

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

focus solutions group plc

(incorporated and registered in England and Wales under number 3911357)

cancellation of share premium account and share buyback

Notice of general meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 4 to 5 of this document and recommends you vote in favour of the Resolutions to be proposed at the General Meeting.

The Directors, whose names appear on page 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Notice of the General Meeting of the Company to be held at 10.15 am on 6 August 2009 (or, if later, immediately following the Annual General Meeting of the Company convened for the same day) at Cranford House, Kenilworth Road, Leamington Spa, CV32 6RQ is set out at the end of this document. A form of proxy for use at the General Meeting is enclosed and, to be valid, the Form of Proxy must be completed in accordance with the instructions set out on it and returned to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible, but in any event not later than 48 hours before the General Meeting.

Copies of this document are available from the Company's registered office during normal business hours on any week day (Saturday, Sunday and public holiday excepted) until 7 August 2009.

table of contents and expected timetable of principal events

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Expected timetable of principal events

Latest time and date for receipt of Form of Proxy to be valid at the Annual General Meeting	10am on 4 August 2009
Latest time and date for receipt of Form of Proxy to be valid at the General Meeting	10.15am on 4 August 2009
Annual General Meeting	10am on 6 August 2009
General Meeting	10.15am on 6 August 2009

definitions

“Act”	the Companies Act 1985, as amended
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at 10 am on 6 August 2009, notice of which is set out in the report and Accounts
“Board” or “Director”	the directors of the Company, whose names are set out on page 4 of this document
“Business Day”	a day (excluding Saturday and Sunday and public holidays in England and Wales) on which the banks are generally open for business in London for the transaction of normal banking business
“Company”	Focus Solutions Group plc
“Effective Date”	the date that the Court Order confirming the Share Premium Cancellation is registered with the Registrar of Companies
“General Meeting”	the general meeting of the Company convened for 10.15 am on 6 August 2009 (or, if later, immediately following the AGM) to approve the Resolutions or any adjournment of it
“Form of Proxy”	the form of proxy for use by Shareholders at the General Meeting
“Group”	the Company and its subsidiaries
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document
“Ordinary Shares”	ordinary shares of 10p each in the capital of the Company
“Proposals”	the Share Premium Cancellation and the Share Buyback
“Resolutions”	the resolutions set out in the Notice of General Meeting at the end of this document
“Share Buyback”	the proposed share buyback as set out in Resolution 2 of the Notice of General Meeting
“Shareholders”	the holders of Ordinary Shares
“Share Premium Cancellation”	the proposed cancellation of the Company’s share premium account as described in this document and as set out in Resolution 1 of the Notice of General Meeting
“Report and Accounts”	the Company’s consolidated report and accounts for the period ended 31 March 2009

Focus Solutions Group plc

(incorporated and registered in England and Wales under number 3911357)

Directors:

Alastair Taylor (Non Executive Chairman)
Richard Stevenson (Chief Executive)
Martin Clements (Finance Director)
Francis Murray (Chief Technology Officer)
Martin Fiennes (Non Executive Director)
John Streets (Non Executive Director)
Nicholas Habgood (Non Executive Director)
Ronald Whatford (Non Executive Director)

Registered Office:

Cranford House
Kenilworth Road
Blackdown
Leamington Spa
Warwickshire
CV32 6RQ

3 July 2009

To the Shareholders

Dear Shareholder

Cancellation of Share Premium Account Share Buyback

Notice of General Meeting

Introduction

As announced earlier today, your Board is proposing that the Company cancel its share premium account in order to restructure the Company's balance sheet so as to allow the payment of dividends as and when the Board considers this to be appropriate. In addition, it is proposed that the Board seeks a general authority from Shareholders to purchase in the market up to 2,957,115 Ordinary Shares, representing approximately 10 per cent of the Company's issued share capital.

The purpose of this circular is to explain the background and reasons for the Proposals and to seek Shareholder approval for the Proposals at a General Meeting of the Company to be convened for 10.15 am on 6 August 2009 (or, if later, immediately following the AGM). Notice of the General Meeting is set out at the end of this circular.

Background to and reasons for the Share Premium Cancellation

The Company was established in 2000 and in the first 4 years of operation the Group incurred sustained trading losses whilst the business was being established. The Group has, since March 2005 and, having benefited from new management and the development of new products, operated profitably.

Following on from the progress made to date, the Board now wants to position the Company to be able to pay future dividends in the event that the Group remains profitable and has sufficient resources to do so. As at 31 March 2009, the Company had an accumulated deficit on its profit and loss account of £1,435,000 and the balance on the Company's share premium account was £9,900,000. The deficit on the profit and loss account arose as a result of operating losses in the first 4 years of operation. Until the accumulated deficit on its profit and loss account is eliminated, the Company will be unable to make a distribution to its shareholders.

Share Premium Cancellation

Under the Act, a company may reduce or cancel its share premium account if so authorised by its Articles of Association providing it obtains the approval of its shareholders by special resolution in general meeting and that the High Court confirms the reduction or cancellation.

The Company is therefore seeking the approval of Shareholders to cancel the Company's share premium account.

If approved by Shareholders the Company will, as soon as practicable, apply to the High Court for an appropriate Court Order. It is expected the Court Order confirming the Share Premium Cancellation will be made in September or October 2009. The Share Premium Cancellation will become effective on the Effective Date soon thereafter.

The aim of the Share Premium Cancellation is to eliminate the deficit on the Company's profit and loss account which existed as at 31 March 2009. On the Effective Date, the Company's share premium account will be cancelled and this amount will be applied to eliminate the deficit on the Company's profit and loss account which existed at 31 March 2009. The Court will be concerned to ensure that the interests of creditors as at the Effective Date are not prejudiced.

The Court may require the Company to give an undertaking to, amongst other matters, transfer any amount by which the cancellation exceeds the deficit on the Company's profit and loss account on the Effective Date to a non-distributable reserve until such time as all creditors of the Company on the Effective Date have either consented to the Share Premium Cancellation, have been satisfied or have otherwise been provided for. The Company will give such undertaking as it may be advised is appropriate in the circumstances.

Following the Share Premium Cancellation, the Directors will be in a position to consider the payment of dividends out of the future distributable profits generated after the Effective Date. It should be noted that the cancellation of the share premium account will not, in itself, involve any distribution or repayment of capital by the Company to any Shareholder or other person, and will not reduce the Company's underlying assets.

Share Buyback

The Directors believe that in its current position the purchase by the Company of its own shares would represent good use of the Company's available cash resources and, by increasing earnings per share and net asset value per share, will maximise shareholder value. Accordingly, the Board is proposing that the Company be authorised to make market purchases of Ordinary Shares. The authority would permit a maximum of 10 per cent of the Company's issued share capital to be purchased, representing 2,957,115 Ordinary Shares. The minimum and maximum prices at which shares could be purchased would be 10p and 105% of the closing middle market quotation for an Ordinary Share as derived from the Stock Exchange Daily Official List for the 5 Business Days immediately preceding the date on which the Ordinary Shares are purchased. The authority would expire at the Company's next annual general meeting unless renewed at that time.

Annual General Meeting

A notice convening the annual general meeting of the Company for 10 am on 6 August 2009 to be held at Cranford House, Kenilworth Road, Leamington Spa, CV32 6RQ is set out at the end of the Report and Accounts. At the AGM resolutions will be proposed dealing, inter alia, with the ordinary business to be transacted, including the approval of the Report and Accounts.

General Meeting

You will find set out overleaf a notice convening a general meeting of the Company for 10.15 am on Thursday, 6 August 2009 (or, if later, immediately following the AGM) to be held at Cranford House, Kenilworth Road, Leamington Spa, CV32 6RQ.

The General Meeting has been convened to consider, and if thought fit, pass resolutions to:

- (i) approve the Share Premium Cancellation (Resolution 1); and
- (ii) approve the Share Buyback (Resolution 2).

Action to be taken

The Form of Proxy for use by Shareholders at the General Meeting is enclosed. If you would like to vote on the resolutions but cannot come to the General Meeting, please fill in the Form of Proxy and return it to the Company's registrars, Capita Registrars, The Registry, Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible, and, in any event, by no later than 48 hours before the General Meeting (10.15 am on 4 August 2009).

You are entitled to appoint a proxy to attend and vote instead of you. However, the completion and return of the Form of Proxy will not prevent you from attending the General Meeting and voting in person if you wish to do so.

Recommendation

The Board believes that the Proposals are in the best interests of the Shareholders. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolution to be proposed at the General Meeting as your Directors intend so to do in respect of their own beneficial shareholdings totalling 8,561,564 Ordinary Shares, representing approximately 29% of the Company's issued share capital at the date of this document.

Yours sincerely,

Chairman

Focus Solutions Group plc

(incorporated and registered in England and Wales under number 3911357)

Notice of general meeting

NOTICE IS HEREBY GIVEN THAT a general meeting of Focus Solutions Group plc (the "Company") will be held at 10.15 am on 6 August 2009 (or, if later, immediately following the Annual General Meeting convened for the same day) at Cranford House, Kenilworth Road, Leamington Spa, CV32 6RQ and, if thought, to pass the following resolution which will be proposed as a special resolution:

Special Resolutions

1. THAT the share premium account of the Company be and is hereby cancelled.
2. THAT in accordance with article 43 of the articles of association of the Company and Part V of the Act, the Company be and is hereby generally and unconditionally authorised for the purposes of section 166 of the Act to make one or more market purchases (as defined by section 163(3) of the Act) of its ordinary shares of 5p each in the capital of the Company subject to the following conditions:
 - 2.1 the maximum aggregate number of ordinary shares which may be purchased is 2,957,115 being 10% of the Company's issued ordinary share capital;
 - 2.2 the price at which an ordinary share may be purchased shall not exceed 105% of the average of the middle market quotations for the ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date of purchase and shall not be less than 10p per ordinary share, in both cases exclusive of expenses; and
 - 2.3 unless previously renewed, varied or revoked, this authority hereby conferred will expire at the earlier of the conclusion of the Company's next annual general meeting or the date 12 months from the date of the passing of this resolution, except that the Company may before such authority expires enter into a contract to purchase its own shares which may be completed wholly or partly after the expiry of this authority and may make a purchase of its own shares in pursuance of any such contract.

3 July 2009

By order of the Board

Company Secretary

Registered Office: Cranford House, Kenilworth Road, Blackdown, Leamington Spa, Warwickshire CV32 6RQ
Registered in England and Wales No. 3911357

notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company Secretary on 01926 468 300.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand to the Company's registrars, Capita Registrars, The Registry, Beckenham Road, Beckenham, Kent BR3 4TU no later than 10.15 am on 4 August 2009.
3. The return of a completed proxy form or other such instrument (as described below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company at 6.00 pm on 4 August 2009 (or, in the event of any adjournment, 6.00 pm on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. As at 2 July 2009 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 29,571,152 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 2 July 2009 are 29,571,152.
8. Shareholders should note that it is possible that, pursuant to requests made by shareholders of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
9. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.

