

Strictly Private & Confidential

SHAREHOLDER'S IRREVOCABLE UNDERTAKING

To: Bidco Limited
Francis House
112 Hills Road
Cambridge
CB2 1PH

For the attention of: The Directors

and

Vollman Brothers ("**Vollman**")
1 Cornhill
London
EC3V 3ND

For the attention of: Bill Kendall

15 July 2010

Dear Sirs

Proposed offer for Schumann plc (the "Offeree")

In consideration of Bidco Limited (the "**Offeror**"), agreeing (subject to paragraph 5(b) below) to make an offer to acquire all the issued and to be issued ordinary shares of the Offeree (other than any held by the Offeror) substantially on the terms and conditions set out in the attached draft press announcement (the "**Press Announcement**"), together with such additional terms and conditions as may be required to comply with the City Code on Takeovers and Mergers (the "**City Code**") and any other applicable law or regulation (the "**Offer**"), I/we agree with the Offeror and Vollman as follows:

1 Warranties and undertakings

I/We represent, warrant and undertake that:

- (a) I am/we are the registered holder(s) of **10,500,000** ordinary shares of 1p each of the Offeree (the "**Existing Shares**");
- (b) I/we have the full power and authority (and will at all times continue to have all relevant authority) to enter into and perform this undertaking in accordance with its terms without the need for any sanction or permission from any third party and to procure the transfer of the Existing Shares free from all liens, equitable interests, charges, encumbrances, options and other interests and third party rights of any nature whatsoever;
- (c) I/we:
 - (i) have read, understood and agreed to the terms and conditions contained in this document;
 - (ii) am/are not relying on any information or representation and accordingly agree that neither the Company nor any person responsible solely or jointly

- for this document shall have any liability for any such other information or representation;
- (iii) have taken all appropriate professional advice before entering into this document; and
 - (iv) am/are aware of the special risks involved in participating in a transaction of this nature;
- (c) I/we have observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities;
 - (d) the invitation under the Offer may be made to me/us under the laws of the relevant jurisdiction and I/we have not taken or omitted to take any action which would otherwise result in the Company acting in breach of any applicable legal or regulatory requirement in respect of the Offer;
 - (e) I/we have not received or sent copies or originals of any documents related to the Offer in, into or from Canada, Australia, New Zealand, South Africa or Japan and have not otherwise utilised in connection with the Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of Canada, Australia, New Zealand, South Africa or Japan, the documents relating to the Offer have not been mailed or otherwise sent in, into or from Canada, Australia, New Zealand, South Africa or Japan and I am/we are accepting the Offer from outside Canada, Australia, New Zealand, South Africa or Japan; and
 - (f) I/we will not, prior to the closing or lapsing of the Offer or its withdrawal:
 - (i) accept any offer in respect of or sell, transfer, encumber, charge, grant any option over or otherwise dispose of any interest in any of the Existing Shares or any other shares or securities of the Offeree issued or unconditionally allotted to me/us or in which I/we may otherwise become interested after the date of this undertaking ("**Further Shares**"), otherwise than pursuant to our acceptance of the Offer or to the Offeror; and
 - (ii) other than pursuant to the Offer or with the Offeror, enter into any agreement or arrangement or incur or allow to arise any obligation (conditional or unconditional) to do any of the acts referred to in paragraph 1(f)(i) above.

2 Undertakings in respect of the Offer

Subject to paragraph 6 below, I/we irrevocably undertake that:

- (a) I/we shall within 7 days of the despatch of the document containing the formal terms of the Offer (the "**Offer Document**") accept or procure the acceptance of the Offer in respect of all the Existing Shares so as to constitute a valid acceptance of the Offer in accordance with the terms of the Offer Document;
- (b) I/we shall within 3 days of the date on which I/we become the registered holder(s) of, or otherwise become interested in, Further Shares (or, if later, on the date by which the Offer must be accepted in respect of the Existing Shares as referred to in paragraph 2(a) above), accept or procure the acceptance of the Offer in respect of any Further Shares so as to constitute a valid acceptance of the Offer in accordance with the terms of the Offer Document; and
- (c) notwithstanding that I/we may be entitled to withdraw any such acceptance by virtue of Rule 34 of the City Code or that the terms of the Offer will confer a right of withdrawal on acceptors, I/we shall not withdraw any such acceptance as is referred to in paragraph 2(a) or (b) above and shall procure that any such acceptance is not withdrawn.

3 Documentation

- (a) I/We consent to the issue of the Press Announcement incorporating references to me/us and to this undertaking in the terms set out in the attached draft Press Announcement, subject to any material amendments which may be agreed with me/us.
- (b) I/We understand and agree that, in accordance with Rules 24.3 and 26 of the City Code, particulars of this undertaking and disclosable holdings of, and dealings in, relevant securities of the Offeree will be contained in the Offer Document and that copies of this undertaking will be available for inspection until the end of the offer period (as defined in the City Code).
- (c) I/We will promptly supply to the Offeror or Vollman as each may request all information required to be contained in the Offer Document in respect of me/us and my/our interests and dealings in order to comply with the requirements of the City Code (including in particular Rule 24) and any other applicable law or regulation and to expedite the preparation and despatch of the Offer Document. I/We will immediately notify you in writing of any change in the accuracy or import of any such information previously given to you.

4 Voting Rights

- (a) From (and including) the date of this undertaking to (and including) the date on which the Offer ceases to be open for acceptance:
 - (i) I/we will exercise, or procure the exercise of, the voting rights attached to the Existing Shares or any Further Shares on a Relevant Resolution (as defined in paragraph 4(c) below) only in accordance with the Offeror's directions; and
 - (ii) I/we will exercise, or procure the exercise of, the rights attached to the Existing Shares and any Further Shares in order to requisition or join in requisitioning any general or class meeting of shareholders of the Offeree for the purposes of considering a Relevant Resolution and to require the Offeree pursuant to section 314 Companies Act 2006 to give notice of such a resolution only in accordance with the Offeror's directions.
- (b) For the purpose of casting votes or causing votes to be cast on a Relevant Resolution pursuant to paragraph 4(a) above, I/we will cause to be executed and delivered to the Offeror promptly any form of proxy required by the Offeror appointing a person nominated by the Offeror to attend and vote at the relevant general meeting of the Offeree.
- (c) A "Relevant Resolution" means:
 - (i) a resolution (whether or not amended) proposed at a general or class meeting of shareholders of the Offeree, or at an adjourned meeting, the passing of which would be a step towards implementation of the Offer or the passing of which, or failure to pass which might result in any condition of the Offer not being fulfilled or which might impede or frustrate the Offer;
 - (ii) a resolution to adjourn a general or class meeting of shareholders of the Offeree, the business of which includes the consideration of a resolution of the kind referred to in sub-paragraph 4(c)(i) above; and
 - (iii) a resolution to amend any resolution of the kind referred to in sub-paragraphs 4(c)(i) and (ii) above.

5 The Offer

- (a) Subject to paragraph 5(b) below, the Offeror agrees to make the Offer, provided that the Press Announcement is released substantially in the form attached (or such other form as may be required to comply with the requirements of the Panel on Takeovers and Mergers (the "Panel") or any other legal or regulatory authority) by not later than 5.00 pm (London time) on the second day following the date of this undertaking (or on such later date as the Offeror and Offeree may agree). The release of the Press Announcement is at the Offeror's sole discretion.
- (b) If after the Offeror releases the Press Announcement the Panel consents to the Offeror not making the Offer in consequence of:
 - (i) an event or circumstance occurring or becoming known to the Offeror in consequence of which the Offeror is no longer required by the City Code to proceed with the Offer; or
 - (ii) the Offeror becoming aware that any condition of the Offer as set out in the Press Announcement has or may become incapable of being fulfilled,
 the Offeror shall not be obliged to make the Offer.
- (c) All obligations in this undertaking will forthwith lapse:
 - (i) if the Press Announcement has not been released by 5 p.m. (London time) on the third business day following the date of this undertaking (or such later date as the Offeror and Offeree may agree);
 - (ii) on the withdrawal or lapsing of the Offer; or
 - (iii) if the Offer is not made in the circumstances referred to in paragraph 5(b) above.
- (d) If this undertaking lapses, or if the Offeror's obligation to make the Offer does not become unconditional, I/we will have no claim against the Offeror.

6 Third Party Offer

- (a) The obligations in paragraph 2 above shall be suspended if a third party announces (in the manner required by Rule 2.9 of the City Code), prior to 10.00 a.m. (London time) on the day which is 7 days after the despatch of the Offer Document, a firm intention to make an offer (made in accordance with Rule 2.5 of the City Code and where the making of such offer is not subject to any pre-condition) for all the issued ordinary shares of the Offeree, and the value of the consideration under such third party offer exceeds • pence per Offeree share (a "**Higher Competing Offer**").
- (b) For the purposes of determining the value of the consideration under any Higher Competing Offer which involves an issue of securities of a class already traded on the London Stock Exchange plc (the "**London Stock Exchange**"), the AIM market of the London Stock Exchange or other recognised stock exchange, the securities in question will be valued by reference to the average of the closing middle market quotations thereof (as derived from the Daily Official List of the London Stock Exchange or, where relevant, the equivalent list of the other exchange or, where the said securities are listed on more than one such exchange, the exchange on which such securities have a primary or main listing, as determined by Vollman) for the 5 trading days immediately preceding the day of the announcement referred to in paragraph 6(a) above. Securities of a class not already traded on the London Stock Exchange, the AIM market of the London Stock Exchange or other recognised stock exchange will be taken at the value attributed to them by Vollman on such basis as Vollman may reasonably consider appropriate.

- (c) If on or before 11.59 p.m. on the 20th day after a Higher Competing Offer is announced, the Offeror announces a revision of the Offer such that the consideration under the Offer represents in the reasonable opinion of Vollman an improvement over the value of the consideration under the Higher Competing Offer (a "**Higher Revised Offer**"), the suspension of the obligations in paragraph 2 above shall come to an end. Paragraph 2 shall then be construed as if it made provision for acceptance of the Higher Revised Offer in respect of the Existing Shares and Further Shares in accordance with the terms of the offer document for the Higher Revised Offer (the "**Revised Offer Document**") not later than 5 days after the despatch of the Revised Offer Document. During the period of the suspension I/we shall not accept any Higher Competing Offer.

7 Specific Performance

I/We recognise and acknowledge that if I/we should fail to accept or procure the acceptance of the Offer in accordance with my/our obligations in this undertaking, or should otherwise be in breach of any of those obligations, damages would not be an adequate remedy and that the Offeror shall be entitled to the remedies of injunction, specific performance and other equitable relief and that no proof of special damages shall be necessary for the enforcement of this undertaking.

8 Confirmations

I/We confirm that:

- (a) in executing this document I/we are not a customer of Vollman for the purposes of the Rules of The Financial Services Authority and that accordingly Vollman does not owe me/us any of the duties which it owes to its customers;
- (b) I/we are not acting in concert with any person for the purposes of the City Code in relation to the Offer.

9 Interpretation and general

- (a) In this undertaking:
- (i) the expression the "**Offer**" shall (where appropriate) extend to any increased or revised offer by the Offeror for all or any of the issued ordinary shares of the Offeree which represents, on such basis as Vollman may reasonably consider appropriate, no diminution in the value of the consideration offered under the terms set out in the Press Announcement;
 - (ii) references to the "**Offer Document**" shall (where appropriate) include and extend to any related or ancillary document including any such document required to comply with any applicable law or regulation; and
 - (iii) references to "**Existing Shares**" and "**Further Shares**" shall include and extend to any other shares or securities of the Offeree attributable to or derived from the Existing Shares or Further Shares and any securities issued in respect of the Existing Shares or Further Shares or into which the Existing Shares or Further Shares may be converted as a result of any reorganisation of the share capital of the Offeree.
- (b) Any time, date or period mentioned in this undertaking may be extended by mutual agreement between the parties hereto or otherwise as provided herein but as regards any time, date or period originally fixed or so extended as aforesaid time shall be of the essence.
- (c) No term of this undertaking is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this undertaking.

