

Summary of key changes to Articles of Association

Current Article 3.1

We have removed this provision as it is no longer appropriate. The inclusion of an “authorised” share capital stemmed from a requirement under the Companies Act 1985 (the “1985 Act”), which required companies to set out the amount of share capital with which it proposed to be registered and the number and nominal value of the shares into which it was divided. This effectively acted as a cap to the number of shares a company could issue. However, this requirement was abolished under the Companies Act 2006 (the “**2006 Act**”). It should be noted that removing the authorised share capital will not circumvent the requirement for directors to seek authority from shareholders, usually at each annual general meeting, to allot shares pursuant to section 551 of the 2006 Act.

Current Article 3.3 – 3.5

The Company no longer has any Deferred Shares in issue. As a result, we have removed the provisions governing their entitlements.

Current Article 47

The provisions and procedures in the current Articles for the alteration of the company’s share capital mirror those in the 2006 Act. Under the 2006 Act, these procedures are implied and there is no need for them to be set out expressly in the Articles. Therefore, in order to keep the Articles as succinct as possible, avoiding unnecessary duplication, we have removed the express provisions.

New Article 88

Under the current Articles, one-third of the directors would have to retire at each annual general meeting. We have slightly modified this in accordance with corporate governance best practice so that any director who has been appointed to the Board since the last annual general meeting or any other director who has served for 3 years since he was elected, shall retire from office. Any such director will be eligible for re-appointment, but such appointment will need to be approved by you, the shareholders.

Current Article 100.7 (new Article 97.7)

The directors now have the power to remove a director by simple majority of votes of the directors at a Board Meeting. This is in addition to the power under the 2006 Act for a simple majority of shareholders to remove a director.

Current Article 101 (new Article 98)

In accordance with current and anticipated the needs of the Company, we have raised the cap for non-executive directors’ fees to an aggregate of £250,000. While the current Articles include the power to increase to the current cap of £200,000 by way of ordinary resolution, we have decided to include an automatic increase, fixed by reference to the Retail Price Index, which is best practice amongst listed companies.

Current Article 111 (new Article 108)

Under the current Articles, it is not necessary to give notice of a board meeting to a director who is absent from the UK. However, given modern methods of communication, we have amended this article be amended so that directors will be entitled to receive notice of a board meeting regardless of where they are at the time.