

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and what action you should take you are recommended immediately to seek your own financial advice from an independent financial adviser who specialises in advising on the acquisition of shares and other securities and is authorised under the Financial Services and Markets Act 2000 (“FSMA”).

This document, which comprises an AIM admission document drawn up in accordance with the AIM Rules, has been issued in connection with the application for admission to trading on AIM of the entire issued share capital of the Company. This document contains no offer to the public within the meaning of FSMA, the Act or otherwise. Accordingly, this document does not comprise a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the Financial Services Authority.

Application has been made for the Existing Ordinary Shares to be admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a Nominated Adviser. The Nominated Adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. London Stock Exchange plc has not itself examined or approved the contents of this document. It is expected that dealings in the Existing Ordinary Shares will commence on AIM on 27 November 2008.

YOUR ATTENTION IS DRAWN TO THE RISK FACTORS SET OUT IN PART II OF THIS DOCUMENT.

JSJS DESIGNS PLC

*(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 06690180)
ISIN: GB00B3FW443*

Admission to trading on AIM

Nominated Adviser and Broker W.H. Ireland Limited

SHARE CAPITAL IMMEDIATELY FOLLOWING ADMISSION

Authorised			Issued and fully paid	
Number	Amount		Number	Amount
1,000,000,000	£1,000,000	Ordinary Shares of 0.1p each	200,000,000	£200,000

W.H. Ireland Limited, which is authorised and regulated by the Financial Services Authority in the UK, is acting as the nominated adviser and broker for JSJS Designs Plc in connection with the proposed Admission and is not acting for any person other than JSJS Designs Plc and will not be responsible to any person other than JSJS Designs Plc for providing the protections afforded to its customers or for providing advice to any other person in connection with Admission.

The directors of JSJS Designs Plc, whose names appear on page 5 of this document, accept responsibility, individually and collectively, for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this document or that the information contained in this document is correct as of any time subsequent to the date of this document.

Copies of this document will be made available to the public during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) free of charge from the offices of W.H. Ireland Limited at 85-89 Colmore Row, Birmingham B3 2BB and from the offices of BPE at 33, Bennetts Hill, Birmingham, B2 5SN and shall remain available for one month after Admission and from the Company’s website at www.jsjsdesigns.com.

This document is not for distribution outside the United Kingdom and, in particular, it should not be distributed to persons with addresses in Canada, Australia, Japan, South Africa or the Republic of Ireland or to persons with addresses in the United States of America, its territories or possessions or to any citizen thereof or to any corporation, partnership or other entity created or organised under the laws thereof. Any such distribution could result in the violation of Canadian, Australian, Japanese, South African, Irish or relevant United States of America law.

THE WHOLE TEXT OF THIS DOCUMENT SHOULD BE READ. YOUR ATTENTION IS DRAWN, IN PARTICULAR, TO THE SECTION HEADED “RISK AND OTHER FACTORS” SET OUT IN PART II OF THIS DOCUMENT. ALL STATEMENTS REGARDING THE GROUP’S BUSINESS, FINANCIAL POSITION AND PROSPECTS SHOULD BE VIEWED IN LIGHT OF SUCH RISK AND OTHER FACTORS.

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DEFINITIONS

“Act”	the Companies Act 2006 to the extent in force and, to the extent still in force, the Companies Act 1985;
“Admission”	the admission of the Existing Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
“Admission Document”	this document dated 20 November 2008;
“AIM”	the AIM Market of London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies as published by London Stock Exchange from time to time;
“Articles”	the Company’s articles of association;
“Board” or “Directors”	the directors of the Company, whose names appear on page 5 of this document;
“CH Byron” or “Byron”	CH Byron (Electrical) Limited;
“Combined Code”	the Combined Code of Corporate Governance published in July 2003 and as amended in June 2006;
“Company” or “JSJS Designs”	JSJS Designs Plc;
“CREST”	the electronic settlement system to facilitate the holding and transfer of title to shares in uncertificated form operated by Euroclear UK & Ireland;
“Deferred Consideration”	the 50,000,000 Ordinary Shares to be issued subject to the conditions, set out in paragraph 7.1.8 of Part V of this document, being satisfied;
“Enlarged Share Capital”	together, the Existing Ordinary Shares and the Deferred Consideration;
“Existing Ordinary Shares”	the 200,000,000 Ordinary Shares in issue at the date of this document and on Admission;
“FSMA”	Financial Services and Markets Act 2000;
“Group”	the Company and the Subsidiary;
“Introduction”	the process by which Admission is achieved;
“Introduction Agreement”	the conditional agreement relating to Admission between W.H. Ireland, the Directors and the Company, further details of which are set out in paragraph 7.1.2 of Part V of this document;
“London Stock Exchange”	London Stock Exchange plc;
“Official List”	the Official List of the UKLA;
“Ordinary Shares”	ordinary shares of 0.1p each in the capital of the Company;
“Share Dealing Code”	the code on dealings in the Company’s securities adopted by the Company;
“Shareholders” or “Members”	holders of issued Ordinary Shares;
“Subsidiary”	JSJS Designs (Europe) Limited;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UKLA”	the United Kingdom Listing Authority of the Financial Services Authority, acting in its capacity as the competent authority for the purposes of Part VI of FSMA;

“Uncertificated” or “in uncertificated form”	recorded in the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations, may be transferred by means of CREST;
“Uncertificated Securities Regulations”	the Uncertificated Securities Regulations 2001, SI 2001/3755 including any modification thereof or any regulations in substitution therefore made under section 207 of the Companies Act 1989 and for the time being in force;
“United States or US”	the United States of America, its territories and possessions, any state of the United States of America and the district of Columbia and all other areas subject to its jurisdiction or any political subdivision thereof; and
“W.H. Ireland”	W.H. Ireland Limited.

GLOSSARY

“CE Marking”	a manufacturer’s declaration that the product complies with the essential requirements of the relevant European health, safety and environmental protection legislation;
“Environmental Control System”	an electronic control device, linked by radio, infrared or other methods of communication to individual units, that enables users to control their environment;
“hertz” or “Hz”	the unit of frequency equal to the number of electromagnetic waves per second. Multiples of these units are expressed as either kilo (1,000Hz) or mega (1,000,000 Hz);
“infrared”	electromagnetic waves between the visible red and microwave region of the electromagnetic spectrum having a frequency between 1,000 to 10,000 megahertz. Infrared is widely used in electronics especially in remote control and security systems;
“LCD”	a Liquid Crystal Display. A type of viewing screen built into electronic devices;
“radio”	electromagnetic waves having frequencies between 10 kilohertz to 100 megahertz. Radio is widely used in communication transmission to satellites, TV and radio receivers;
“RF”	radio frequency;
“Smart Home”	a home that uses the latest information and communication technology to link mechanical and digital devices to create an interactive environment; and
“SMS”	a communications protocol that allows the interchange of short text messages between mobile telephones and other devices.

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	Howard Cleveley Marshall (<i>Non-executive Chairman</i>) John Thomas Shermer (<i>Chief Executive Officer</i>) Frank Barry Tiller (<i>Non-executive Finance Director</i>) John Scot Sinclair (<i>Chief Technical Officer</i>)
all of Registered Office	33 Bennetts Hill, Birmingham B2 5SN
Telephone number	+44 (0) 1922 409 609
Company Secretary	Peter Britton
Nominated Adviser and Broker	W.H. Ireland Limited 85-89 Colmore Row Birmingham B3 2BB
Auditors and Reporting Accountants	PKF (UK) LLP New Guild House 45 Great Charles Street Queensway Birmingham B3 2LX
Solicitors to the Company	BPE 33 Bennetts Hill Birmingham B2 5SN
Solicitors to the Nominated Adviser	Shoosmiths Waterfront House Waterfront Plaza 35 Station Street Nottingham NG2 3DQ
Registrars	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA
Public Relations Advisers	Golley Slater Group Limited Suite 205 Fort Dunlop Fort Parkway Birmingham B24 9FD

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Admission Document publication date	20 November 2008
Admission effective and dealings in Ordinary Shares commence on AIM	27 November 2008

STATISTICS

Number of Ordinary Shares in issue at Admission	200,000,000
Number of Ordinary Shares in issue following payment of Deferred Consideration	250,000,000
Existing Ordinary Shares as a % of the Enlarged Share Capital, assuming payment of Deferred Consideration	80%

PART I

INFORMATION ON THE GROUP

INTRODUCTION AND HISTORY

JSJS Designs plc specialises in the design, development and manufacture of home automation systems to enable consumers to remotely operate everyday household appliances, such as lighting, heating, air conditioning, door entry, audio, video and security. The Group is targeting the potentially significant mass market as consumers increasingly seek to “retro-fit” Smart Home technologies into their homes and, in the longer term, the “Extra Care” residential market where there is demand from the providers of such schemes to enable independent living for the elderly and physically immobile.

The Group was founded in 2007 by John Shermer and John Sinclair who both have over 20 years of accumulated knowledge and knowhow of developing home automation systems for the severely physically disabled. In 1991 John Shermer established SRS Technology Group plc (“SRS”) which was admitted to AIM in 2001 and which John Sinclair later joined as director of Technology. In 2006, following the disposal of SRS’s sole trading subsidiary, John Shermer stepped down as Chief Technical Director of SRS to concentrate on developing environmental controls for the domestic market.

The Group’s primary products are a SMS Base Station capable of remote operation by mobile telephone and a handheld communication device, the Handset, for use within the home. These products have been designed to interact, through both infra-red and radio, with a broad range of domestic devices made by third parties, such as TV, DVD, central heating controls, automatic door openers and lighting. Additionally, the Group has used its expertise to enable its UK distributor to develop a comprehensive range of compatible and fully integrated peripheral products.

Currently the product range is sold to B&Q through the distributor’s “HomeEasy” brand. The Directors believe that the low-cost bolt-on approach, in which the average home can be automated from as little as £500, has enabled the concept of the smart home to be within the reach of the mass consumer market.

Since the product was launched in August 2007, the Group has achieved a turnover of approximately £1 million.

PRODUCTS

Handset

The Handset or the “HomeEasy Ultimate Master Controller” is essentially a small handheld icon based touch screen remote control device that incorporates a radio and infra-red transmitter with a micro-processor and proprietary software. This enables the end user to programme bespoke functions and to train the unit to emulate codes for operating other peripheral devices such as TV, DVD and CD.

Whereas most universal controllers only operate a small number of infrared controlled devices the Handset is designed to control up to 32 individual RF commands, each of which may control a number of devices, such as central heating, lighting and door locks. Furthermore, the Handset has greater functionality than most universal controllers. For example, the Handset has four “mood” settings for lighting, which can be pre-set according to the end users preferences – for instance to switch all lights off in the house or dim lights in a certain room, instantaneously at the touch of a single button. In addition, the Handset has multiple seven day timers, which by enabling end users to operate devices at specific times of the day or at random whilst they are away from home, provides greater security.

Also, by allowing the user to programme devices to come on at specific times when they are needed and/or by ensuring that all appliances are completely switched off as opposed to being left on standby, the HomeEasy range ensures that the home is more energy efficient, offering potential energy savings to the end user.

SMS BaseStation

The SMS BaseStation is essentially a radio transmitter coupled with a microprocessor, proprietary software and a SMS interface, allowing it to communicate with mobile telephones.

With the exception of the infrared control, the SMS BaseStation has similar functionality to the Handset with the added advantage that it can be operated by most mobile phones, enabling home appliances to be linked and operated remotely anywhere in the world where there is mobile coverage. In order to provide

security of operation the SMS BaseStation matches the callers automated recognition identity number with the unique set up authorisation code provided on installation. It would therefore be difficult for anyone to either operate or disable the SMS BaseStation without the users consent.

Both the Handset and SMS BaseStation are CE Marking approved for use throughout the European Union (“EU”) and countries within the European Free Trade Association (“EFTA”). Where the Company’s products are sold outside the EU or EFTA the Company will seek to ensure that its products are compliant with the relevant approval.

Third Party Peripherals

The Group’s products are designed to interface easily with third party remote controlled devices, such as door locks and curtain openers. In addition, and in order to provide broader functionality, the Group has assisted its distributor in designing a range of compatible products, including radio controlled plugs and dimmer switches.

Product Development

The Group is continuing to develop its products and has in hand projects both to extend the utility offered by the products and establish a branded range and style appropriate to other geographic markets. In addition, as sales volumes increase, the Directors will seek to outsource production to China.

THE MARKET

The Consumer Market

Until recently, the concept of “intelligent” or “smart” homes, which give individuals remote control over their domestic environment such as lighting, heating, air conditioning, blinds, door entry, audio, video and security, at the touch of a button, seemed futuristic or at the very least out of the financial reach of many, with high-end state of the art home automation systems costing tens of thousands of pounds. However, as the technology required to implement these systems has developed, elements of the Smart Home are becoming increasingly common, especially within the new build housing sector, with a number of housebuilders seeking to install some of the ideals of the Smart Home into their new build schemes. The Group is seeking to extend this concept into the existing housing stock with its products which are designed so they can be DIY, retro-fitted at affordable prices.

In addition to lifestyle benefits, it is estimated that consumers using smart home automation systems could make significant savings on their energy costs. The Directors believe that, as the benefits of Smart Home systems become established, the UK will provide a good platform for the international launch of its consumer products into the rest of Europe and the US.

The Extra Care Market

The UK’s population is ageing and it is estimated that by 2016 there will be 11.8 million people over the age of 65. The Directors believe that the Group’s product range will also appeal to the elderly and in particular to those who are in general less mobile and will enable them to live independent lives for longer. Additionally, the core base products can be set up to enable care staff to manage the less independent remotely, thereby enabling them to remain in the wider community for longer.

COMPETITION

At the top end of the market there are the expensive Smart Home systems such as those provided by US based Crestron Controls, where limited audio systems alone can cost in excess of \$50,000.

At the bottom end of the market there are the universal controllers and individual control devices, costing as little as £30 for an universal controller used to control domestic appliances such as TV, DVD, CD etc, but with limited functionality.

The Group’s products occupy the middle ground, offering a greater range of utility, functionality, remote access and control with prices starting at £89.99 for a handset. In this sector of the market and at this price, competition is scarce. The Directors believe that the Group’s nearest competitor is X-10 Wireless Technologies Inc whose X-10 products are successfully marketed in the US and which operate through radio and power line signalling.

DISTRIBUTION AGREEMENT

The Subsidiary has an agreement with CH Byron, a UK distributor of electrical accessories and lighting products, under which the Handset and SMS BaseStation are distributed as part of CH Byron's Home Easy range. In 2007 Byron won a multi-million pound contract to supply B&Q with the Home Easy home automation products. B&Q, which with 330 stores nationally, is the UK's biggest home improvement retailer, launched the products on 17 September 2007.

Under the agreement, the Subsidiary has agreed to design and develop the Handset for integration with CH Byron's home automation range. The agreement also grants CH Byron a sole exclusive worldwide licence to commercially exploit the Handset and the SMS BaseStation for a two year period expiring in August 2009.

STRATEGY

CH Byron has recently launched the HomeEasy range in Germany and Southern Ireland and is expected shortly to launch the range in Holland and France. In addition, the Group, through its distributor, will seek to sell the range to other independents and retailers in the UK.

INTELLECTUAL PROPERTY

The technology used by the Group's products is generic in nature and as such the Group does not retain any registered IP rights. However, the Group has extensive expertise and knowhow in using this technology and of the interface between the end user and the products being operated. The Directors believe that it would not be easy for competitors to mimic or copy the Group's products, nevertheless, they recognise the importance of being the first to market and of establishing brand loyalty amongst consumers in the future by continually developing superior and improved products at competitive prices.

DIRECTORS

The Board of the Company will comprise of 2 Executive Directors and 2 non-Executive Directors. Brief biographies of the Directors are set out below;

Howard Cleveley Marshall (*Non-executive Chairman, aged 65, British*)

Howard is a graduate mathematician and holds a Masters Degree in Business Administration from London Business School. He is a Non Executive Director of Hill & Smith Holdings plc, a British infrastructure group and Non Executive Chairman of Imaginatik plc, a UK based innovation software company. His current appointments also include a governorship of Birmingham City University, Chairman of Orchestra of the Swan and Director of LJM Consultancy Ltd.

Formerly from 1989 until 2000 he was Managing Director and later Chief Executive of Ash & Lacy plc and from 2001 until 2003 he was Chief Executive & Chairman of Bullough plc which were both active in the wider engineering sector.

John Thomas Shermer (*Chief Executive, aged 52, British*)

In 1984 John Shermer established the Centre of Access Technology as a resource centre operated by Birmingham local authority which offered expertise and training on technology and disability to other local authorities within the United Kingdom and overseas agencies. During this time he led the development of software for training and innovative methods for working with people with disabilities.

He has acted since 1989 as a consultant to various local education and social services authorities, providing advice on the procurement and implementation of computer hardware and software and equipment to benefit people with disabilities. He has also acted as adviser on the interface between disability and technology to the Department of Trade & Industry and the Department of Education between 1989 and 1992.

He established SRS Technology Group plc in 1991 where he held various senior executive and Board positions until his resignation in 2006, following the sale of SRS's only trading subsidiary to a competitor. From 1992 until 1994 he assisted in the management of a spinal injuries clinic at Southport Spinal Injuries Hospital and was a consultant to the European Commission from 1992 to 1996 advising on the implementation of computer technology prospects for the benefit of people with disabilities. A noted speaker at various national and international conferences and seminars, he has also acted as an expert witness in various legal cases.

Frank Barry Tiller, (Non-Executive Finance Director, aged 55, British)

Frank is a Chartered Accountant with over thirty-eight years of professional and senior management experience. After obtaining his accountancy qualification, Frank spent a further three years in the profession before moving into industry. He joined Waterline Group Plc (then known as Holloway Furniture Company Limited) in 1980 as Finance Director. Frank remained with Waterline until 2005 and saw turnover grow from £400,000 to almost £75 million per annum with over 250 staff worldwide. He was instrumental in establishing management and reporting systems for the geographically diverse group and worked on Waterline's successful admission to AIM. Since leaving Waterline Plc, he has joined the board, as Finance Director, of GEM BioFuels Plc, a company admitted to AIM in 2007. Frank also provides corporate finance consultancy to other multi million pound turnover private companies. Frank is responsible, with assistance from external advisers, for the compliance of the Company with financial regulations.

John Scot Sinclair (Chief Technical Officer, aged 42, British)

John has been writing software professionally for over 25 years. In 1989 he established Tetra Systems Ltd, initially developing telephony and front of desk management systems for the hotel sector, later designing RF, infra-red remote home control systems and working with John Shermer in the development of computer interfaces for patients at the spinal injuries clinic at Southport Spinal Injuries Hospital. In 2001 John joined SRS Technology Group Plc as Director of Technology and was instrumental in the development of SRS's product suite of advanced environmental controls for the severely physically impaired.

EMPLOYEES

The following table sets out the number of persons employed by the Company (excluding the executive Directors) and their main category of activity, as at 31 July 2007, 31 July 2008 and 20 November 2008, the last practicable date before publication of this document.

Function	Number of Employees		
	31 July 2007	31 July 2008	20 November 2008
Directors/Senior employees	1	1	2
Administrative assistant/Assembly worker	1	1	1
Total	2	2	3

In order to deliver the level of growth that the Group anticipates and to successfully manage the increased client base, JSJS Designs is likely to require additional staff to be phased into the business over the next two years. The new staff additions are likely to be required in the area of sales and marketing. The Group may find it beneficial to open small satellite offices particularly in the US and Europe to ensure a more comprehensive exploitation of the available market and service provision to clients.

Most of the routine finance function is planned to be outsourced. The financial analysis work and the statutory reporting will all be performed out of the UK office.

SUMMARY FINANCIAL INFORMATION, CURRENT TRADING AND FUTURE PROSPECTS

The audited results of the Subsidiary for the period ended 31 July 2008 are set out in Part III of this document and are summarised below:

	Period ended 31 July 2008 £'000
Turnover	857
Cost of sales	(632)
Gross profit	225
Administrative expenses	(136)
Operating profit	89
Investment income	5
Profit before taxation	94
Taxation	(26)
Retained profit	68

The Subsidiary's turnover comprises a relatively small number of large orders and may vary significantly from month to month. It is too early in the Group's development to establish a sales pattern or precise seasonality.

Cost of sales include payments to Tetra Systems Limited, a company controlled by John Sinclair, in respect of supply of products and work undertaken by him. Following his appointment to the Board these payments will cease. No research and development costs have been capitalised.

The net assets of the Subsidiary as at 31 July were as follows:

	31 July 2008 £'000
Fixed assets	12
	12
Stock	58
Debtors	6
Cash	155
	219
Creditors	(163)
Current Assets	56
Shareholders' funds	68

The net assets of the Company as at 30 September were as follows:

	30 September 2008 £
ASSETS	
Current assets	
Other receivables	1
Total assets	1
EQUITY	
Capital and reserves attributable to equity holders of the Company	
Ordinary shares	1
Total equity	1

Since 31 July 2008 the cash balances of the Subsidiary have largely been consumed by trading. The residual balance has however been supplemented by £550,000 of new equity subscribed by shareholders in the Company since 30 September 2008.

The whole of the contents of Parts II, III and IV should be read and investors should not just rely on the summarised financial information presented above.

DIVIDEND POLICY

Initially earnings will be retained by the Group in order to develop and grow the business. Whilst the Directors anticipate paying a dividend in the future any such declaration or payment will depend on the results of the Group's operations, its financial condition, cash requirements, future prospects, profits available for distribution and other factors deemed to be relevant at the time.

DIRECTORS' INTERESTS AND LOCK-IN ARRANGEMENTS

The Directors' aggregate interests in Ordinary Shares following Admission will amount to 104,500,000 Ordinary Shares representing approximately 52 per cent. of the issued share capital of the Company.

John Shermer, John Sinclair and certain other shareholders have agreed not to dispose of any interests in the securities of the Company within a period of 12 months following Admission (the "Lock-in Period"), save subject to specified circumstances.

In addition, the Directors and certain other shareholders have agreed to orderly market arrangements covering the 12 month period following the lock-in, under which the relevant shareholders may not *inter alia* dispose of shares at less than 2 pence or at a price lower than a price at which they had sold shares in the previous three months, without the agreement of W.H. Ireland (or such broker as may be appointed by the Company from time to time).

The aggregate number of shares subject to the lock-in and the orderly market arrangements is 104,500,000, representing 52% of the existing share capital of the Company.

Shareholders holding 20,000,000 Ordinary Shares, representing 10% of the existing share capital, have undertaken, at the reasonable request of the Company's broker, to make available shares to meet market demand at a price above 1 pence per Ordinary Share and Shareholders holding 30,000,000 Ordinary Shares, representing 15% of the existing share capital, have undertaken at the reasonable request of the Company's broker, to make available shares to meet market demand at a price above 2 pence per Ordinary Share.

CONTROLLING SHAREHOLDER AGREEMENT

John Shermer and John Sinclair have entered into a controlling shareholder agreement with the Company, the principal terms of which are summarised in paragraph 7.1.5 of Part V of this document.

CORPORATE GOVERNANCE

The Directors recognise the importance of sound corporate governance and the guidelines set out in the Principles of Good Corporate Governance and Code of Best Practice (the "Combined Code"). Whilst AIM companies are not obliged to comply with the Combined Code, the Directors do intend to comply with the Combined Code so far as is appropriate having regard to the size and nature of the various companies comprising the Group. The Board will take such measures so far as practicable to comply with the Combined Code and in addition, the Quoted Companies Alliance ("QCA") Guidelines for AIM Companies.

The Company has two non-executive Directors. The Board retains full and effective control over the Company. The Company holds regular Board meetings at which financial, operational and other reports are considered and, where appropriate, voted on. Apart from regular meetings, additional meetings will be arranged when necessary to review strategy, planning, operational and financial performance, risk and capital expenditure and human resource and environmental management. The Board is also responsible for monitoring the activities of the executive management. To enable the Board to perform its duties, all Directors will have full access to all relevant information. If necessary the non-executive Directors may take independent professional advice at the Group's expense.

The Directors have established an audit committee and a remuneration committee with formally delegated duties and responsibilities to operate with effect from Admission.

The audit committee

The audit committee, which upon Admission will comprise Howard Marshall and Frank Tiller, is to be chaired by Howard Marshall and will meet at least twice a year. The committee will review the Group's

annual and interim financial statements before submission to the Board for approval. The committee will also review regular reports from management and the external auditors on accounting and internal control matters. Where appropriate, the committee will monitor the progress of action taken in relation to such matters. The committee will also recommend the appointment of, and review the fees of, the external auditors.

The remuneration committee

The remuneration committee, which upon Admission will comprise Howard Marshall and Frank Tiller, is to be chaired by Frank Tiller, and intends to meet twice a year. It will be responsible for reviewing the performance of the executive directors and for setting the scale and structure of their remuneration, paying due regard to the interests of Shareholders as a whole and the performance of the Group. The remuneration committee will also determine allocations of any warrants or options granted under any share option scheme adopted by the Company in the future and will be responsible for setting any performance criteria relevant to such warrants or options.

The Directors will comply with Rule 21 of the AIM Rules relating to Directors' dealings and will take all reasonable steps to ensure compliance by the Group's applicable employees. The Company has adopted and will operate a share dealing code for Directors and employees in accordance with the AIM Rules.

REASONS FOR ADMISSION

The Directors believe that the associated benefits of Admission include:

(i) Increased Corporate Profile

The profile of the business, among industry peers and in attracting new business, should benefit from the status of being part of an AIM quoted company.

(ii) Incentivisation of Key Staff

The use of publicly traded equity to implement appropriate share option schemes to incentivise employees and directors, as the Group grows.

(iii) Acquisition Consideration

The issue of publicly traded shares as consideration is potentially more attractive to vendors than the issue of non-publicly traded shares and the Directors may wish to consider this as a form of consideration if an acquisition opportunity is identified in the future.

(iv) Access to Capital Markets

The Group may need to raise further funds in the future to develop its business or to finance any cash element of consideration for an acquisition if one is identified.

TAXATION

Information regarding taxation is set out in paragraph 12 of Part V of this document. These details are, however, intended only as a general guide to the current tax position under UK taxation law. **If you are in any doubt as to your tax position, you should consult an appropriate professional adviser immediately.**

The Company has received advance assurance from HM Revenue & Customs on the basis of information supplied by the Company that the Ordinary Shares will qualify for Enterprise Investment Scheme, Venture Capital Trust and Corporate Venturing Scheme relief ("EIS/VCT/CVS relief"). The Directors anticipate that the Company will continue to be a qualifying company for the purpose of EIS/VCT/CVS relief, although no assurance of this can be given.

SETTLEMENT, DEALINGS AND CREST

Application has been made to London Stock Exchange for the Existing Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and dealings will commence in the Existing Ordinary Shares on 27 November 2008. No application has or will be made for the Existing Ordinary Shares to be admitted to trading or to be listed on any other stock exchange.

The Company has applied for the Existing Share Capital to be admitted to CREST and it is expected that the Existing Ordinary Shares will be so admitted and accordingly enabled for settlement in CREST on the date of Admission.

CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so. All of the Ordinary Shares will be in registered form and no temporary documents of title will be issued.

FURTHER INFORMATION

Your attention is drawn to Part II of this document which contains certain risk and other factors relating to any investment in the Company and to Parts III, IV and V of this document which contain further additional information on the Group.

PART II

RISK AND OTHER FACTORS

In addition to the other relevant information set out in this document, the following specific factors should be considered carefully when evaluating an investment in the Group. The investment offered in this document may not be suitable for all of its recipients. If you are in any doubt as to the action you should take, you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities. A prospective investor should consider carefully whether an investment in the Group is suitable for him/her in the light of his/her personal circumstances and the financial resources available to him/her.

In addition to the usual risks associated with an investment in a business at a relatively early stage of its development, the Directors consider that the risks and other factors described below are the most significant and should be considered carefully together with all the information contained in this document. It should be noted that the risks described below are not the only risks faced by the Group; there may be additional risks that the Directors currently consider not to be material or of which they are currently unaware.

If any of the risks referred to in this Part II crystallise, the Group's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of its shares could go down and investors may lose all or part of their investment. The risks set out below do not appear in any order of priority or importance.

Dependence on Distributor

The current distribution agreement does not contain any minimum order requirements. Ultimately the Group's revenues and profitability are reliant upon the performance of its distributors and the extent to which they promote the Group's product and there is no guarantee that the CH Byron agreement with B&Q will not be terminated. There is the additional risk that distributors could decide not to order any further products from the Group. In either case it is unlikely that the Group could deliver the expected revenues and profitability.

Economic Slowdown

The Group's future growth and expected profitability is primarily dependent on consumer confidence and consumers willingness to spend on discretionary items. The Group cannot be certain that in the current economic climate that the rate of consumer spending will be sufficient to deliver the expected revenue and profitability. It is possible that the market place will not grow as rapidly as the Directors expect and/or that the Group's sales and marketing efforts are not going to be as successful as planned.

Intellectual Property

The intellectual property of the Group is not patent protected and whilst closely held by the senior management team the risk remains that a competitor may copy the Group's technology and/or launch similar products in the market.

Currency risk

The Group is seeking to expand sales internationally and at the same time may look to source production from the Far East. As a result, the Group's profits and cash flows will be subject to exchange rate fluctuations. Fluctuations in exchange rates between currencies in which the Group operates may cause fluctuations in its financial results, which are not necessarily related to the Group's underlying operations.

Dependence on key personnel and employees

In common with many smaller companies, the Group's future success will depend upon the services of its current and future senior management team and employees. Whilst it has entered into contractual and shareholding arrangements with the aim of securing the services of the Directors, details of which are set out in Part V of this document, the retention of their, and any future directors' or key employees' services cannot be guaranteed. If one or more of these persons were to cease providing their services to the Group, this may have a material adverse effect in the Group's business.

Requirement for funds

As the Group grows, it may be necessary to raise additional equity or debt financing to cover working capital requirements. Any additional equity financing may be dilutive to Shareholders and debt financing, if available, may involve restrictions on financing and operating activities. There can be no assurance that such funding required by the Group will be made available to it and, if such funding is available, that it will be offered on acceptable terms.

If the Group is unable to obtain additional financing as needed, it may not be able to fulfil its strategy which could have a material adverse effect on the Group's business, financial condition and prospects.

Share price effect of sales of Ordinary Shares by a significant Shareholder and/or Director

The market price of Ordinary Shares could decline significantly as a result of any sales of material numbers of Ordinary Shares or the perception by the market that such sales could or would occur.

Share price volatility and liquidity

The share price of publicly traded companies can be highly volatile. The price at which the Ordinary Shares will be quoted and the price which Shareholders may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its operations, its sector and some which may affect quoted companies generally.

Forward looking statements

This document includes "forward-looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations, and such statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Many factors could cause the Group's actual results, performance or achievements to differ materially from those in forward-looking statements including those relating to the Group's funding requirements, reliance on third parties, intellectual property, key personnel and other factors. These forward-looking statements speak only as at the date of this document. As a result of these factors, investors are cautioned not to rely on any forward-looking statement.

The value of Ordinary Shares can decrease as well as increase.

Admission to AIM should not be taken as implying that there will be a liquid market for the Ordinary Shares. It may be more difficult for an investor to realise his investment on AIM than to realise an investment in a company whose shares are quoted on the Official List of the UKLA.

PART III

ACCOUNTANTS' REPORT ON JSJS DESIGNS (EUROPE) LIMITED (FORMERLY KNOWN AS JSJS DESIGNS LIMITED)

The Directors
JSJS Designs Plc
33 Bennetts Hill
Birmingham
B2 5SN

and

The Directors
W H Ireland
5th Floor
85-89 Colmore Row
Birmingham
B3 2BB

20 November 2008

Dear Sirs

JSJS Designs (Europe) Limited (the "Company")

We report on the financial information of the Company set out in paragraphs 1 to 6, which has been prepared for inclusion in the Admission Document dated 20 November 2008 of JSJS Designs Plc on the basis of the accounting policies set out in paragraph 1. This report is required by paragraph (a) of Schedule Two of the AIM Rules and is given for the purpose of complying with paragraph (a) of Schedule Two of the AIM Rules and for no other purpose.

Responsibilities

The directors of JSJS Designs Plc are responsible for preparing the financial information contained in paragraphs 1 to 6 of the financial information. It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial statements underlying the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document dated 20 November 2008, a true and fair view of the state of affairs of the Company as at 31 July 2008 and its profits and cash flows for the period then ended in accordance with the basis of preparation set out in paragraph 1.

Declaration

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

Yours faithfully

PKF (UK) LLP

1. Summary of significant accounting policies

JSJS Designs (Europe) Limited (“the Company”) is a company domiciled in England and Wales and was incorporated on 5 July 2007, company registration number 06303513. The Company changed its name on 24 October 2008 from JSJS Designs Limited to JSJS Designs (Europe) Limited.

The Company’s principal activity during the period was the design and manufacture of equipment to remotely control domestic devices and systems.

Statement of compliance

This financial information has been prepared in accordance with International Financial Reporting Standards (“IFRS”), including International Accounting Standards (“IAS”) and interpretations issued by the International Accounting Standards Board (“IASB”) and its committees, and as adopted by the EU, and in accordance with the Companies Act 1985.

This is the Company’s first set of financial information and accordingly no comparative information has been presented.

Basis of preparation

The preparation of this financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies.

The financial information covers the period from incorporation on 5 July 2007 to 31 July 2008.

(a) Property, plant and equipment

All property, plant and equipment assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation of property, plant and equipment is provided to write off the cost, less residual value, on a reducing balance basis over the estimated useful life, as follows:

- Motor cars 25%

Residual values, remaining useful lives and depreciation methods are reviewed annually and adjusted if appropriate.

(b) Impairment of non-financial assets

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. The entity assesses at each reporting date whether an asset may be impaired.

(c) Financial assets

The Company classifies its financial assets in the following categories: (i) at fair value through the profit and loss, (ii) loans and receivables and (iii) available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

- (i) Financial assets at fair value through profit and loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.
- (ii) Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as ‘trade and other receivables’ in the balance sheet.

(d) Inventories

Inventories are valued at the lower of cost and net realisable value on a first-in-first-out basis. Cost comprises purchase cost of goods, direct labour and those overheads related to manufacture and distribution based on normal activity levels. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(e) Trade receivables

Trade receivables are carried at cost less provision for impairment. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

(f) Cash and cash equivalents

Cash and cash equivalents includes deposits held on call with banks.

(g) Share capital

Ordinary shares are classified as equity.

(h) Trade payables

Trade payables are measured at amortised cost using the effective interest method when appropriate.

(i) Revenue

Revenue comprises the fair value of the consideration received or receivable for the sales of goods in the ordinary course of the Company's activities (excluding VAT and other sales taxes, returns, rebates and discounts). Revenue is recognised when goods are despatched.

Interest income is recognised on a time apportionment basis.

(j) Research and development

Research and development expenditure is charged to the income and expenditure account in the period in which it is incurred except for development expenditure that meets the criteria of an asset under IAS 38 – 'Intangible assets' which is capitalised.

(k) Leasing

Leases, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

(l) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

(m) Deferred tax

Deferred tax is provided in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

2. Income Statement

For the period from 5 July 2007 to 31 July 2008

	Note	Period ended 31 July 2008 £'000
Revenue	i	857
Cost of sales		(632)
		<hr/>
Gross profit		225
Administrative expenses		(136)
		<hr/>
Operating profit	ii	89
Finance costs		–
Investment income	iv	5
		<hr/>
Profit before tax		94
Tax	v	(26)
		<hr/>
Profit for the period – attributable to equity holders of the Company		68
		<hr/> <hr/>

All amounts relate to continuing operations.

3. Balance Sheet as at 31 July 2008

	Note	31 July 2008 £'000
Non-current assets		
Property, plant and equipment	vi	12
		<hr/>
		12
		<hr/>
Current assets		
Inventories	vii	58
Other receivables	viii	6
Cash and cash equivalents	xi	155
		<hr/>
		219
		<hr/>
Total assets		231
		<hr/> <hr/>
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	ix	–
Retained earnings		68
		<hr/>
Total equity		68
		<hr/> <hr/>
LIABILITIES		
Current liabilities		
Trade and other payables	x	137
Current income tax liabilities		26
		<hr/>
Total liabilities		163
		<hr/>
Total equity and liabilities		231
		<hr/> <hr/>

4. Statement of changes in equity

For the period from 5 July 2007 to 31 July 2008

	Attributable to equity holders of the Company		
	Ordinary Shares £'000	Retained earnings £'000	Total equity £'000
Changes in equity during the period:	–	–	–
Issue of share capital	–	–	–
Profit for the period	–	68	68
Balance at 31 July 2008	–	68	68

5. Cash flow statement

For the period from 5 July 2007 to 31 July 2008

	Note	Period ended 31 July 2008 £'000
CASH FLOWS FROM OPERATING ACTIVITIES	xii	162
INVESTING ACTIVITIES		
Interest received		5
Purchases of property, plant and equipment		(12)
Net cash used in investing activities		(7)
NET INCREASE IN CASH AND CASH EQUIVALENTS		155
Cash and cash equivalents at beginning of period		–
Cash and cash equivalents at end of period		155

6. Notes to the financial information

i Segmental reporting

The whole of revenue is attributable to one class of business and to the sale of goods.

All revenue arose within the United Kingdom.

ii Operating profit

Operating profit has been arrived at after charging:

	Period ended 31 July 2008 £'000
Research and development costs	182
Operating leases*	13
Cost of inventories recognised as expense	420
Staff costs (see note iii)	70
Other expenses	83

*There are no non-cancellable leases.

Amounts payable to PKF (UK) LLP and their associates in respect of both audit and non-audit services

	2008	
	£'000	%
Audit services		
– statutory audit	8	100
– audit-regulated regulatory reporting	–	–
	<u>8</u>	<u>100</u>
	<u><u>8</u></u>	<u><u>100</u></u>

iii Staff costs

The average monthly number of employees (including directors) for the period was 3.

The aggregate remuneration comprised:

	Period ended 31 July 2008 £'000
Wages and salaries	65
Social security costs	5
	<u>70</u>
	<u><u>70</u></u>

iv Investment income

	Period ended 31 July 2008 £'000
Interest on bank deposits	5
	<u>5</u>
	<u><u>5</u></u>

v Tax expense

	Period ended 31 July 2008 £'000
Current tax	26
	<u>26</u>
	<u><u>26</u></u>

Tax is calculated at 21% of the estimated assessable profit for the period.

The charge for the period can be reconciled to the profit per the income statement as follows:

	Period ended 31 July 2008	
	£'000	%
Profit before tax	94	
	<u>94</u>	
Tax at the domestic tax rate 21%	20	
Tax effect of expenses that are not deductible in determining taxable profit	7	
Effect of change in tax rates	(1)	
	<u>26</u>	
Tax expense and effective tax rate for the period	26	28
	<u><u>26</u></u>	

No deferred tax balances have been recognised as they are immaterial.

vi	Property, plant and equipment	Motor vehicles £'000
	Cost or valuation	
	Additions	12
	At 31 July 2008	<u>12</u>
	Accumulated depreciation	
	Charge for the period	–
	At 31 July 2008	<u>–</u>
	Net book value	
	At 31 July 2008	<u><u>12</u></u>
vii	Inventories	2008 £'000
	Raw materials	11
	Finished goods	47
		<u>58</u>
viii	Other receivables	2008 £'000
	VAT debtor	<u>6</u>
ix	Share capital	2008 £
	Ordinary shares of £1 each	
	Authorised:	<u>100</u>
	Allotted and fully called up, but unpaid	<u><u>4</u></u>
	On incorporation on 5 July 2007 the Company allotted and issued four ordinary shares for their nominal value of £1 each.	
	All issued shares rank <i>pari passu</i> for the purposes of dividends, voting and any return of capital.	
x	Trade and other payables	2008 £'000
	Trade payables	58
	Social security and other taxes	2
	Other payables	77
		<u>137</u>

xi Financial instruments

The carrying amounts and fair values of financial instruments are given below:

Financial assets

	Loans and receivables £'000
Cash and deposits	155
Other receivables	6
	<hr/>
	161
	<hr/> <hr/>

The fair value of financial assets equals their carrying amount. The financial assets do not contain any provision for impairment. The maximum exposure to credit risk at the reporting date is the fair value of each class of asset mentioned above. The Company does not hold any collateral as security.

Financial liabilities

	Financial liabilities measured at amortised cost £'000
Trade and other payables	137
	<hr/>
	137
	<hr/> <hr/>

The fair value of financial liabilities equals their carrying amount. All financial liabilities are due within one year.

xii Reconciliation of profit from operating profit to net cash from operating activities

	2008 £'000
Operating profit	89
Adjustments for:	
(Increase) in inventories	(58)
(Increase) in other receivables	(6)
Increase in trade and other payables	137
	<hr/>
Cash generated from operations	162
	<hr/> <hr/>

xiii Related party transactions

Trading transactions

The Company does not have a controlling party. The following transactions were carried out with related parties:

Entity controlled by key management personnel

	2008 £'000
Purchases of goods in period	365
Amounts owed to related parties at period end	–

The entity controlled by key management personnel is Tetra Systems Limited, owned by Mr J Sinclair, a director and shareholder of the Company. The amounts purchased related to product materials, research and design and have been charged to cost of sales.

Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the Company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	2008
	£'000
Short-term employee benefits	51

Remuneration paid to connected parties

During the period amounts were paid to parties connected to Mr J Shermer, a director and shareholder in the Company, as follows;

	2008
	£'000
Paid to Mrs G Shermer	4
Paid to Children of Mr J Shermer (in total)	12

xiv Post balance sheet events

Share capital

On 24 October 2008, a share exchange agreement was entered into between BCOMP 369 Limited and the shareholders of JSJS Designs Limited in order to acquire 100% of the ordinary share capital of JSJS Designs Limited.

Under the terms of the agreement 500,000 ordinary shares of £0.10 each were allocated to each of the shareholders of JSJS Designs Limited, John Sinclair and John Shermer, who are also directors of BCOMP 369 Limited.

The former shareholders of JSJS Designs Limited are also potentially entitled to an additional 222,222 ordinary shares of £0.10 as deferred consideration which is dependant upon the future performance of the Company.

This agreement was amended on 11 November 2008 to revise the entitlement to 500,000 ordinary shares of £0.10 each, again dependant upon the future performance of the Company.

Change of name

On 24 October 2008 JSJS Designs Limited changed its name to JSJS Designs (Europe) Limited.

Cash balances

Since the period cash balances have significantly reduced. Cash at bank as at 31 October 2008 was £1,000.

PART IV

ACCOUNTANTS' REPORT ON JSJS DESIGNS PLC (FORMERLY KNOWN AS BCOMP 369 LIMITED)

The Directors
JSJS Designs Plc
33 Bennetts Hill
Birmingham
B2 5SN

and

The Directors
W. H. Ireland
5th Floor
85-89 Colmore Row
Birmingham
B3 2BB

20 November 2008

Dear Sirs

JSJS Designs Plc, formerly known as BCOMP 369 Limited (the "Company")

We report on the financial information of the Company set out in paragraphs 1 to 3, which has been prepared for inclusion in the Admission Document dated 20 November 2008 of the Company on the basis of the accounting policies set out in paragraph 1. This report is required by paragraph (a) of Schedule Two of the AIM Rules and is given for the purpose of complying with paragraph (a) of Schedule Two of the AIM Rules and for no other purpose.

Responsibilities

The directors of the Company are responsible for preparing the financial information contained in paragraphs 1 to 3 of the financial information. It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial statements underlying the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document dated 20 November 2008, a true and fair view of the state of affairs of the Company as at 30 September 2008 in accordance with the basis of preparation set out in paragraph 1.

Declaration

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

Yours faithfully

PKF (UK) LLP

1. Summary of significant accounting policies

JSJS Designs Plc (“the Company”) is a company domiciled in England and Wales and was incorporated on 5 September 2008, company registration number 06690180. The Company changed its name on 24 October 2008 from BCOMP 369 Limited to JSJS Designs Limited and has subsequently re-registered as a public limited company on 10 November 2008.

Statement of compliance

This financial information has been prepared in accordance with International Financial Reporting Standards (“IFRS”), including International Accounting Standards (“IAS”) and interpretations issued by the International Accounting Standards Board (“IASB”) and its committees, and as adopted by the EU, and in accordance with the Companies Act 1985.

This is the Company’s first set of financial information and accordingly no comparative information has been presented.

Basis of preparation

The preparation of this financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies.

The financial information covers the period from incorporation on 5 September 2008 to 30 September 2008.

a) Financial assets

The Company classifies its financial assets in the following categories: (i) at fair value through the profit or loss, (ii) loans and receivables and (iii) available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

- (i) Financial assets at fair value through profit and loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.
- (ii) Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as ‘trade and other receivables’ in the balance sheet.

b) Share capital

Ordinary shares are classified as equity.

2. Balance Sheet as at 30 September 2008

	Note	30 September 2008 £
ASSETS		
Current assets		
Other receivables	i	1
Total assets		1
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Ordinary shares	ii	1
Total equity		1

3. Notes to the financial information

i Other receivables

	30 September 2008
	£
Unpaid share capital	1

ii Share capital

	30 September 2008
	£
Ordinary shares of £1 each Authorised:	100
Allotted and fully called up, but unpaid	1

On incorporation on 5 September 2008 the Company allotted and issued one ordinary share for nominal value of £1.

All issued shares rank *pari passu* for the purposes of dividends, voting and any return of capital.

iii Post balance sheet events

On 22 October 2008 the authorised share capital of the Company was increased to 1,000,000 ordinary shares of £1 each, each ranking *pari passu* in all respects with existing ordinary shares of £1 each in the capital of the Company.

The 1,000,000 authorised shares of £1 each, including the 1 allotted share, were then subdivided into 10 ordinary shares of 10 pence each.

On the same date, 499,990 ordinary shares of 10 pence each were allotted at par and fully called up of which £12,500 was received in cash and £37,499 that remained due has subsequently been paid. The original subscriber shares were also paid up in full.

On 24 October 2008, a share exchange agreement was entered into between BCOMP 369 Limited and the shareholders of JSJS Designs Limited in order to acquire 100% of the ordinary share capital of JSJS Designs Limited. Under the terms of the agreement 500,000 ordinary shares of 10 pence each were allocated to each of the shareholders of JSJS Designs Limited, John Sinclair and John Shermer, who are also directors of BCOMP 369 Limited. The former shareholders of JSJS Designs Limited are also potentially entitled to an additional 222,222 ordinary shares of 10 pence as deferred consideration which is dependent upon the future performance of the Company.

On 24 October 2008 the name of BCOMP 369 Limited was changed to JSJS Designs Limited and the name of the company formerly called JSJS Designs Limited was changed to JSJS Designs (Europe) Limited.

On 10 November 2008 the Company was re-registered as a public limited company under the name JSJS Designs Plc.

On 11 November 2008 the share exchange agreement entered into on 24 October 2008 was amended so that the potential entitlement to deferred consideration was increased to 500,000 ordinary shares of 10 pence each.

Subsequently, on the same date the 10,000,000 ordinary shares of 10 pence were each sub-divided into 100 ordinary shares of 0.1 pence each.

On 18 November 2008 the Company issued 50,000,000 ordinary shares to certain shareholders at a price of 1 pence per ordinary share credited as fully paid.

PART V

ADDITIONAL INFORMATION

1. Responsibility for information in this document

1.1 The Directors, whose names and business addresses are set out in paragraph 1.2 of this Part V, accept responsibility, individually and collectively, for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 The Directors and their respective positions are:

Howard Cleveley Marshall (<i>Non-executive Chairman</i>)	– to be appointed 27 November 2008
John Thomas Shermer (<i>Chief Executive Officer</i>)	– appointed 22 September 2008
Frank Barry Tiller (<i>Non-executive Finance Director</i>)	– to be appointed 27 November 2008
John Scot Sinclair (<i>Chief Technical Officer</i>)	– appointed 22 September 2008

The business address of each of the Directors is Ezekiel House, Ezekiel Lane, Willenhall, West Midlands WV12 5QU.

2. The Company

2.1 The Company was incorporated and registered in England and Wales under the Act on 5 September 2008 under the name BCOMP 369 as a private company with registration number 06690180. On 4 November 2008 the Company's name was changed to JSJS Designs Limited. On 10 November 2008 the Company re-registered as a public limited company to become JSJS Designs Plc.

2.2 The principal activity of the Company is the design, development and supply of home automation systems for the consumer market.

The Company is the holding company of the following wholly owned subsidiary company:

Name and registered number	Registered office	Principal activity
JSJS Designs (Europe) Limited 06303513	33 Bennetts Hill Birmingham B2 5SN	Manufacture and design of intelligent controls

2.3 The principal legislation under which the Company operates and under which the Ordinary Shares have been created is the Act and the regulations made thereunder. The liability of the Company's members is limited.

2.4 The registered office of the Company is at 33 Bennetts Hill, Birmingham, B2 5SN, telephone number +44 (0)121 200 0660.

2.5 The principal place of business of the Company is Ezekiel House, Ezekiel Lane, Willenhall, West Midlands WV12 5QU, telephone number +44 (0) 1922 409 609.

2.6 The Company has no administrative, management and supervisory bodies other than the Board and (with effect from Admission) the remuneration committee and the audit committee, both of which have no members other than Directors of the Company.

3. Memorandum and Articles of Association

3.1 The Memorandum of Association of the Company provides that its principal object is to carry on business as a general commercial company. Its objects are set out in full in clause 3 of the Memorandum of Association, which is one of the documents referred to in paragraph 14 below as being available for inspection.

3.2 *Articles of Association*

This section describes the material provisions of the Company's Articles. It is a description of significant rights and does not purport to be complete or exhaustive.

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

(a) *Voting Rights*

Subject to paragraph 3.2(f) below, and to any special terms as to voting upon which any shares may for the time being be held, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by its duly authorised representative, or by proxy, shall have one vote and on a poll every member present in person or by representative or proxy shall have one vote for every ordinary share in the capital of the Company held by him. A proxy need not be a member of the Company.

(b) *Variation of Rights*

If at any time the capital of the Company is divided into different classes of shares, all or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. At every such separate general meeting (except an adjourned meeting where the quorum shall be one), the quorum shall be not less than two persons holding or representing by proxy at least one-third in nominal value of the issued shares of that class, unless there is at such time only one person holding shares of such class.

(c) *Alteration of capital*

The Company may by ordinary resolution increase its share capital, consolidate and divide all or any of its share capital into shares of a larger amount, sub-divide all or any of its shares into shares of a smaller amount and cancel any shares not taken, or agreed to be taken, by any person.

The Company may, subject to the Act, by special resolution reduce or cancel its share capital or any capital redemption reserve or share premium account in any way.

Subject to and in accordance with the provisions of the Act and to any rights for the time being attached to any share, the Company may purchase its own shares of any class (including any redeemable shares), provided that the Company shall not purchase any of its shares unless such purchase has been sanctioned by a special resolution passed at a separate meeting of the holders of any class of shares convertible into equity share capital of the Company.

(d) *Transfer of shares*

A member may transfer all or any of his shares (1) in the case of certificated shares by instrument in writing in any usual or common form or in such other form as may be acceptable to the Directors and permitted by the Act and the London Stock Exchange and any such transfer shall be registered within fourteen days of receipt of the same by the Company; and (2) in the case of shares in uncertificated form, through CREST in accordance with and subject to the Uncertificated Securities Regulations and the facilities and requirements of the relevant system concerned. The instrument of transfer of a certificated share shall be executed by or on behalf of the transferor and, if the share is not fully paid, by or on behalf of the transferee. The transferor shall remain the holder of the share concerned until the name of the transferee is entered in the register of members of the Company. The Directors may in their absolute discretion refuse to register the transfer of any share (or renunciation of a renounceable letter of allotment) which is not fully paid or on which the Company has a lien, provided that dealings in the shares are not prevented from taking place on an open and proper basis. The Directors may also refuse to register the transfer of a share which is in favour of more than four transferees, or which is in respect of more than one class of share or which has not been presented for registration duly stamped accompanied by the share certificates for the shares to which the transfer relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. If the Directors refuse to register a transfer, they shall within two months of the date on which the instrument of transfer was lodged with the Company, send to the transferee notice of the refusal together with such

reasons for the refusal as the transferee may reasonably request. The registration of transfers of shares or of any class of shares may be suspended (in accordance with the Act) and the register of members closed at such times and for such periods as the Directors may determine provided that it shall not be closed for more than thirty days in any year. No fee shall be payable to the Company for the registration of any transfer or any other document relating to or affecting the title to any share. Subject to paragraph 3.2(f) below, the Articles contain no restrictions on the free transferability of fully paid shares provided that the transfer is in respect of only one class of share and is accompanied by the share certificate and any other evidence of title required by the Directors and that the provisions in the Articles relating to the deposit of instruments for transfer have been complied with.

(e) *Dividends*

The Company may by ordinary resolution in general meeting declare dividends provided that no dividend shall be paid otherwise than out of profits available for distribution and no dividend shall exceed the amount recommended by the Directors.

Subject to the rights of persons, if any, holding shares with special dividend rights, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid. No amount paid or credited as paid in advance of calls shall be regarded as paid on shares for this purpose.

The Company may by ordinary resolution, upon the recommendation of the Directors, direct payment or satisfaction of such dividend wholly or partly out of specific assets and, in particular, of fully paid up shares or debentures of any other company. Any difficulty with such a distribution may be settled by the Directors as they think expedient.

The Directors may from time to time pay such interim dividends as appear to the Directors to be justified by the distributable profits of the Company and the position of the Company, subject to the provisions of the Act. The Directors may also pay a fixed dividend payable on any shares with preferential rights half-yearly or otherwise on fixed dates if profits, in the Directors opinion, justify such a course. The Directors shall not incur any liability to the holders of shares conferring any preferential rights for any loss that they may suffer by reason of the payment of an interim dividend on any shares having deferred on non-preferential rights provided that they act in good faith.

The Company may deduct from any dividend payable all sums of money (if any) due to the Company by the member and use such monies to satisfy such amount payable.

All dividends unclaimed for a period of 12 years after having been declared shall if the Directors so resolve be forfeited and shall revert to the Company. All dividends unclaimed for a period of 12 months shall be invested by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof.

There is no fixed date on which an entitlement to dividend arises.

The Board may, if authorised by an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer any holders of ordinary shares the right to elect to receive additional ordinary shares, credited as fully paid, in lieu of cash in respect of any dividend or any part of any dividend specified by the ordinary resolution.

(f) *Suspension of rights*

If a member or any other person appearing to be interested in shares held by such shareholder has been duly served with notice under Section 793 of the Act and is in default in supplying to the Company within 28 days (or such other period as may be specified in such notice) the information thereby required, then (if the Directors so resolve) such member shall not be entitled to vote or to exercise any right conferred by membership in relation to meetings of the Company in respect of the shares which are the subject of such notice. Where the holding represents more than 0.25 per cent. of the issued shares of that class, the payment of dividends may be withheld, and such member shall not be entitled to transfer such shares otherwise than by an arms length sale.

(g) *Return of capital*

Subject to any preferred, deferred or other special rights, or subject to such conditions or restrictions to which any shares in the capital of the Company may be issued, on a winding-up or other return of capital, the holders of ordinary shares are entitled to share in any surplus assets *pro rata* to the amount paid up on their ordinary shares. A liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Acts, divide amongst the members in specie the whole or any part of the assets of the Company, those assets to be set at such value as he deems fair. A liquidator may also vest the whole or any part of the assets of the Company in trustees on trusts for the benefit of the members. No member shall be compelled to accept any assets on which there is a liability.

(h) *Pre-emption rights*

There are no rights of pre-emption under the articles of association of the Company in respect of transfers of issued Ordinary Shares.

In certain circumstances, the Company's shareholders may have statutory pre-emption rights under the Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to offer new shares for allotment by existing shareholders on a *pro rata* basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to the Company's shareholders.

(i) *Untraced Shareholders*

The Company is entitled to sell at the best price reasonably obtainable any shares in the Company after advertising its intention in both a national daily newspaper published in the UK and in any newspaper circulating in the area in which the address given for payment of dividends is located and waiting for three months having notified the London Stock Exchange of its intention to sell, if the shares have been in issue for at least twelve years preceding such notification and during that period at least three dividends, whether interim or final, in respect of shares of the same class as the shares to be sold have become payable and have not been claimed and the Company has not received any communication during the relevant period from the holder of the shares or any person entitled to them by transmission. Upon any such sale the Company will become indebted to the former holder of the shares or the person entitled to them by transmission for an amount equal to the net proceeds of sale.

(j) *Directors*

- (i) The Company may, by ordinary resolution, appoint any person to hold office as a director.
- (ii) The number of directors shall not, unless otherwise determined by an ordinary resolution of the Company, be less than two or more than seven in number.
- (iii) A director need not be a member of the Company but shall be entitled to receive notice of and to attend and speak at all general meetings of the Company and all separate meetings of the holders of any class of securities of the Company.
- (iv) The directors (other than any director who shall for the time being hold office as an executive or managing director of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as directors such fees at such rates as the directors may determine provided that such fees do not in aggregate exceed £100,000 per annum or such other sum as the Company in general meeting may determine. Such remuneration shall be divided among the directors in such proportion or manner as may be determined by the directors, or failing agreement, equally.
- (v) The directors shall also be paid out of the funds of the Company all reasonable travelling, hotel and other expenses properly incurred by them in and about the discharge of their duties, including expenses of travelling to and from meetings of the directors, or committee meetings or general meetings. The directors may grant special remuneration to any director who performs any special or extra services to or at the request of the Company. A director may also be paid out of the funds of the Company expenses incurred by him in obtaining professional advice in connection with the affairs of the Company or the discharge of his duties as a director.

- (vi) The directors may appoint any person to be a director, either to fill a casual vacancy or by way of addition to their number, but the total number of directors shall not exceed the maximum number fixed by or in accordance with the Articles. Any director so appointed shall retire from office at the next annual general meeting of the Company, but shall then be eligible for re-appointment. At each annual general meeting any director bound to retire in this way and one third of the other directors for the time being shall retire from office. A retiring director shall retain office until the close of the meeting at which he retires. The directors to retire at each annual general meeting will, first, be any director who wishes to retire and not offer himself for re-election and secondly, will be the directors who have been longest in office since their last appointment. As between directors who have been in office on equal length of time, the directors to retire shall, unless they shall otherwise agree among themselves, be selected from among them by lot. The retiring directors shall be eligible for reappointment. If at any meeting at which an appointment of directors ought to take place the office vacated by any retiring director is not filled, the retiring directors shall, if willing, be deemed to continue in office until dissolution of the annual general meeting in the next year, unless at the meeting it is expressly resolved to reduce the number of directors, or unless a resolution for the re-appointment of the retiring director is put to the meeting and lost.
- (vii) The directors may establish or concur or join with subsidiaries of the Company or companies with which it is associated in business in establishing and making contributions out of the Company's monies to any schemes or funds for providing pensions, annuities, sickness or compassionate allowances, life insurance benefits, donations, gratuities or other benefits for employees, ex-employees, directors of the Company or the relatives or dependents of any such person. The directors may also procure the establishment and subsidy of or subscription to membership of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons or otherwise to advance the interests and well being of the Company or any such other company, or its members, and they may procure payments for or towards the insurance of any such persons and subscriptions or guarantees for charitable or benevolent objects or for any exhibition or for any public, general or useful objects.
- (viii) A director may hold any other office or place of profit in the Company, except that of Auditor, and subject to the provisions of statute no director shall be disqualified from entering into any contract, arrangement, transaction or proposal with the Company either in regard to such other office or place of profit or as vendor, purchaser or otherwise. A director so contracting or so interested shall not be liable to account to the Company for any profit realised by any such transaction or arrangement by reason of such director holding that office or as a result of his fiduciary relationship, but the nature of his interest shall be disclosed by him in accordance with the provisions of the Act and any other Act affecting the Company.

A director shall not vote in respect of any contract, arrangement, transaction or proposed contract, transaction or arrangement or any other proposals whatsoever in which he has a material interest other than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. A director shall not be counted in the quorum at a meeting in relation to any resolution from which he is debarred from voting. Notwithstanding the above, a director shall be entitled to vote (and be counted in the quorum) on any resolution where that interest cannot be regarded as likely to give rise to a conflict of interest or where that interest arises only from one or more of the following matters:

- (a) the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or of any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any arrangement or proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries in which the director is or

- may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate;
- (d) another company in which he and any persons connected with him are not to his knowledge interested in shares representing 1 per cent, or more of the equity share capital or the voting rights of such company;
 - (e) an arrangement for the benefit of the employees of the Company or any of its subsidiaries which does not award him any privilege or benefit awarded to the employees to whom such arrangements relate; or
 - (f) any proposal concerning the purchase or maintenance of insurance for any officer of the Company including the directors.
- (x) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to any offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each director separately and in that case each of the directors concerned (if not debarred from voting under the Articles of Association) shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
 - (xi) Subject to the provisions of statute, the Company may by ordinary resolution suspend or relax the provisions relating to directors' interests as summarised above to any extent or rectify any transaction not authorised by reason of the contravention thereof.
 - (xii) A director shall be removed from office if:
 - (a) he ceases to be a director by virtue of any provisions of statute or the Articles of Association or he becomes prohibited by law from being a director;
 - (b) he becomes bankrupt or he makes any arrangement or composition with his creditors generally or applies to the court for an interim order under Section 253 Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
 - (c) he is, or may be, suffering from mental disorder and in relation to that disorder either he is admitted to hospital for treatment or an order is made by a court (whether in the United Kingdom or elsewhere) for his detention or for the appointment of some person to exercise powers with respect to his property or affairs and, in either case, the board resolves that his office be vacated;
 - (d) both he and his alternate director (if any) are absent, without the permission of the board, for board meetings for six consecutive months and the board resolves that his office be vacated;
 - (e) he is requested to resign by notice in writing signed by all the other directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company); or
 - (f) he gives to the Company notice of his wish to resign, in which event he shall vacate that office on the receipt of the notice by the Company or at such later time as is specified in the notice.

(k) Borrowing powers

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets both present and future (including uncalled capital) and, subject to Section 80 of the Act, to issue debentures, loan stock or any other securities whether outright or as collateral security for any debt, liability or obligation of the Company or any third party. The aggregate amount at any one time owing by the Company and all its subsidiaries in respect of monies borrowed by them or any of them (exclusive of monies borrowed by the Company or any of its subsidiaries from such companies) shall not at any time without the previous sanction of the shareholders in general meeting exceed a sum equivalent to three times the aggregate of the amount paid up or credited as paid up on the allotted or issued share capital of the Company and the amounts standing to the credit of the capital and revenue reserves of the Company including any share

premium account, capital redemption reserve, revaluation reserve and credit balance on profit and loss account of the Company and each of its subsidiary companies.

(l) *CREST*

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. This settlement procedure is reflected in the Articles.

- 3.3 The rights attaching to shares in the Company are set out in its Articles and summarised above. For these rights to be varied or changed would require the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class or the sanction of a special resolution passed at a general meeting of the Company. This would require 21 days written notice for an AGM or 14 days written notice for any other general meeting to be given to each holder of shares of the relevant class. Each shareholder would have the right to attend the general meeting in person or by proxy and vote on the resolution to be proposed and would require a majority of not less than three-quarters of shareholders voting in person or by proxy at such general meeting.
- 3.4 The Company must in each year hold a general meeting as its annual general meeting. Not more than 15 months can elapse between AGMs. An AGM must be convened, unless all shareholders entitled to attend and vote agree to short notice, on giving 21 days' notice in writing to the members of the Company.

Other meetings can be convened by the Company from time to time referred to as general meetings. The length of written notice to convene such a meeting is 14 days' written notice regardless of the type of resolution to be passed.

General meetings can be convened on shorter notice with the agreement of shareholders being a majority in number and holding not less than 95 per cent in nominal value of the shares giving a right to attend and vote at the meeting.

AGMs can be convened on shorter notice with the agreement of all shareholders entitled to attend and vote at that AGM.

Shareholders need not attend a meeting of the Company in person but can do so by way of a validly appointed proxy. Proxies are appointed in accordance with the Articles. In essence, to be validly appointed, details of the proxy must be lodged at the Company's registered office no later than 48 hours before the commencement of the relevant meeting. Failure to lodge details of the appointed proxy in accordance with the Articles will result in the proxy not being treated as valid.

- 3.5 There are no provisions in the Company's Articles which would have the effect of delaying, deferring or preventing a change of control of the Company.
- 3.6 Part 6 of the Financial Services and Markets Act 2000 and the Disclosure and Transparency Rules Sourcebook 5 make provision regarding disclosure of interests in shares.

Where a person has material interests in shares where the aggregate nominal value of such shares is equal to or more than 3 per cent of the nominal value of the Company's share capital then the person has an obligation to disclose such interest.

Where a person's notifiable interest changes, then further disclosure obligations arise.

- 3.7 There are no conditions imposed by the Memorandum or Articles regarding changes in the Company's capital which are more stringent than required by the laws of England and Wales.

4. Share Capital

- 4.1 The Company was incorporated with an authorised share capital of £100 represented by 100 ordinary shares of £1 each, of which one ordinary share was issued, nil paid, to the subscriber to the memorandum of association.

- 4.2 On 22 October 2008, the Company's authorised share capital was increased to £1,000,000 by the creation of an additional £999,900 in nominal value of ordinary shares of £1 each and each Ordinary Share of £1 each was subsequently subdivided into 10 ordinary shares of 10 pence each. At the same time 499,990 ordinary shares of 10 pence each were subscribed for at par (but paid up as to one

quarter of their nominal value) and paid up as to one quarter of their nominal value the ten ordinary shares already issued. All these ordinary shares of 10 pence each were subsequently paid up in full.

- 4.3 On 24 October 2008 the Company acquired all the issued share capital of the Subsidiary in consideration of the issue to the vendors of the Subsidiary of 1,000,000 ordinary shares of 10 pence each (representing more than 10% of the issued share capital of the Company as at the date of this document) at par credited as fully paid. The agreement was subsequently amended on 11 November 2008. Under the terms of this acquisition the vendors of the Subsidiary are entitled, depending on the performance of the Group, to receive deferred consideration to be settled by the allotment of up to 50,000,000 Ordinary Shares, further details of which are set out in paragraph 7.1.8 below.
- 4.4 On 11 November 2008 the authorised share capital of the Company was subdivided into 1,000,000,000 ordinary shares of 0.1 pence each.
- 4.5 On 18 November 2008 the Company issued 50,000,000 Ordinary Shares to certain subscribers at a price of 1 pence per Ordinary Share credited as fully paid.
- 4.6 The authorised and issued share capital of the Company as at the date of this document and on Admission will be:

Authorised (Number)	Authorised (Amount £)	Issued and fully paid (Number)	Issued and fully paid (Amount £)
1,000,000,000	1,000,000	200,000,000	200,000

- 4.7 Application will be made for the Ordinary Shares to be admitted to AIM and to no other stock exchange or trading facility.
- 4.8 Section 89(1) of the Act (to the extent not disapplied) confers on holders of Ordinary Shares rights of pre-emption in respect of the allotment of equity securities which are to be paid up in cash otherwise to employees under employee share schemes. Section 89(1) provides that no equity security may be allotted unless the Company has made an offer in writing, stating a period of not less than 21 days during which it may be accepted, to the holders of the existing Ordinary Shares to allot to them on the same or more favourable terms a proportion of those securities which is as nearly as practicably equal to the proportion held by them of the aggregate of the existing Ordinary Shares.
- 4.9 By a shareholders' resolution dated 3 November 2008 the Directors were generally and unconditionally authorised, conditional on Admission, for the purposes of section 80 of the Act to allot relevant securities up to a maximum of an aggregate nominal amount of £250,000 such authority to expire at the conclusion of the annual general meeting of the Company following Admission unless renewed or revoked before that date. The Directors were also empowered, pursuant to section 95 of the Act, to allot equity securities (within the meaning of section 94(2) of the Act) for cash as if section 89(1) of the Act did not apply to such allotment of equity securities up to a maximum of an aggregate nominal amount of £250,000, such authority to expire at the conclusion of the annual general meeting of the Company following Admission unless revoked or renewed prior to that date. This resolution alters the rights of shareholders arising under section 89 of the Act for certain issues of Ordinary Shares to be made to them on a pre-emptive basis.
- 4.10 The Company has granted W. H. Ireland, conditionally on Admission, options to subscribe for 2,000,000 Ordinary Shares (the terms of which are summarised in paragraph 7.1.4 below).
- 4.11 Save as disclosed above in this paragraph 4 and paragraph 7.1.4 of this Part V, no capital of the Company is proposed to be issued or is under option or is agreed to be put under option.

5. Directors' Interests

5.1 Interests in Shares

References in this paragraph 5 to relevant securities means Ordinary Shares and securities convertible into such shares, rights to subscribe thereof, options in respect thereof and derivatives referenced thereto.

As at the date of this document, the interests (all of which are beneficial unless otherwise stated) of the Directors in the share capital of the Company, and which have been notified by the Directors, are set out below:

Director	Ordinary Shares at the date of this document and Admission	% of issued share capital at the date of this document and Admission	No. of Ordinary Shares following issue of Deferred Consideration	% of Enlarged Share Capital
Howard Cleveley Marshall	3,000,000	1.5	3,000,000	1.2
John Thomas Shermer	50,000,000	25	75,000,000	30
Frank Barry Tiller	1,500,000	0.75	1,500,000	0.6
John Scot Sinclair	50,000,000	25	75,000,000	30

5.2 Save as disclosed in paragraph 5.1 of this Part V, none of the Directors nor any person connected with them (within the meaning of section 252 of the Act) has any interest in any relevant securities.

5.3 There are no outstanding loans granted by the Company to any of the Directors nor has any guarantee been provided by the Company for the benefit of any Director.

5.4 Additional information on the Directors

The names of all companies and partnerships outside of the Group of which the Directors have, at any time in the five years prior to the date of this document, been a director or partner, as appropriate, each of which is currently held unless stated otherwise, are as follows:

Name	Current Directorships	Past Directorships
Howard Cleveley Marshall	Heart of England Tourist Board Hill & Smith Holdings Plc Imaginatik plc The Orchestra of the Swan LJM Consultancy Limited	Bullough Heating Limited Bullough Limited Hubbard-Reader Group Limited The National Academy of Writing Workspace Office Solutions Limited
John Thomas Shermer		Deans Yard Limited SRS Technology Ltd Trochus Plc Halliday James Limited
Frank Barry Tiller	GEM BioFuels plc	Mike Walker Distribution Limited MPC Holdings Limited The Kitchen Republic Limited Waterline Group plc Waterline Limited
John Scot Sinclair	Tetra Systems Limited	

Save as set out above, none of the Directors has held or occupied any other directorships or has been a partner in a partnership over the previous five years.

5.5 On 20 March 1998, Frank Tiller was appointed as a director of Kitchenworks Limited. On the 6 March 2000, members of Kitchenworks Limited appointed a liquidator to wind up the company pursuant to a creditors voluntary liquidation. On the 19 August 2003 Kitchenworks Limited was dissolved with approximately £800,000 owed to creditors.

5.6 On 11 September 2000, Frank Tiller resigned as a director of E-Commerce Global Plc. On 19 October 2000, members of E-Commerce Global Plc appointed a liquidator to wind up the company. On the 15 April 2003 E-Commerce Global Plc was dissolved with approximately £63,000 owed to creditors.

5.7 Frank Tiller's given name is Frank Barry Lazarus but he has since 1967 been known as Frank Barry Tiller.

- 5.8 John Shermer has reached informal arrangements with a number of creditors to restructure personal debts amounting to circa £80,000.
- 5.9 Save as disclosed above, none of the Directors has:
- 5.9.1 has any unspent convictions in relation to indictable offences; or
 - 5.9.2 has been bankrupt or the subject of an individual voluntary arrangement, or has had a receiver appointed to any asset of such director; or
 - 5.9.3 has been a director of any company which, while he was a director or within 12 months after he ceased to be a director, had a receiver appointed or went into compulsory liquidation, creditors' voluntary liquidation, administration or company voluntary arrangement, or made any composition or arrangement with its creditors generally or with any class of its creditors; or
 - 5.9.4 has been a partner of any partnership which, while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or
 - 5.9.5 has had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
 - 5.9.6 has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

5.10 Directors' Terms of Appointment

Howard Cleveley Marshall, Non-executive Chairman

Mr Marshall has entered into an appointment letter with the Company dated 20 November 2008 conditional on Admission which is terminable on 6 months' notice by either party. Mr Marshall shall receive annual remuneration of £20,000 to be settled in Ordinary Shares. Mr Marshall, in respect of his first years' fee, will be allotted Ordinary Shares on 7 April 2009 amounting to £20,000 at the average mid market price of the Ordinary Shares in the 5 business days immediately prior to their issue. In respect of the second and following years of his appointment the fee will be settled in two tranches of £10,000 each to be made on 2 January and 1 July in each year and to be settled by the allotment and issue of Ordinary Shares at the average mid-market closing price of the shares in the 5 business days immediately prior to their issue.

John Thomas Shermer, Chief Executive Officer

Mr Shermer entered into a service agreement with the Company on 20 November 2008 conditional on Admission. The terms of the agreement include amongst others the following: (i) salary of £55,200 per annum, (ii) terminable on not less than 12 months' notice by either party (save in certain circumstances), (iii) 25 days' holiday per annum and (iv) up to 26 weeks' sick pay in any 12 month period at full rate.

Frank Barry Tiller, Non-executive Finance Director

Mr Tiller entered into a service agreement with the Company on 20 November 2008 conditional on Admission under which he will provide his services for 2 days per month and receive an annual remuneration of £24,000. The agreement will be terminable on not less than 6 months' notice by either party (save in certain circumstances).

John Scot Sinclair, Chief Technical Officer

Mr Sinclair entered into a service agreement with the Company on 20 November 2008 conditional on Admission. The terms of the agreement include, *inter alia*, the following: (i) salary of £55,200 per annum, (ii) terminable on not less than 12 months' notice by either party (save in certain circumstances), (iii) 25 days' holiday per annum and (iv) up to 26 weeks' sick pay in any 12 month period at full rate.

There are no service agreements or letters of appointment in existence between any of the Directors and the Company which cannot be determined by the Company without payment of compensation (other than statutory compensation) within one year and no benefits become payable in any case upon termination of any of the service agreements or letters of appointment.

Save as set out in this paragraph 5.10, none of the Directors has an existing or proposed service agreement or letter of appointment with the Company, nor has there been a change in the terms of their appointment within the last six months.

The estimated aggregate remuneration of the Directors including pension contributions and benefits in kind payable by any member of the Company under the arrangements in force at the date of this document for the financial period ending 30 September 2009 excluding bonus payments is £137,000.

5.11 Transactions with related parties

Save as set out and described in paragraph xiii on page 25 of Part III, neither the Company nor any member of the Group has entered into any related party transactions.

6. Significant Shareholders

6.1 In addition to the interests of the Directors set out in paragraph 5.1 above, the Company had been notified of, or was otherwise aware of the following persons who were, directly or indirectly, interested in 3 per cent. or more of the existing share capital of the Company as at the date of this document, following Admission and following the issue of Deferred Consideration.

Name	Ordinary Shares at the date of this document and upon Admission	% of the share capital at the date of this document	No. of Ordinary Shares following issue of Deferred Consideration	% of Enlarged Share Capital
Suzanne Green	15,000,000	7.5	15,000,000	6.0
Richard Chilvers	10,000,000	5.0	10,000,000	4.0

6.2 Each of the Ordinary Shares referred to in paragraphs 5.1 and 6.1 above ranks *pari passu* and none of the Shareholders has rights in relation to Ordinary Shares which differ from those held by any other Shareholder.

6.3 Save as disclosed in paragraph 6.1 above, the Company is not aware of any persons who as at the date of this document, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

6.4 None of the Directors nor any persons named in paragraph 6.1 above has voting rights which are different to any other holder of Ordinary Shares.

7. Material Contracts

7.1 The following contracts, not being contracts entered into in the ordinary course of business, have been or will have been on Admission entered into by members of the Group and which are or may be material:

7.1.1 On 13 November 2008, the Company entered into an agreement with W.H. Ireland under which W.H. Ireland agreed to act as the Company's financial adviser and nominated adviser and broker and to advise and assist the Company in respect of the admission of the Ordinary Shares to AIM and on an ongoing basis for an initial period of twelve months and thereafter until terminated by six months' notice of either party. The agreement contains an indemnity given by the Company to W.H. Ireland. As consideration, W.H. Ireland is to be paid the corporate finance fee referred to in the Introduction Agreement, summarised in paragraph 7.1.2 below. In addition, in respect of its nominated adviser and broker services, W.H. Ireland is to receive a fee of £35,000 (plus VAT) per annum.

7.1.2 On 20 November 2008 the Company and the Directors entered into the Introduction Agreement with W.H. Ireland. The Introduction Agreement is conditional, *inter alia*, upon Admission taking place on or before 8.00 a.m. on 27 November 2008 or such later date as W.H. Ireland and the Company may agree but in any event not later than 24 December 2008. The Company will, subject to Admission, pay W.H. Ireland a corporate finance fee of £100,000 (plus VAT). In addition, the Company will be responsible for and will pay all costs and expenses of and relating to Admission and VAT thereon where appropriate. The Company and the Directors have given certain warranties and indemnities as to the accuracy of the information contained in this document and other matters in relation to the Group. W.H.

Ireland may terminate the Introduction Agreement in certain specified circumstances prior to Admission, principally in the event of a material breach of the Introduction Agreement or any of the warranties contained in it or any failure by the Directors, or the Company to comply with their obligations which is or will be in the opinion of W.H. Ireland, materially prejudicial in the context of Admission.

7.1.3 On 20 November 2008 each of W.H. Ireland, the Company and the Directors entered into an orderly market deed pursuant to which the Directors and certain other shareholders undertook to the Company and to W.H. Ireland that they will not save in certain specified circumstances, referred to below, within a year from the date of Admission, dispose of the legal or beneficial ownership of any interest in Ordinary Shares, and for a period of twelve months thereafter not dispose of any interest in Ordinary Shares (save in certain circumstances) at less than 2p per share or at a price lower than a price at which they had sold shares in the previous three months, without the agreement of W.H. Ireland (or such other broker as may be appointed by the Company from time to time).

The certain specified circumstances include:

- (a) any disposal pursuant to the acceptance of a general, partial or tender offer made by an offeror (the "Offeror") to Shareholders for the whole or part of the issued share capital of the Company (other than shares already held by the Offeror or persons acting in concert with the Offeror); or
- (b) the execution of an irrevocable commitment to accept a general, partial or tender offer made to all shareholders of the Company for the whole or part of the issued capital of the Company (other than any shares already held by the Offeror or persons acting in concert with the Offeror); or
- (c) a sale to an offeror or potential offeror who has been named in an announcement made pursuant to the City Code on Takeovers and Mergers; or
- (d) any disposal pursuant to an intervening court order.

7.1.4 On 20 November 2008 the Company entered into a option agreement with W.H. Ireland pursuant to which, conditional upon the Introduction Agreement becoming unconditional, the Company granted options to subscribe for 2,000,000 Ordinary Shares in the Company. The said Options are exercisable at any time from the grant for a period of five years at the exercise price per Ordinary Share of 1 pence.

7.1.5 On 20 November 2008 the Company entered into a controlling shareholder agreement with John Shermer and John Sinclair pursuant to which John Shermer and John Sinclair, as the controlling shareholders, have, conditional on Admission occurring by 24 December 2008, given certain undertakings to the Company. Under this agreement, John Shermer and John Sinclair have undertaken to the Company to exercise all voting rights and powers of control available to them in relation to the Company in order that all transactions, agreements or arrangements entered into between the Company and either of them will be made at arm's length and on a normal commercial basis, that they will not procure or permit any material amendments to be made to the Company's articles of association which would be contrary to the Company's ability to carry on its business independently of them, to act in the way they consider in good faith would be most likely to promote the success of the Company for the benefit of shareholders of the Company as a whole. John Shermer and John Sinclair have undertaken to the Company not to undertake any activity which would conflict with the Company and would render the Company incapable of carrying on its business independently. The agreement will terminate if together John Shermer and John Sinclair cease to hold, in aggregate, 30 per cent. or more of the voting rights in the Company.

7.1.6 On 9 July 2007 the Subsidiary entered into an assignment agreement with Project Design Innovation Limited ("PDI"), pursuant to which the Subsidiary agreed to accept the assignment of a distribution agreement entered into between PDI and CH Byron dated on or about 4 January 2007. Under the assignment, the Subsidiary has undertaken to provide all services and obligations of PDI to CH Byron and to grant CH Byron a sole worldwide exclusive licence to commercially exploit the Handset and SMS BaseStation up until 17 August 2009. In consideration for the design and development of the Handset by the Subsidiary and the grant of the exclusive distribution licence, the Subsidiary currently receives

a fixed sum for each SMS BaseStation and Handset sold. The contract contains a provision that stipulates intellectual property in the product remains with the Subsidiary at all times together with an exclusion that permits the Subsidiary to retain the marketing rights in the products to the health care industry. The contract is terminable by the Subsidiary in the event that CH Byron fails to make full payment for goods within 30 days of an invoice date.

7.1.7 On 24 October 2008 John Shermer, John Sinclair and Tetra Systems Limited (a company controlled by Mr Sinclair) entered into an agreement with the Company pursuant to which they assigned to the Company all their rights in, or in respect of, the Handset and the SMS BaseStation and all or any intellectual property rights relating thereto.

7.1.8 On 24 October 2008, John Shermer, John Sinclair and the Company entered into an agreement pursuant to which John Shermer and John Sinclair agreed to transfer the entire issued share capital of the Subsidiary to the Company in exchange for the allotment and issue by the Company of an initial 1,000,000 Ordinary Shares of 10 pence each plus deferred consideration amounting to 222,222 Ordinary Shares of 10p each. The agreement was amended on 11 November 2008 in respect of the deferred consideration payable. Pursuant to the amended agreement 500,000 Ordinary Shares of 10 pence each (which following the reorganisation of share capital referred to in paragraph 4.4 of this Part V equates to 50,000,000 Ordinary Shares) will only become payable to John Shemer and John Sinclair in the event that (i) the closing mid-market price of the Ordinary Shares (as derived from the AIM Appendix of the Daily Official List) has, prior to the fifth anniversary of the date of Admission, increased (and maintained such increase for a continuous period of one calendar month) by 50% or more; or (ii) the net profit of the Subsidiary (as shown by in the audited consolidated accounts of the Company) exceeds £500,000 in any of the five financial years ending 2009 to 2013 inclusive.

8. Intellectual Property

The Group has no registered trademarks. As set out in Part I, JSJS Designs' work is based on proprietary intellectual property that has been developed over the last 2 years and which consists of processes, process designs, methodologies and software functionality.

9. Working Capital

In the opinion of the Directors, having made due and careful enquiry, the working capital available to the Group will be sufficient for its present requirements, that is for the next 12 months from the date of Admission.

10. Litigation

No member of the Group is or has been engaged in any legal or arbitration proceedings and no member of the Group is aware that any legal or arbitration proceedings are pending or threatened by or against any member of the Group which may have a significant effect on the financial position of any member of the Group.

11. Significant Change

Save as disclosed in this document, there has been no significant or material change in the financial or trading position of the Subsidiary since 31 July 2008, the date to which the accountant's report contained in Part III is compiled. Save as disclosed in this document, there has been no significant or material change in the financial position of the Company since 30 September 2008, the date to which the accountant's report contained in Part IV is compiled.

12. Taxation

The following information, which sets out the taxation treatment for holders of Ordinary Shares, is based on existing law in force in the UK and what is understood to be current H.M. Revenue & Customs practice. It is intended as a general guide only and applies to Shareholders who are resident in the UK (except to the extent that specific reference is made to Shareholders resident outside the UK), who hold the Ordinary Shares as investments and who are the absolute beneficial owners of those Ordinary Shares.

Any Shareholders who are in any doubt as to their taxation position or who are subject to taxation in any jurisdiction other than the UK should consult their professional advisers immediately. Shareholders should note that the levels and bases of, and relief from, taxation may change and that

changes may affect benefits of investment in the Company. This summary is not exhaustive and does not generally consider tax relief or exemptions.

12.1 *Taxation of Dividends*

Under current UK tax legislation, no tax will be withheld from any dividend paid by the Company.

12.2 *UK Resident Individual Shareholders*

An individual UK resident Shareholder is currently entitled to a tax credit in respect of the dividend (the “associated tax credit”) that can be set off against the total liability to UK income tax. The amount of the associated tax credit is equal to one-ninth of the cash dividend received. The aggregate of the cash dividend and the associated tax credit (the “dividend income”) will be included in the Shareholder’s income for UK tax purposes and will be treated as the top slice of the Shareholder’s income. Thus, an individual UK resident Shareholder receiving a cash dividend of £90 will be treated as having received dividend income of £100, which has the associated tax credit of £10 attached to it.

An individual UK resident Shareholder who, after taking into account the dividend income, pays income tax at the lower rate or basic rate will pay tax on the dividend income at the “ordinary dividend rate” of 10 per cent. against which he can set off the tax credit. As a consequence, such a Shareholder will have no further liability to account for income tax on the cash dividend received.

An individual UK resident Shareholder who, after taking into account the dividend income, pays income tax at the higher rate will pay tax on the dividend income at the “higher dividend rate” of 32.5 per cent. against which he can set off the associated tax credit. Such a Shareholder will have a liability to account for additional tax on the dividend income, calculated by multiplying the gross dividend by the “higher dividend rate” and deducting the tax credit. This will be equivalent to 25 per cent. of the cash dividend received.

An individual UK resident Shareholder who does not pay income tax or whose liability to income tax does not exceed the amount of the associated tax credit will not be entitled to claim repayment of the associated tax credit attaching to the dividend.

12.3 *Trustees of UK Resident Trusts*

For dividends paid to trustees of UK resident discretionary or accumulation trusts, the dividend income will be subject to UK income tax at the “dividend trust rate” of 32.5 per cent. To the extent that the associated tax credit exceeds the trustees’ liability to account for income tax, the trustees will have no right to claim repayment of the associated tax credit. Trustees who are in any doubt as to their position should consult their own professional advisers immediately.

12.4 *UK Resident Corporate Shareholders*

A UK resident corporate Shareholder will generally not be liable to UK corporation tax on any dividend received.

12.5 *UK Resident Pension Funds and Charities*

UK resident pension funds and charities are not subject to tax on dividends which they receive. Neither are they generally entitled to claim repayment of the associated tax credit.

12.6 *Non-resident Shareholders*

A Shareholder not resident in the UK for tax purposes is generally not taxed in the UK on dividends received by them nor entitled to an associated tax credit in respect of a dividend received. However, such a non-resident Shareholder may be entitled to a payment from the UK taxing authority (H.M. Revenue & Customs) of a proportion of the associated tax credit in respect of dividends paid to him under a double tax treaty between the UK and the country in which the Shareholder is resident for tax purposes. Non-resident Shareholders may be subject to foreign tax on the dividend income received from the Company. Such non-resident Shareholders should consult their own professional tax advisers on the incidence of tax in the country in which they are resident for tax purposes, as to whether they are entitled to the benefit of any associated tax credit and the procedure for claiming repayment. An individual shareholder who is not resident in the UK but is a Commonwealth citizen, a national of a member state of the European Economic Area or falls within certain categories of person within section 278 of the Income and Corporation Taxes Act 1988 is entitled to set the associated tax credit against their UK income tax liability. It may be more

beneficial, depending on a non-resident Shareholder's circumstances, to complete a UK tax return to include the dividend income. This is a complex area and any non-resident Shareholder should consult their own professional adviser on this issue.

12.7 *Taxation of Chargeable Gains*

A disposal of Ordinary Shares by an individual or corporate Shareholder may result in a liability to UK taxation on chargeable gains, depending upon the relevant circumstances of the transaction and the particular Shareholder's circumstances. Shareholders who are not resident or ordinarily resident in the UK for tax purposes should not generally have liability to UK taxation on chargeable gains.

With effect from 1 April 2008 the rate of capital gains tax payable by individuals and trustees was changed to a flat rate of 18%. From the same date Taper Relief and the indexation allowance was abolished and Entrepreneur's Relief introduced.

Individuals and trustees who qualify for Entrepreneur's Relief will have an effective rate of capital gains tax of 10% on chargeable gains up to £1 million. Any excess of chargeable gains over £1 million will suffer capital gains tax at a rate of 18%. The £1 million limit is a cumulative lifetime limit for disposals of business assets. If a Shareholder has disposed of business assets prior to any disposal of shares in the Company this is likely to have a bearing on the amount of Entrepreneur's Relief which is available.

Entrepreneur's Relief is available to individual Shareholders who make a disposal of the shares in the Company and who:

- Work full time for the Company or a qualifying subsidiary;
- Have more than 5% of the share capital or voting control of the Company; and
- Have held their shares for at least 12 months at the date of disposal.

Entrepreneur's Relief is available to trustees where:

- Trustees dispose of shares in the Company; and
- An individual beneficiary has an interest in possession and meets the conditions for individuals detailed above.

In view of the detailed conditions which need to be met to secure Entrepreneur's Relief, and any other reliefs and exemptions which may be in point, Shareholders should consult their own professional advisers in advance of any sale of shares in the Company.

UK Corporate Shareholders

In general a company will pay corporation tax at its marginal rate in respect of any chargeable gain on the disposal of shares in the Company. The indexation allowance is still available to companies to reduce or eliminate the chargeable gain.

A Substantial Shareholding Exemption is available to companies disposing of a 10% or more shareholding in a trading company, or the holding company of a trading group which has been held for at least 12 months. The exemption may be in point for corporate shareholders in the company.

There are detailed rules which need to be considered and corporate Shareholders should consult their own professional advisers before making any disposal as other reliefs and exemptions may also be in point.

12.8 *Stamp Duty and Stamp Duty Reserve Tax*

Transfers of or sales of Ordinary Shares will be subject to ad valorem stamp duty (payable by the purchaser and generally at the rate of 0.5 per cent. of the consideration given rounded up to the next £5.00). An unconditional agreement to transfer such shares, if not completed by a duly stamped stock transfer form by the seventh day of the month following the month in which such agreement is made or becomes unconditional, will be subject to SDRT (payable by the purchaser and generally at the rate of 0.5 per cent. of the consideration given). However, if within six years of the date of the agreement, an instrument of transfer is executed pursuant to the agreement and stamp duty is paid on the instrument, any liability to SDRT will be cancelled or repaid.

13. General

- 13.1 Save as disclosed in Part I and in paragraph 8 of this Part V, the Directors are not aware of any patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to the Group's business.
- 13.2 The total costs and expenses relating to Admission payable by the Company are estimated to be £186,000 (excluding VAT).
- 13.3 Except for payments to trade suppliers, the Company's professional advisers or as set out in paragraph 5 of this Part V, no person has received any fees, securities in the Company or other benefit to a value of £10,000 or more, whether directly or indirectly, from the Company within the 12 months preceding the application for Admission, or has entered into any contractual arrangement to receive from the Company, directly or indirectly, any such fees, securities or other benefit on or after Admission.
- 13.4 The Directors are not aware of any exceptional factors which have influenced the Company's activities.
- 13.5 PKF (UK) LLP, has given and has not withdrawn its written consent to the issue of this document with the inclusion of its accountants' report in Parts III and IV above and the references to such reports and to their name in the form and context in which they appear.
- 13.6 W.H. Ireland which is authorised and regulated by the Financial Services Authority in the UK has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and references to its name in the form and context in which they appear.
- 13.7 The Existing Ordinary Shares which will be in registered form, will be created under the Act and can be issued in certificated and uncertificated form.
- 13.8 The ISIN number for Ordinary Shares is GB00B3FHW443.
- 13.9 Save as disclosed in this document, the Company has not made any investments since incorporation to the date of this document, nor are there any investments by the Group in progress or future investments on which the Group's management have already made firm commitments, which are significant.
- 13.10 The Company's accounting reference date is 30 September.
- 13.11 No person has made a public takeover bid, mandatory takeover bid, squeeze out or sell out, for the Company's issued share capital since the Company was incorporated on 5 September 2008.
- 13.12 Where information in this document has been sourced from a third party, the information has been accurately reproduced and so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 13.13 The financial information contained in Parts III and IV does not constitute statutory accounts within the meaning of section 434 of the Act. The auditors of the Company for the financial year ended 31 July 2008, were PKF (UK) LLP, a firm regulated by the Institute of Chartered Accountants in England and Wales.

14. Availability of Documents for Inspection

Copies of the following documents will be available, free of charge from the Company's website www.jsjdesigns.com and for inspection at the offices of W.H. Ireland, 85-89 Colmore Row, Birmingham B3 2BB and from the offices of BPE at 33, Bennetts Hill, Birmingham B2 5SN, during normal working hours on any weekday (Saturdays, Sundays and public holidays excluded) from the date of this document and for a period of one month from the date of Admission:

- 14.1 the memorandum and articles of association of the Company;
- 14.2 the reporting accountant's reports, by PKF (UK) LLP, set out in Parts III and IV of this document;
- 14.3 the service agreements and letters of appointment referred to in paragraph 5.10 above;
- 14.4 the material contracts referred to in paragraph 7 above; and
- 14.5 the letters of consent referred to in paragraphs 13.5 and 13.6 above.

Dated: 20 November 2008

