities at Source BioScience's premises in Cambridge, with an archived duplicate maintained in Nottingham.

6 Information on Vindon

Vindon is regarded as a leader in the provision of environmentally controlled storage services and equipment for the pharmaceutical and healthcare sectors. Vindon provides controlled environment services and products to the pharmaceutical, life sciences and heritage sectors in the UK, Ireland, Europe and North America. Vindon currently operates from four sites, comprising its headquarters in the UK and operations in Ireland and in the US (Atlanta and Southern California).

Environmentally controlled storage services

Across its four sites, Vindon offers stability storage, freezer storage, -80°C storage and ultra-low (liquid nitrogen) storage services to the pharmaceutical, biotechnology, R&D and regenerative medicine markets.

For stability storage services, a broad range of environmental condition requirements can be accommodated at Vindon's Good Manufacturing Practice compliant storage facilities in the UK, Ireland and the US. In addition, Vindon also provides biological material storage services at -5°C , -20°C , -70°C and -80°C .

Cryobank storage is provided from Vindon's Human Tissue Authority licensed facilities in the UK for the bio-repository and secure storage of biological samples at temperatures below -155°C .

Environmentally controlled storage equipment

Vindon design, manufacture and install a range of standard and bespoke controlled environment reach-in and walk-in room systems that provide the climatic conditions specified for the customer's requirements. These include meeting the ICH Tripartite guidelines for stability storage testing for biotechnology and pharmaceutical customers, simulating the conditions of all four global climatic zones for long term, intermediate and accelerated stability testing. Products include environmental rooms and cabinets, photostability cabinets, fridges and freezers, ovens, blood banks, plasma freezers, plant growth cabinets and incubators.

Service and maintenance of the installed equipment is tailored to individual customer requirements and supported by qualified service engineers. The services include validation, maintenance and repair in addition to disaster recovery management.

7 Vindon Trading Update

As at the date of this announcement, overall, operations focused in the UK and Ireland are trading broadly in line with expectations. However at the Atlanta facility, equipment and validation sales are currently below forecast. Validation revenues are significantly higher than for the corresponding

period in 2012, but are still to achieve targeted levels. The Vindon Directors are pleased to announce the successful opening of the new storage facility in Southern California. This was formally opened, on schedule, in July 2013.

8 Directors, management and employees

With the exception of Richard Hughes and Martin Burrill, both currently non-executive directors at Vindon, all of the Vindon Directors and senior management will remain with the Enlarged Group. It is proposed that Liam Ferguson will join the Source BioScience Board as a non-executive director.

The Source BioScience Board attaches great importance to the skills and experience of the management and employees of Vindon. The Source BioScience Board intends to continue the business of Vindon, including supporting Vindon's current activities, and has provided assurance to the Independent Vindon Directors that, upon the Offer becoming or being declared unconditional in all respects, the existing employment rights of the Management Team and all employees of Vindon will be fully safeguarded in accordance with contractual and statutory requirements.

In addition, Vindon has received assurances that following the Offer becoming or being declared unconditional in all respects, the places of business and location of fixed assets of the Vindon Group will remain unchanged.

Following the Offer becoming or being declared unconditional in all respects:

- (a) the Management Team will remain in their current roles with no changes to their current terms and conditions of employment;
- (b) it is proposed that Liam Ferguson will join the Source BioScience Board as a non-executive director and whilst final terms are to be agreed, the Source BioScience Board envisages that, subject to the terms of his appointment, he will be entitled to receive remuneration of £25,000 per annum plus an additional £5,000 per annum for each board committee he chairs; and
- (c) Richard Hughes and Martin Burrill will resign from the Vindon Board with immediate effect. Particulars of the payments in respect of termination of their respective appointments as non-executive directors are set out in Appendix IV of this announcement.

No management incentivisation arrangements have been offered or proposed by Source BioScience. Given that Liam Ferguson will be entitled to the same terms as the other non-executive Source BioScience Directors and that his proposed entitlement is not materially different from his current entitlement, Diagnostic Capital consider his arrangements to be fair and reasonable.

The Independent Vindon Directors acknowledge the requirements under Rule 25.9 of the City Code that a separate opinion of the employee representatives on the effects of the Offer on employment be appended to this announcement, if such opinion is provided in good time prior to publication of this announcement. As at the date of this announcement, no such opinion has been provided. If, and to the extent that, Vindon is subsequently provided with such an opinion, Vindon will publish that opinion on its website and make an announcement via a Regulatory Information Service in accordance with the requirements of Rule 25.9 of the City Code.

9 Shareholder Meeting

In view of its size, pursuant to the requirements of the Listing Rules, the Offer is conditional (among other matters, as set out in Appendix I) upon approval of Source BioScience Shareholders at the Source BioScience GM. Source BioScience will today send to its shareholders an explanatory circular summarising the background to and reasons for the Offer. The circular will include a notice convening the Source BioScience GM.

The Offer Document setting out full details of the Offer, together with the Form of Acceptance will be posted in due course to Vindon Shareholders who are entitled to receive them.

10 Irrevocable Undertakings

In aggregate, Source BioScience has received irrevocable undertakings to accept or procure acceptance of the Offer in respect of a total of 52,128,063 Vindon Shares, representing 58.67 per cent. of Vindon's entire issued share capital at 6 August 2013 (being the last Business Day prior to the date of this announcement).

Source BioScience has received irrevocable undertakings to accept the Offer from the Independent Vindon Directors who hold Vindon Shares in respect of their entire beneficial holdings of Vindon Shares amounting to a total of 7,150,000 Vindon Shares (as set out in Appendix III to this announcement) representing approximately 8.05 per cent. of Vindon's entire issued share capital at 6 August 2013 (being the last Business Day prior to the date of this announcement).

Source BioScience has also received irrevocable undertakings to accept the Offer from the other Vindon Directors who hold Vindon Shares in respect of their entire beneficial holdings of Vindon Shares amounting to a total of 15,500,349 Vindon Shares (as set out in Appendix III to this announcement) representing approximately 17.45 per cent. of Vindon's entire issued share capital at 6 August 2013 (being the last Business Day prior to date of this announcement).

Each of the above irrevocable undertakings has been entered into by the relevant Vindon Director only as a shareholder of Vindon and not in their capacity as a director; nothing contained in the undertakings requires any of the relevant Vindon Directors to take or not to take any decision or action in their capacity as a Vindon Director.

Source BioScience has also received irrevocable undertakings to accept the Offer from certain other Vindon Shareholders in respect of their entire beneficial holdings of Vindon Shares amounting to a total of 29,477,714 Vindon Shares (as set out in Appendix III to this announcement) representing approximately 33.18 per cent. of Vindon's entire issued share capital at 6 August 2013 (being the last Business Day prior to the date of this announcement).

The above irrevocable undertakings will cease to be binding if:

- a firm intention to make an offer or an offer for Vindon is not announced in accordance with Rule 2.7 of the City Code by 11.59 pm on 15 August 2013 (or such later time and/or date as Source BioScience and Vindon may agree but in any event no later than by 11.59 pm on 30 August 2013); or
- the Offer Document is not posted to Vindon Shareholders by 15 September 2013, unless otherwise agreed with the Panel (with the consent of Vindon); or
- the Offer, having been announced, lapses or is withdrawn.

Furthermore, the irrevocable commitment given by Helium Special Situations Fund Ltd. and YFM Private Equity Limited will also cease to be binding in the event that a third party announces a general offer to acquire the entire issued share capital of Vindon on terms which represent an improvement on the value of the consideration offered under the Offer by more than 10% as at the date on which such third party offer is announced, provided that such third party has announced a firm intention to make such higher offer by not later than 12 noon on the seventh day after this announcement is despatched to Vindon Shareholders.

In addition, Source BioScience owns 150,000 Vindon Shares representing 0.2 per cent. of Vindon's entire issued share capital, as at 6 August 2013 (being the last Business Day prior to the date of this announcement).

All of the above irrevocable undertakings anticipate that any offer will be made at the Offer Price and provided that the offer is made on terms which, in the reasonable opinion of Diagnostic Capital, acting in its capacity as Rule 3 adviser, do not represent a diminution in value of the proposed terms of the offer set out in the irrevocable undertakings.

Further details of these irrevocable undertakings are set out in Appendix III to this announcement.

11 Vindon Share Schemes

The Offer extends to any Vindon Shares not already owned or agreed to be acquired by Source BioScience and which are unconditionally allotted or issued and fully paid (or credited as fully paid) on or before the date on which the Offer closes to acceptances (or such earlier date as Source BioScience may, subject to the City Code, decide) including the exercise or release of existing options or awards granted in relation to any such shares allotted or issued pursuant to the Vindon Share Schemes, following the Offer becoming or being declared unconditional in all respects.

If the Offer becomes or is declared unconditional in all respects, to the extent options remain unexercised or have not lapsed, Source BioScience will make appropriate proposals to the participants in the Vindon Share Schemes.

12 Permitted Offer-related arrangements

On 1 May 2013 Source BioScience and Vindon entered into an agreement relating to the Offer, pursuant to which both Source BioScience and Vindon agreed to keep confidential, certain information supplied by Source BioScience and Vindon for the purpose of considering the proposed Offer. Source BioScience and Vindon have agreed that their respective obligations of confidentiality to the other shall, unless otherwise agreed, continue for a period of two years from the date of the agreement.

13 Compulsory acquisition, de-listing and cancellation of trading

If Source BioScience receives sufficient acceptances under the Offer and assuming that all of the other Conditions have been satisfied or waived (if capable of being waived), Source BioScience intends to exercise its rights pursuant to the provisions of Part 28 of the Companies Act to acquire compulsorily any remaining Vindon Shares to which the Offer relates on the same terms as the Offer.

Assuming that the Offer becomes or is declared unconditional in all respects and subject to any applicable requirements of the AIM Rules, Source BioScience intends to procure that Vindon applies to the London Stock Exchange for the cancellation of the admission of the Vindon Shares to trading on AIM. It is anticipated that such cancellation of listing and trading will take effect no earlier than 20 Business Days after the Offer becomes or is declared unconditional in all respects, subject to compliance with applicable requirements of the AIM Rules.

The cancellation of trading of the Vindon Shares will significantly reduce the liquidity and marketability of any Vindon Shares not acquired by Source BioScience.

It is also intended that, assuming that the Offer becomes or is declared unconditional in all respects and, assuming the cancellation of trading of Vindon Shares on AIM, Vindon will be re-registered as a private company under the relevant provisions of the Companies Act.

14 Funding arrangements

The cash consideration payable under the Offer is being financed by a combination of a draw down under the New Debt Facility which has been arranged with Source BioScience's relationship bank and a substantial proportion of the proceeds of the Firm Placing.

N+1 Singer is satisfied that sufficient financial resources are available to Source BioScience to satisfy full acceptance of the cash consideration payable under the Offer.

15 Overseas Vindon Shareholders

Persons not resident in the United Kingdom may be affected by the laws of the relevant overseas jurisdiction. Such persons should inform themselves about and observe any applicable requirements. Further details in relation to overseas Shareholders will be contained in the Offer Document. If a

Vindon Shareholder is in any doubt as to his eligibility to participate in the Offer, he should contact his independent professional adviser immediately.

16 Expected timetable of principal events

It is expected that the formal documentation setting out details of the Offer will be posted to Vindon Shareholders and for information only, to the holders of share options under the Vindon Share Schemes, as soon as practicable and, in any event within 28 days of the date of this announcement (or such later date as Source BioScience and Vindon may, with the consent of the Panel, agree).

The Source BioScience GM will be held on 23 August 2013 and it is expected that the First Closing Date of the Offer will be 28 August 2013.

17 Disclosure of interests in Vindon Shares

Save for a total of 150,000 Vindon Shares held by Source BioScience which represent, in aggregate, 0.2 per cent. of Vindon's entire issued share capital as at 6 August 2013 (being the last Business Day prior to this announcement), neither Source BioScience nor, so far as Source BioScience is aware, any party deemed by the Panel to be acting in concert with Source BioScience, owns or controls any Vindon Shares or holds any options to purchase Vindon Shares or any derivative referenced to securities of Vindon.

18 Publication on website

A copy of this announcement, the New Debt Facility, the Placing Agreement, the confidentiality agreement referred to paragraph 12 above and the irrevocable undertakings referred to at paragraph 10 above will be made available on Source BioScience's website at www.sourcebioscience.com and Vindon's website at www.vindonhealthcare.com by no later than 12:00 noon (London time) on 8 August 2013 (being the Business Day following the date of this announcement) until the end of the Offer Period.

For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this announcement.

19 General

There are no agreements or arrangements to which Source BioScience is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a condition to the Offer.

Neither Source BioScience nor any person acting in concert with Source BioScience has any arrangement of the kind referred to in Note 6 of Rule 8 of the City Code.

Your attention is drawn to the Appendices which form part of this announcement.

The Conditions and a summary of further terms in relation to the Offer set out in Appendix I to this announcement form part of, and should be read in conjunction with, this announcement.

Appendix IV to this announcement contains definitions of certain terms used in this announcement.

The Offer will be subject to the applicable requirements of the City Code.

This announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

Enquiries

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Appendix I to this announcement sets out the conditions to which the Offer will be subject and certain further terms of the Offer.

Appendix II to this announcement sets out the bases and sources of information from which the financial calculations used in this announcement have been derived.

Appendix III to this announcement contains particulars of the irrevocable undertakings received by Source BioScience.

Appendix IV to this announcement contains particulars of the payments in respect of the termination of certain Vindon Directors appointments.

Appendix V to this announcement contains the definitions of terms used in this announcement (including this summary).

Further Information

N+1 Singer, which is authorised and regulated in the UK by the FCA, is acting as exclusively as sponsor, financial adviser and broker to Source BioScience in connection with the contents of this announcement and the Offer and no one else and will not be responsible to anyone other than Source BioScience for providing the protections afforded to clients of N+1 Singer nor for providing advice in relation to the Offer or any other matter referred to in this announcement.

Zeus Capital, which is authorised and regulated in the UK by the FCA, is acting exclusively as financial adviser to Vindon in connection with the contents of this announcement and the Offer and no one else and will not be responsible to anyone other than Vindon for providing the protections afforded to clients of Zeus Capital nor for providing advice in relation to the Offer or any other matter referred to in this announcement.

Diagnostic Capital, which is authorised and regulated in the UK by the FCA, is acting exclusively as Rule 3 adviser to Vindon in connection with the contents of this announcement and the Offer and no one else and will not be responsible to anyone other than Vindon for providing the protections afforded to clients of Diagnostic Capital nor for providing advice in relation to the Offer or any other matter referred to in this announcement.

This announcement is not intended to, and does not, constitute, or form part of, an offer or solicitation of any offer to sell or an invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of an offer to buy any securities, pursuant to the Offer or otherwise. The Offer will be made solely by the Offer Document and, in respect of Vindon Shares held in certificated form, the Form of Acceptance, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. Any acceptance or other response to the Offer should be made on the basis of the information in the Offer Document and, in respect of Vindon Shares held in certificated form, the Form of Acceptance. Vindon Shareholders are advised to read carefully the formal documentation in relation to the Offer once it has been despatched.

Overseas shareholders

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. This announcement has been prepared in accordance with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of jurisdictions outside England.

The availability of the Offer to persons who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located. The Offer will not be made, directly or indirectly, in or into any jurisdiction where to do so would constitute a breach of securities laws in that jurisdiction, and the Offer will not be capable of acceptance from or within any such jurisdiction. Accordingly, copies of this announcement are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would constitute a breach of securities laws in that jurisdiction, and persons receiving this announcement (including custodians, nominees and trustees) must not mail or otherwise distribute or send it in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Offer.

This announcement is not an offer of securities for sale in the United States, Australia, Canada or Japan or in any other jurisdiction in which such an offer is unlawful.

Forward-looking statements

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Source BioScience and Vindon and their respective subsidiaries and certain plans and objectives of the Source BioScience Directors and the Vindon Directors with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words of similar meaning. These statements are based on assumptions and assessments made by the Source BioScience Directors and the Vindon Directors in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this announcement could cause actual results and developments to differ materially from those expressed

in or implied by such forward-looking statements. Although the Source BioScience Directors and the Vindon Directors believe that the expectations reflected in such forward-looking statements are reasonable, neither Source BioScience nor Vindon can give any assurance that such expectations will prove to have been correct and assume no obligation to update or correct the information contained in this announcement (except to the extent legally required) and Source BioScience and Vindon therefore caution you not to place undue reliance on these forward-looking statements which speak only as at the date of this announcement.

Nothing in this announcement is intended to be a profit forecast and the statements in this announcement should not be interpreted to mean that the earnings per Source BioScience Share for the current or future financial periods will necessarily be greater than those for the relevant preceding financial period.

Dealing disclosure requirements of the City Code

Under Rule 8.3(a) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

Rule 2.10 disclosure

In accordance with Rule 2.10 of the City Code, Vindon has confirmed that it has 88,850,000 ordinary shares of one pence each in issue and admitted to trading on AIM, a market operated by the London Stock Exchange under the UK ISIN Code GB00B06N4S86.

Publication on website

In accordance with Rule 30.4 of the City Code, a copy of this announcement will be made available free of charge, subject to certain restrictions relating to persons resident in restricted jurisdictions, on Source BioScience's website at www.sourcebioscience.com and Vindon's website at www.vindonhealthcare.com by no later than 12:00 noon (London time) on 8 August 2013 (being the Business Day following the date of this announcement). For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this announcement.

Documents in hard copy form

Any person entitled to receive a copy of documents, announcements and information relating to the Offer is entitled to receive such documents in hard copy form. Such person may request that all future documents, announcements and information in relation to the Offer are sent to them in hard copy form.

Copies of this announcement and all future documents, announcements and information required to be sent to persons in relation to the Offer may be requested from Equiniti by way of written request to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or by calling Equiniti on telephone number 0871 384 2468 (from within the UK) or +44 121 415 0107 (from outside the UK) between 9.00 a.m. and 5.00 p.m., Monday to Friday (excluding public holidays).

APPENDIX I

Conditions and Further Terms of the Offer

PART A - CONDITIONS OF THE OFFER

1. Acceptance, Firm Placing and Competition Reference Conditions

The Offer will be conditional upon:

- (a) valid acceptances being received (and not, where permitted, withdrawn) by not later than 1.00 p.m. (London time) on the First Closing Date of the Offer (or such later time(s) and/or date(s) as Source BioScience may, subject to the rules of the City Code or with the consent of the Panel decide) in respect of such number of Vindon Shares which, together with any Vindon Shares acquired or agreed to be acquired by Source BioScience or parties acting in concert with Source BioScience before or during the Offer Period, will result in Source BioScience and any person acting in concert with it holding not less than 90 per cent, (or such lower percentage as Source BioScience may decide provided it is not lower than 50 per cent.) (1) in nominal value of the Vindon Shares to which the Offer relates and (2) of the voting rights attached carried by the Vindon Shares to which the Offer relates, provided that this condition will not be satisfied unless Source BioScience and/or any of its wholly-owned subsidiaries shall have acquired, or agreed to acquire, pursuant to the Offer or otherwise, Vindon Shares carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of Vindon, including for this purpose (to the extent, if any, required by the Panel) any such voting rights attaching to any Vindon Shares that are unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, and for the purposes of this condition:
 - (i) shares which have been unconditionally allotted but not issued before the Offer becomes or is declared unconditional, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, shall be deemed to carry the voting rights they will carry on issue
 - (ii) valid acceptances shall be deemed to have been received in respect of Vindon Shares which are treated for the purposes of section 979 of the Companies Act as having been

acquired or contracted to be acquired by Source BioScience by virtue of acceptances of the Offer; and

- (iii) the expression "Vindon Shares to which the Offer relates" shall be construed in accordance with Part 28 of the Companies Act;
- (b) the Source BioScience Resolutions having been passed at the Source BioScience GM (or at any adjournment thereof);
- (c) admission of the Firm Placing Shares to the Official List becoming effective in accordance with the Listing Rules and the admission of the Firm Placing Shares to the Main Market becoming effective in accordance with the Admission and Disclosure Standards or (if Source BioScience so determines and subject to the consent of the Panel) the UKLA agreeing or confirming its decision to admit the Firm Placing Shares to the Official List and the Main Market agreeing to admit the Firm Placing Shares to trading subject only to (i) the allotment of such shares and/or (ii) the Offer becoming or being declared unconditional in all respects (save for this condition); and
- (d) the OFT not having indicated to Source BioScience that it has decided to refer the Offer or any part of it to the Competition Commission and/or if the European Commission not having indicated to Source BioScience that it has decided to initiate proceedings under Article 6(1)(c) of Council Regulation (EC) 139/2004 or to make a referral to a competent authority of the United Kingdom under Article 9(1) of that Regulation.

2. The Offer will be subject to the following conditions (as amended if appropriate):

In addition, subject as stated in Part B below and to the requirements of the Panel, the Offer will be conditional upon the Acceptance Condition and the following Conditions being satisfied or, where relevant, waived by not later than 1.00 p.m. (London time) on the First Closing Date:

Notifications, waiting periods and authorisations

- (a) all material notifications, filings or applications which are necessary or reasonably considered appropriate in connection with the Offer having been made by not later than 1.00 p.m. (London time) on the First Closing Date and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Offer and all material authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions and approvals ("Authorisations") deemed necessary or reasonably appropriate by Source BioScience in any jurisdiction for or in respect of the Offer and, except pursuant to Chapter 3 of Part 28 of the Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Vindon having been obtained in terms and in a form reasonably satisfactory to Source BioScience from any appropriate central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body or authority, court, trade agency, professional association, institution, employee representative body or any other body or person whatsoever in any jurisdiction (a "Third Party") or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Vindon Group has entered into contractual arrangements and all such Authorisations necessary or reasonably appropriate to carry on the business of any member of the Vindon Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Offer becomes otherwise wholly unconditional and there being no notice or written intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

General antitrust and regulatory

- (b) other than in relation to the matters referred to in Condition 2(a), no antitrust regulator or Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, inquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to (in any case which is material in the context of the Offer):
- (i) require, prevent or materially delay or affect the divestiture or materially prejudice the terms envisaged for such divestiture by any member of the Vindon Group or Source BioScience of all or any material part of their respective businesses, assets or property or of any Vindon Shares or other securities in Vindon or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) to an extent which is material in the context of the Vindon Group taken as a whole;
 - (ii) except pursuant to Chapter 3 of Part 28 of the Companies Act, require Source BioScience to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Vindon Group or any asset owned by any Third Party (other than in the implementation of the Offer);
 - (iii) impose any limitation on, or result in a material delay in, the ability of Source BioScience directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Vindon or on the ability of any member of the Vindon Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Vindon Group to an extent which is material in the context of the Vindon Group taken as a whole;
 - (iv) otherwise adversely affect any or all of the business, assets, financial or trading position, profits or prospects of any member of the Vindon Group or Source BioScience to an extent which is material in the context of the Vindon Group taken as a whole or Source BioScience (as the case may be);
 - (v) result in any member of the Vindon Group or Source BioScience ceasing to be able to carry on business to the extent conducted at 7 August 2013 under any name under which it presently carries on business to an extent which is material in the context of the Vindon Group taken as a whole or Source BioScience (as the case may be);
 - (vi) make the Offer or its implementation, or the acquisition or proposed acquisition of any shares or other securities in or control of Vindon by Source BioScience, void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, materially prevent or prohibit, restrict, restrain, or delay the same or otherwise interfere with the Offer or its implementation, or impose material additional conditions or obligations with respect to, or otherwise materially impede, interfere or require amendment of the Offer or the acquisition or proposed acquisition of any shares or other securities in or control of Vindon by Source BioScience to an extent which is material in the context of the Offer;
 - (vii) require, prevent or materially delay a divestiture by Source BioScience of any shares or other securities (or the equivalent) in any member of the Vindon Group to an extent which is material in the context of the Vindon Group taken as a whole or Source BioScience (as the case may be); or
 - (viii) impose any limitation on the ability of Source BioScience to conduct or integrate all or any part of its business with all or any part of the business of Source BioScience and/or the Vindon Group to an extent which is material in the context of the Vindon Group taken as a whole or Source BioScience (as the case may be), and all applicable waiting and other time

periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Offer having expired, lapsed or been terminated;

Certain matters arising as a result of any arrangement, agreement, etc.

- (c) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Vindon Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject, or any event or circumstance which, as a consequence of the Offer or because of a change in the control of Vindon or any other member of the Vindon Group, would or might reasonably be expected to result in (in any case to an extent which is or would be material in the context of the Vindon Group taken as a whole):
- (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Vindon Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Vindon Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
 - (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Vindon Group therein being adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
 - (iv) any liability of any member of the Vindon Group to make any severance, termination, bonus or other payment to any of its directors or other officers;
 - (v) any assets or interests of any such member being or falling to be disposed of or any right arising under which any such asset or interest could be required to be disposed of;
 - (vi) the rights, liabilities, obligations, interests or business of any member of the Vindon Group under any such arrangement, agreement, lease, licence, franchise, permit or other instrument, or the interests or business of any member of the Vindon Group in or with any other person, body, firm or company (or any agreement or arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
 - (vii) any member of the Vindon Group ceasing to be able to carry on business under any name under which it presently carries on business;
 - (viii) the value of, or the financial or trading position or prospects of, any member of the Vindon Group being prejudiced or adversely affected; or
 - (ix) the creation or acceleration of any liability (actual or contingent) by any member of the Vindon Group other than trade creditors or other liabilities incurred in the ordinary course of business,

and no event having occurred which, under any provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Vindon Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would be expected to result in any of the events or circumstances as are referred to in Conditions (c)(i) to (ix) (in each case to an extent which is material in the context of the Vindon Group taken as a whole);

Certain events occurring since 31 December 2012

- (d) except as Disclosed, no member of the Vindon Group since 31 December 2012 having:
- (i) issued or agreed to issue, or authorised or proposed or announced its intention to authorise or propose the issue of, additional shares of any class or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Vindon Shares out of treasury (except, where relevant, as between Vindon and wholly owned subsidiaries of Vindon or between the wholly owned subsidiaries of Vindon and in respect options or awards granted on or before 31 December 2012 under the Vindon Share Schemes and for any Vindon Shares allotted upon exercise or vesting of such options);
 - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) or dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly owned subsidiary of Vindon to Vindon or any of its wholly owned subsidiaries;
 - (iii) other than pursuant to the Offer (and except for transactions between Vindon and its wholly owned subsidiaries or between the wholly owned subsidiaries of Vindon and transactions in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment, acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Vindon Group taken as a whole;
 - (iv) (except for transactions between Vindon and its wholly owned subsidiaries or between the wholly owned subsidiaries of Vindon) disposed of, or transferred, mortgaged or created any security interest over any asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so which in any case is material in the context of the Vindon Group taken as a whole;
 - (v) (except for transactions between Vindon and its wholly owned subsidiaries or between the wholly owned subsidiaries of Vindon) issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or, except in the ordinary course of business, become subject to any contingent liability or incurred or increased any indebtedness which in any case is material in the context of the Vindon Group taken as a whole;
 - (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) except in the ordinary course of business which is of a long term, unusual or onerous nature or magnitude or which involves an obligation of a nature or magnitude which is likely to be restrictive on the business of any member of the Vindon Group and which in any case is material in the context of the Vindon Group taken as a whole;

- (vii) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of, any contract, service agreement, commitment or arrangement with any director or senior executive of any member of the Vindon Group save as agreed by Source BioScience;
- (viii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Vindon Group save as agreed by Source BioScience or which is required pursuant to the implementation of the Offer;
- (ix) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital, save as agreed by Source BioScience or which is required pursuant to the implementation of the Offer;
- (x) waived, compromised or settled any claim (other than in the ordinary course of business or between Vindon and its wholly owned subsidiaries or between the wholly owned subsidiaries of Vindon) which is material in the context of the Vindon Group taken as a whole;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Vindon Group and any other person in a manner which would have a material adverse effect on the financial position of the Vindon Group taken as a whole;
- (xii) other than pursuant to the Offer and as envisaged in accordance with the terms of the Offer, made any alteration to its memorandum or articles of association or other incorporation documents in each case which is material in the context of the Offer;
- (xiii) except in relation to changes made or agreed as a result of, or arising from, changes to legislation, made or agreed or consented to any change to the terms of the trust deeds and rules constituting the pension scheme(s) established for its directors, employees or their dependants or any material change to the benefits which accrue, or to the pensions which are payable, thereunder, or to the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined or to the basis upon which the liabilities (including pensions) of such pension schemes are funded or made, or agreed or consented to, in each case which is material in the context of the Vindon Group taken as a whole;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business, in each case which is material in the context of the Vindon Group taken as a whole;
- (xv) (other than in respect of a member of the Vindon Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, in each case which is material in the context of the Vindon Group taken as a whole;
- (xvi) (except for transactions between Vindon and its wholly owned subsidiaries or between the wholly owned subsidiaries of Vindon) made, authorised, proposed or announced an

intention to propose any change in its loan capital, in each case which is material in the context of the Vindon Group taken as a whole;

- (xvii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities, in each case which is material in the context of the Vindon Group taken as a whole;
- (xviii) entered into any licence or other disposal of intellectual property rights of any member of the Vindon Group which are material in the context of the Vindon Group and outside the normal course of business; or
- (xix) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (d).

No adverse change, litigation, regulatory enquiry or similar

(e) except as Disclosed, since 31 December 2012 there having been:

- (i) no adverse change and no circumstance having occurred in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Vindon Group which in any case is material in the context of the Vindon Group taken as a whole;
- (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings (including, without limitation, with regard to intellectual property rights owned or used by the Vindon Group) having been threatened in writing, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Vindon Group or to which any member of the Vindon Group is (whether as claimant, defendant or otherwise), in each case is or is reasonably expected to have a material adverse effect on the Vindon Group taken as a whole or in the context of the Offer;
- (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Vindon Group having been threatened in writing, announced or instituted or remaining outstanding by, against or in respect of any member of the Vindon Group, in each case which might reasonably be expected to have a material adverse effect on the Vindon Group taken as a whole or in the context of the Offer;
- (iv) no contingent or other liability having arisen or become apparent to Source BioScience or increased other than in the ordinary course of business which would or might reasonably be expected to adversely affect the business, assets, financial or trading position or profits or prospects of any member of the Vindon Group to an extent which is material in the context of the Vindon Group taken as a whole or in the context of the Offer; or
- (v) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Vindon Group which is necessary for the proper carrying on of its Business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Vindon Group taken as a whole or in the context of the Offer;

No discovery of certain matters regarding information, liabilities and environmental issue

(f) except as Disclosed, Source BioScience not having discovered:

- (i) that any financial, business or other information concerning the Vindon Group publicly announced prior to • August 2013 or disclosed at any time to Source BioScience or to any of their advisers by or on behalf of any member of the Vindon Group prior to • August 2013 is misleading, contains a misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading and which has not been correct by being Disclosed, to an extent which in any such case is material in the context of the Vindon Group taken as a whole;
- (ii) that any member of the Vindon Group or any partnership, company or other entity in which any member of the Vindon Group has a significant economic interest and which is not a subsidiary undertaking of Vindon is, otherwise than in the ordinary course of business, subject to any liability contingent or otherwise and which is not disclosed in the Annual Report and Accounts of Vindon for the financial year ended 31 December 2012 and which is material in the context of the Vindon Group taken as a whole or in the context of the Offer;
- (iii) that any past or present member of the Vindon Group has not complied in any material respect with all applicable legislation, regulations or other requirements of any relevant jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance reasonably likely to impair the environment (including any property) or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Vindon Group which in any case is material in the context of the Vindon Group taken as a whole;
- (iv) that there has been a material disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the Vindon Group which in any case is material in the context of the Vindon Group taken as a whole;
- (v) that there is or is reasonably likely to be any material obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property asset or any controlled waters currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Vindon Group (or on its behalf), or in which any such member previously has had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto which in any case is material in the context of the Vindon Group taken as a whole;
- (vi) that circumstances exist (whether as a result of the making of the Offer or otherwise) which would be reasonably likely to lead to any Third Party instituting (or whereby any member of the Vindon Group would be likely to be required to institute) an environmental audit or take any steps which would in any such case be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now or previously owned, occupied or made use of by any past or present member of the Vindon Group (or on its behalf) or by any person for which a member of the Vindon Group is or has been responsible, or in which any such member previously has had or be deemed to have had an interest, which in any case is material in the context of the Vindon Group taken as a whole; or
- (vii) that circumstances exist whereby a person or class of persons have or is reasonably likely to have any legitimate claim or claims in respect of any product or process, or materials

used therein, now or previously manufactured, sold, supplied or carried out by any past or present member of the Vindon Group which in each case is material in the context of the Vindon Group taken as a whole;

- (g) Subject to the requirements of the Panel, Source BioScience reserves the right to waive, in whole or in part, all or any of the above Conditions 2(a) to (f) (inclusive);
- (h) Source BioScience shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 2(a) to (f) (inclusive) by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment;
- (i) If Source BioScience is required by the Panel to make an offer for Vindon Shares under the provisions of Rule 9 of the City Code, Source BioScience may make such alterations to any of the above Conditions and terms of the Offer as are necessary to comply with the provisions of that Rule;
- (j) The Offer will lapse and will not proceed if the OFT refers the Offer or any part of it to the Competition Commission and/or if the European Commission either indicates to Source BioScience that it has decided to initiate proceedings under Article 6(1)(c) of Council Regulation (EC) 139/2004 or to make a referral to a competent authority of the United Kingdom under Article 9(1) of that Regulation in each case before 1.00 p.m. on the First Closing Date of the Offer or on the date on which the Offer becomes or is declared unconditional as to acceptances, whichever is the later;
- (k) If the Offer lapses, the Offer will cease to be capable of further acceptances and accepting Vindon Shareholders and Source BioScience shall cease to be bound by acceptances submitted at or before the time when the Offer lapses;
- (l) Vindon Shares acquired under the Offer will be acquired with full title guarantee, fully paid and free from all liens, charges, equitable interests, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after 7 August 2013. Accordingly, insofar as a dividend and/or a distribution and/or a return of capital is proposed, declared, made, paid or payable by Vindon in respect of a Vindon Share on or after 7 August 2013, the price payable under the Offer in respect of a Vindon Share will be reduced by the amount of the dividend and/or distribution and/or return of capital except insofar as the Vindon Share is or will be transferred pursuant to the Offer on a basis which entitles Source BioScience alone to receive the dividend and/or distribution and/or return of capital and to retain it. To the extent that a reduction in the price payable pursuant to the Offer in respect of a Vindon Share is to apply in respect of a dividend and/or distribution and/or return of capital but that reduction in price has not been effected, the person to whom the Offer Price is paid in respect of that Vindon Share will be obliged to account to Source BioScience for the amount of such dividend or distribution or return of capital;
- (m) Under Rule 13.5 of the City Code, Source BioScience may not invoke a condition to the Offer so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to Source BioScience in the context of the Offer. The conditions contained in paragraph 1 of this Part A are not subject to this provision of the City Code.

PART B

Waiver of Conditions and Further Terms of the Offer

The Offer will be made on the terms and will be subject to the conditions which are set out in this Appendix I, those terms which will be set out in the Offer Document and, *in respect of Vindon Shares held in certificated form*, the Form of Acceptance and such further terms as may be required to comply with the provisions of the City Code.

Subject to the requirements of the Panel, Source BioScience reserves the right to waive all or any of conditions 2(a) to (f) (inclusive) above, in whole or in part.

Except with the consent of the Panel the Offer will lapse unless conditions 1(b) to 1(d) (inclusive) of the Offer set out above are fulfilled or, if capable of waiver, waived or, where appropriate, have been determined by Source BioScience in its opinion to be or to remain satisfied by midnight on the date which is 21 days after the later of the First Closing Date of the Offer and the date on which condition 1(a) is satisfied. Source BioScience shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled or satisfied any of the conditions 1(b) to 1(d) inclusive by any date earlier than the latest date specified above for fulfilment or satisfaction of that condition notwithstanding that the other conditions of the Offer may at such earlier date have been waived or fulfilled or satisfied and that there are at such earlier date no earlier circumstances indicating that any such conditions may not be capable of fulfilment or satisfaction.

If Source BioScience is required by the Panel to make an offer for Vindon Shares under the provisions of Rule 9 of the City Code, Source BioScience may make such alterations to the conditions as are necessary to comply with the provisions of that Rule.

The Offer will lapse and will not proceed if the OFT refers the Offer or any part of it to the Competition Commission and/or if the European Commission either indicates to Source BioScience that it has decided to initiate proceedings under Article 6(1)(c) of Council Regulation (EC) 139/2004 or to make a referral to a competent authority of the United Kingdom under Article 9(1) of that Regulation in each case before 1.00 p.m. on the First Closing Date or on the date on which the Offer becomes or is declared unconditional as to acceptances, whichever is the later. If the Offer lapses, the Offer will cease to be capable of further acceptances and accepting Vindon Shareholders and Source BioScience shall cease to be bound by acceptances submitted at or before the time when the Offer lapses. If the Offer lapses, the Offer will cease to be capable of further acceptance and persons accepting the Offer and SourceBioScience, shall thereupon cease to be bound by acceptances delivered on or before the date on which the Offer so lapses.

- (n) Source BioScience reserves the right to elect, with the consent of the Panel, to implement the acquisition of Vindon by way of a scheme of arrangement under Part 26 of the Companies Act 2006. In such event, the scheme of arrangement will be implemented on substantially the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Offer. In particular, condition (a) in Part A would not apply to a scheme of arrangement and, in substitution for condition (a), any such scheme would be conditional on:
- (i) approval at the necessary court-convened meeting by a majority in number of the Vindon Shareholders entitled to vote and who are present and voting, either in person or by proxy, representing 75 per cent. or more in value of the Vindon Shares held by such the Vindon Shareholders;
 - (ii) any resolution(s) required to approve and implement the scheme of arrangement being passed by the requisite majorities at a separate general meeting of Vindon; and
 - (iii) the sanction of the scheme of arrangement and confirmation of any reduction of capital involved therein by the court and an office copy of the order of the court sanctioning the scheme of arrangement and confirming the cancellation of share capital which forms part of it being delivered for registration to the Registrar of Companies in England and Wales and, in the case of the order confirming the reduction of share capital, being registered by him.

Vindon Shares acquired under the Offer will be acquired with full title guarantee, fully paid and free from all liens, charges, equitable interests, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after 7 August 2013. Accordingly, insofar as a dividend and/or a distribution and/or a return of capital is proposed, declared, made, paid or payable by Vindon in respect of a Vindon Share on or after 7 August 2013, the price payable under the Offer in respect of a Vindon Share will be reduced by the amount of the dividend and/or distribution and/or return of capital except insofar as the Vindon Share is or will be transferred pursuant to the Offer on a basis which entitles Source BioScience alone to receive the dividend and/or distribution and/or return of capital and to retain it. To the extent that a reduction in the price payable pursuant to the Offer in respect of a Vindon Share is to apply in respect of a dividend and/or distribution and/or return of capital but that reduction in price has not been effected, the person to whom the Offer Price is paid in respect of that Vindon Share will be obliged to account to Source BioScience for the amount of such dividend or distribution or return of capital.

This Offer and any acceptance of the Offer will be governed by English law and will be subject to the jurisdiction of the English courts and the conditions set out above and those terms which will be set out in the Offer Document and in the Form of Acceptance. This announcement does not constitute, or form part of, any offer for or any solicitation of an offer for securities in any jurisdiction.

APPENDIX II

Bases of Calculation and Sources of Information

1. The value placed by the Offer on Vindon's entire issued share capital of £12,172,450 is calculated on the basis of the fully diluted number of Vindon Shares in issue referred to below.
2. References to the entire issued share capital of Vindon are to the existing issued share capital of 88,850,000 Vindon Shares as sourced from Vindon's shareholder register as at 6 August 2013 (being the last Business Day prior to this announcement). Shares held in treasury (if any) have been excluded as, under the City Code, they are excluded from all calculations of percentage holdings of voting rights, share capital and relevant securities. The International Securities Identification Number for Vindon Shares is GB00B06N4586.
3. Unless otherwise stated, the financial information and other information on Vindon included in this announcement has been extracted or derived, without material adjustment, from the audited consolidated annual report and accounts for the Vindon Group for the year ended 31 December 2012, or from the prospectus published by Source BioScience on 7 August 2013.
4. Unless otherwise stated, the financial information and other information on Source BioScience included in this announcement has been extracted or derived, without material adjustment, from the audited consolidated annual report and accounts for the Source BioScience Group for the year ended 31 December 2012.
5. Unless otherwise stated, all prices and closing prices for Vindon Shares are closing middle market quotations derived from the AIM Appendix to the Daily Official List.
6. As at 5.30 p.m. on 6 August 2013, Vindon had no treasury shares in issue.

APPENDIX III

Details of Irrevocable Undertakings

The following table sets out the required disclosure in accordance with Note 3 of Rule 2.11 of the City Code:

Party	No. of Vindon Shares	Percentage of Vindon's entire issued share capital
Richard Hughes	15,200,349	17.11
Martin Burrill	300,000	0.34
Liam Ferguson	4,150,000	4.67
Patrick Jackson	3,000,000	3.38
Gary Middlebrook	2,380,000	2.68
Ian Currie	15,200,349	17.11
Helium Special Situation Fund Ltd.	6,845,000	7.70
YFM Private Equity Limited	<u>2,937,635</u>	<u>3.31</u>
Total	52,128,063	58.67%

All of the above irrevocable undertakings anticipate that any offer will be made at the Offer Price and provided that the offer is made on terms which, in the reasonable opinion of Diagnostic Capital, do not represent a diminution in value of the proposed terms of the offer set out in the irrevocable undertakings.

Each of the above irrevocable undertakings has been entered into by the relevant director only as a shareholder of Vindon and not in their capacity as a director; nothing contained in the undertakings requires any of the Vindon Directors to take or not to take any decision or action in their capacity as a Vindon Director.

The above irrevocable undertakings will cease to be binding if:

- a firm intention to make an offer or an offer for Vindon is not announced in accordance with Rule 2.7 of the City Code by 11.59 pm on 15 August 2013 (or such later time and/or date as Source BioScience and Vindon may agree but in any event no later than by 11.59 pm on 30 August 2013); or
- the Offer Document is not posted to Vindon Shareholders by 15 September 2013, unless otherwise agreed with the Takeover Panel (with the consent of Vindon); or
- the Offer, having been announced, lapses or is withdrawn.

Furthermore, the irrevocable commitment given by Helium Special Situations Fund Ltd. and YFM Private Equity Limited will also cease to be binding in the event that a third party announces a general offer to acquire the entire issued share capital of Vindon on terms which represent an improvement on the value of the consideration offered under the Offer by more than 10% as at the date on which such third party offer is announced, provided that such third party has announced a firm intention to make such higher offer not later than 12 noon on the seventh day after this announcement is despatched to Vindon Shareholders.

APPENDIX IV

Particulars of the payments in respect of termination of their respective appointments as Directors

Martin Burrill entered into a letter of appointment dated 28 February 2005, under which he was appointed as finance director and company secretary of Vindon and director of Vindon Scientific Limited. His fee was £15,000 per annum, payable in equal monthly instalments. He has agreed to resign as a director of Vindon with effect from the date when the Offer becomes or is declared unconditional in all respects but will be paid 6 months' fees in lieu of his contractual notice of termination.

Richard Hughes entered into a letter of appointed dated 25 February 2005, under which he was appointed as a non-executive director of Vindon. His current fee is £20,000 per annum, payable in equal monthly instalments. The appointment is terminable by either party giving 12 months written notice to the other. He has agreed to resign as a director of Vindon with effect from the date the Offer becomes or is declared unconditional in all respects but will be paid 12 months' fees in lieu of his contractual notice of termination.

APPENDIX V

Definition

“Acceptance Condition”	the condition set out at paragraph 1(a) of Part B of Appendix I to this announcement;
“Admission and Disclosure Standards”	the admission and disclosure standards of the London Stock Exchange (as amended from time to time) containing, among other things, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange's main market for listed securities;
“AIM”	a market of that name operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for companies, published by the London Stock Exchange;
“Authorisations”	has the meaning given under paragraph 2(a) of Part A of Appendix I to this announcement;
“Business Day”	a day, (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London for the transaction of normal banking business;
“certificated or “in certificated form”	a share or other security which is not held in uncertificated form (that is not in CREST);
“City Code”	the City Code on Takeovers and Mergers;
“Closing Price”	the closing middle market quotation of a Vindon Share at the close of business on a particular trading day as derived from the Daily Official List published for that day;
“Companies Act”	Companies Act 2006 (as amended);

“Conditions”	the conditions to the Offer as set out in Appendix I;
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations);
“Daily Official List”	the daily record setting out the prices of all trades in shares and other securities conducted on the London Stock Exchange;
“Diagnostic Capital”	Diagnostic Capital Limited, Rule 3 adviser to Vindon;
“Disclosed”	(i) disclosed in the annual report and accounts for Vindon for the period ended 31 December 2012, (ii) as publically announced by Vindon (through a Regulatory Information Service prior to the date of this announcement), (iii) disclosed in this announcement, (iv) disclosed in the Rule 2.7 Announcement or (v) any facts or matters to the extent disclosed in an online dataroom made available to Source BioScience by Vindon’s legal advisers;
“Enlarged Group”	assuming completion of the Offer, together Vindon and Source BioScience;
“Equiniti”	a trading name of Equiniti Limited;
“FCA”	the UK Financial Conduct Authority;
“Firm Placed Shares”	the 100,000,000 new Ordinary Shares which N+1 Singer has made arrangements to place firm, conditional on the Offer becoming unconditional in all respects (save for the admission condition), on a non pre-emptive basis with certain institutional investors;
“Firm Placing”	the conditional placing of Firm Placed Shares by N+1 Singer;
“First Closing Date”	28 August 2013;
“Form” or “Form of Acceptance”	the form of acceptance, election and authority relating to the Offer accompanying this announcement, which may only be completed by holders of Vindon Shares in certificated form;
“Independent Vindon Directors”	the Vindon Directors other than Richard Hughes and Martin Burrill;
“London Stock Exchange”	London Stock Exchange plc;
“Listing Rules”	the rules and regulations made by the Financial Conduct Authority in its capacity as UK Listing Authority under the Financial Services and Markets Act 2000, and contained in the UK Listing Authority’s publication of the same name;

“Main Market”	the main market for listed securities of the London Stock Exchange;
“Management Team”	together, Jonathan Scopes, Patrick Jackson, Keith Parkes and Ian Gordon;
“New Debt Facility”	the £6,360,000 term loan A facility and the £3,115,000 term loan B facility entered into by Source BioScience and others in connection with the proposed acquisition of Vindon;
“Offer”	the recommended cash offer being made by Source BioScience at the Offer Price in accordance with Part 28 of the Companies Act to acquire the entire issued and to be issued ordinary share capital of Vindon not already owned or agreed to be acquired by Source BioScience on the terms and subject to the Conditions set out in this announcement and, in the case of the Vindon Shares held in certificated form, the Form of Acceptance and, where the context so requires, any subsequent revision, variation, extension, or renewal of such Offer;
“Offer Document”	the document sent to Vindon Shareholders today which contains the Offer;
“Offer Period”	the period commencing on 15 July 2013 and ending on the earlier of the date on which the Offer becomes or is declared unconditional as to acceptances and/or the date on which the Offer lapses or is withdrawn (or such other date as the Panel may decide);
“Offer Price”	13.7 pence per Vindon Share;
“Official List”	the official list of the FCA pursuant to Part VI of the Financial Services and Markets Act;
“OFT”	Office of Fair Trading;
“Opening Position Disclosure”	an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position;
“Ordinary Shares”	the ordinary shares of 2 pence each in the share capital of Source BioScience;
“Panel”	the Panel on Takeovers and Mergers;
“Placing Agreement”	the firm placing and open offer agreement agreement dated 7 August 2013 between Source BioScience and N+1 Singer relating to the Firm Placing and Open Offer

“Possible Offer”	the possible all cash offer for the entire issued and to be issued share capital of Vindon not already owned by Source BioScience, at a price of 13.7 pence per Vindon Share as announced by Source BioScience on 15 July 2013;
“pounds”, “£” or “pence”	the lawful currency of the United Kingdom;
“Regulatory Information Service”	any information service authorised from time to time by the Financial Conduct Authority for the purpose of disseminating regulatory announcements;
“Source BioScience”	Source BioScience plc, a public limited liability company registered in England and Wales with registered number 00079136;
“Source BioScience Board” or “Source BioScience Directors”	the directors of Source BioScience at the date of this announcement;
“Source BioScience GM”	the general meeting of Source BioScience to be held at the offices of Source BioScience located at 1 Orchard Place, Nottingham Business Park, Nottingham NG8 6PX at 10.30 a.m. on 23 August 2013;
“Source BioScience Group”	Source BioScience and its subsidiary and associated undertakings as defined in the Companies Act;
“Source BioScience Shareholders”	holders of Source BioScience Shares;
“Source BioScience Resolutions”	the resolutions to be proposed at the Source BioScience GM (each a “Source BioScience Resolution”);
“Third Party”	has the meaning given under paragraph 2(a) of Part A of Appendix I to this announcement;
“Treasury Shares”	any shares held by Vindon as treasury shares as defined in section 724(5) of the Companies Act;
“Vindon”	Vindon Healthcare plc, a public limited company registered in England and Wales with registered number 04730768;
“Vindon Board” or “Vindon Directors”	the directors of Vindon at the date of this announcement;
“Vindon Group”	Vindon and its subsidiary and associated undertakings as defined in the Companies Act;
“Vindon Shareholders”	the holders of Vindon Shares;
“Vindon Shares”	ordinary shares of 1 pence each in the share capital of Vindon, and “Vindon Share” shall be construed accordingly;

“Vindon Share Schemes”	the Vindon plc Enterprise Management Incentive Share Option Scheme adopted on 8 December 2005 and, the Vindon Unapproved Share Option Scheme established on 8 December 2005;
“UK Listing Authority” or “UKLA”	the FCA as the competent authority for listing in the United Kingdom;
“uncertificated” or “in uncertificated form”	a Vindon Share or other security which is for the time being recorded on the relevant register as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST; and
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States of America”, “United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction.
“Zeus Capital”	Zeus Capital Limited

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

All references to legislation in this announcement are to English legislation unless the contrary is indicated.

Any reference to any provision of any legislation shall include and amendment, modification, re-enactment or extension thereof.

For the purpose of this announcement, “subsidiary undertaking”, “associated undertaking” and “undertaking” have their meaning under the Companies Act.

References to “£”, “pound sterling” and “pence” are to the lawful currency of the United Kingdom.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

All times referred to in this announcement are to London times unless otherwise specified.

Glossary

antibodies	proteins that are found in blood or other bodily fluids; they are naturally used by the immune system to identify and neutralise foreign objects, such as bacteria and viruses. Experimentally, antibodies are also used as highly specific probes for detecting proteins of interest in tissues. A wide range of antibodies with a large variety of cellular targets is available to research scientists through distributors such as Source BioScience;
bio-repository	a biological materials repository that collects, processes, stores, and distributes biospecimens to support future scientific investigation;

blood bank	a cache or bank of blood or blood components, gathered as a result of blood donation or collection, stored and preserved for later use;
blood group serology reagents	a group of reagents which are used to test for the presence or absence of the antigens in the blood and determine the blood group;
Care Quality Commission ('CQC')	as a provider of healthcare laboratory and pathology services to the NHS, which is a regulated activity under the Health and Social Care Act 2008, Source BioScience are required to be registered with the CQC, a government body established to regulate and inspect health and social care services in England, and ensure organisations maintain good standards and follow appropriate procedures;
Clinical Pathology Accreditation ('CPA')	CPA is the accreditation body for clinical pathology services in the UK. Accreditation involves audit of the ability of a laboratory to provide a service of high and consistent quality by declaring a defined standard of practice, which is performed by the CPA accreditation body;
clone	a section of DNA sequence, such as a gene, that is isolated from an organism and can be endlessly replicated by genetic engineering techniques;
cryobank	a bank of cells or whole tissues which are stored at sub-zero temperatures to reduce the amount of chemical reactivity in order to preserve them;
Deoxy Ribonucleic Acid or DNA	is a large, complex molecule which, by virtue of a unique complementary DNA (cDNA) sequence of building blocks, contains all the genetic information required to create a cell or organism. cDNA can be made from all the genes in a genome, from a single gene, or from part of a gene. cDNA is DNA that has been synthesised artificially using an RNA template (see page 84) from the gene(s) selected;
GenomeCube®	Source BioScience's proprietary database, search engine and e-commerce tool for LifeScience products. GenomeCube® contains over 20 million clones and over 100,000 antibodies all of which contain downloadable annotation. GenomeCube® is available in foreign language and foreign currency versions;
genotyping and sequencing	DNA sequencing is the process of precisely determining the order of the building blocks, or nucleotides, of an organism's DNA. The method can be used to determine short sequences of DNA or, in larger experiments, to sequence the entire genome of an organism. Genotyping, in turn, is the process whereby DNA is characterised and then compared to reference data or, if large numbers of samples are genotyped, the data can be examined for patterns which might lead to discoveries of the fundamental causes of inherited diseases. Genotyping is commonly performed by PCR (see page 84) or DNA sequencing;
Good Clinical Practice ('GCP')	GCP is an international ethical and scientific quality standard for designing, conducting, recording and reporting clinical trials that involve the participation of human subjects. Compliance with this standard provides public assurance that the rights, safety and well-being of trial subjects are protected, consistent with principles that have their origin in the Declaration of Helsinki. Compliance with the principles of GCP is assured via monitoring by a governmental agency, the Medicines and Healthcare products Regulatory Agency ('MHRA');

Good Laboratory Practice ('GLP')

GLP is a set of principles that provides a framework within which laboratory studies are planned, performed, monitored, recorded, reported and archived. These studies are undertaken to generate data by which the hazards and risks to users can be assessed for pharmaceuticals (only preclinical studies). GLP helps assure regulatory authorities that data submitted is a true reflection of the results obtained during the study and can therefore be relied upon when making risk/safety assessments. Compliance with the principles of GLP is assured via monitoring by the Medicines and Healthcare products Regulatory Agency ('MHRA');

Human Tissue Authority ('HTA')

the HTA licenses organisations that store and use human tissue for purposes such as research, patient treatment, post-mortem examination, teaching and public exhibitions. The HTA also inspect organisations to check that they maintain good standards and follow appropriate procedures against the legislation of the Human Tissue Act 2004;

ICH Tripartite guidelines

the guidelines created by the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use ("ICH") to promote good clinical practice;

next generation sequencing

NGS refers generically to a set of recent technologies, in our case Illumina HiSeq 2000TM and Illumina MiSeqTM, in which extremely large numbers of short sequences can be determined in a single experiment; for example the Illumina HiSeq 2000TM selected by Source BioScience can sequence two human genomes in ten days;

R&D

research and development.

END.