

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 in Consort Medical plc, 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.

Notice of the 2011 Annual General Meeting of Consort Medical plc to be held at Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire HP2 4TZ on 1 September 2011 at 2pm, is set out at the end of this circular.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not less than 48 hours before the time of the holding of the Annual General Meeting.

Directors

Dr Peter Fellner
Jonathan Glenn
Chris Banks
Jim Dick
Dr Lynn Drummond
Nick Higgins
Dr Williams Jenkins
George Kennedy CBE
Toby Woolrych

Registered office

Breakspear Park
Breakspear Way
Hemel Hempstead
Hertfordshire
HP2 4TZ

26 July 2011

Notice of Annual General Meeting

Dear Shareholder,

I am pleased to advise you of details of our 2011 Annual General Meeting ("annual general meeting") which we are holding at our head office, Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ at 2pm on 1 September 2011. The formal notice of the annual general meeting is set out on pages 3 to 6 of this document.

The resolutions which shareholders will be asked to consider and approve are set out on pages 3 to 4 of the enclosed Notice of Annual General Meeting.

Explanatory notes on the various resolutions including items of Special Business to be conducted at the annual general meeting are set out on pages 7 to 8 of the Notice of Annual General Meeting. This year we are asking shareholders to approve a number of amendments to our articles of association primarily to reflect the implementation of the Shareholder Rights Directive in the UK in 2009 and the remaining provisions of the Companies Act 2006. A summary of the principal changes between the proposed new articles of association and the existing articles of association is set out in the Appendix to the Notice of Annual General Meeting.

Action to be taken

Whether or not you are able to attend the annual general meeting, the directors urge you to exercise your right to vote as a shareholder of the Company and to complete and return the enclosed reply-paid Form of Proxy to Capita Registrars so as to arrive no later than 48 hours before the time of the meeting or any adjournment of the meeting.

Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the annual general meeting (in substitution for your proxy vote) should you subsequently decide to do so.

If you have any issues or concerns arising from the business proposed to be conducted at the annual general meeting, please do not hesitate to write to me at the address set out below. The final proxy vote on each resolution will be available at the annual general meeting and posted on the Company's website.

The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you do so as well.

Yours sincerely

Peter Fellner

Chairman

Notice of Annual General Meeting
Consort Medical plc
(the "Company")

Notice is hereby given that the 52nd Annual General Meeting ("annual general meeting") of Consort Medical plc will be held at Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire HP2 4TZ at 2pm on 1 September 2011.

The business of the annual general meeting will be as follows:

Ordinary business

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive and consider the Company's accounts for the year ended 30 April 2011 (the "Accounts") and the directors' and the auditors' reports on those Accounts and on the audited section of the directors' remuneration report.
2. To approve the directors' remuneration report.
3. To declare a final dividend of 12.1p per ordinary share, payable on 28 October 2011 to holders of ordinary shares appearing on the Register of Members at close of business on 23 September 2011.
4. To re-elect Toby Woolrych as a director.
5. To re-elect Dr William Jenkins as a director.
6. To elect Dr Lynn Drummond as a director.
7. To elect Nick Higgins as a director.
8. To reappoint PricewaterhouseCoopers LLP as auditors of the Company to hold office until the conclusion of next year's annual general meeting and to authorise the directors to set their remuneration.

Special business

To consider and, if thought fit, to pass the following resolutions, of which resolution 9 will be proposed as an ordinary resolution and resolutions 10, 11, 12 and 13 as special resolutions:

9. That:

(a) the directors be generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006 ("CA 2006"), to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:

(i) up to a maximum nominal amount of £964,800 (such amount to be reduced by the nominal amount of any equity securities (as defined in section 560 of the CA 2006) allotted under paragraph (ii) below in excess of £964,800); and

(ii) comprising equity securities (as defined in section 560 of the CA 2006) up to a maximum nominal amount of £1,929,600 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue:

(A) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and

(B) to holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities;

and so that the directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter;

(b) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, on 30 October 2012;

(c) the Company may, before this authority expires, make an offer or agreement which would or might require shares to be allotted or rights to be granted after it expires and the directors may allot shares or grant rights in pursuance of such offer or agreement as if this authority had not expired; and

(d) all previous unutilised authorities under section 551 of the CA 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the CA 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

10. That:

(a) the directors be given power:

(i) subject to the passing of Resolution 9, to allot equity securities (as defined in section 560 of the CA 2006) for cash pursuant to the authority conferred on them by that resolution under section 551 of the CA 2006; and

(ii) to allot equity securities as defined in section 560(3) of the CA 2006 (sale of treasury shares) for cash, in either case as if section 561 of the CA 2006 did not apply to the allotment but this power shall be limited:

(A) to the allotment of equity securities in connection with an offer or issue of equity securities (but in the case of the authority granted under Resolution 9 (a) (ii) by way of a rights issue only) to or in favour of:

(1) holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and

(2) holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities;

and so that the directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter; and

(B) to the allotment of equity securities pursuant to the authority granted under Resolution 9(a)(i) and/or by virtue of section 560(3) of the CA 2006 (in each case otherwise than under paragraph (A) above) up to a maximum nominal amount of £144,730;

(b) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, on 30 October 2012;

(c) all previous unutilised authorities under sections 570 and 573 of the CA 2006 shall cease to have effect; and

(d) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

11. That, pursuant to Article 46 of the Company's Articles of Association, the Company be and is hereby generally and unconditionally authorised for the purposes of section 693 of the CA 2006 to make one or more market purchases (within the meaning of section 693(4) of the CA 2006) of ordinary shares of 10p each in the capital of the Company on such terms and in such manner as the directors may determine provided that:

(i) the Company does not purchase under this authority more than 2,894,621 ordinary shares;

(ii) the Company does not pay for each such ordinary share less than the nominal amount of such ordinary share at the time of purchase; and

(iii) the Company does not pay for each such ordinary share more than the higher of an amount equal to 105% of the average closing mid-market prices of the ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Company agrees to buy the share concerned and the amount stipulated by Article 5(1) of the Buy Back and Stabilisation Regulation 2003 (exclusive of expenses payable by the Company in connection with the purchase).

This authority will continue for the period ending on the earlier of 30 October 2012 and the conclusion of the next annual general meeting unless renewed before that time, save that if the Company has agreed, before this authority expires, to purchase ordinary shares where the purchase will or may be executed after this authority expires (either wholly or in part), the Company may complete such purchase as if this authority had not expired.

12. That a general meeting (other than an annual general meeting) may be called on not less than 14 clear days' notice.

13. That:

(a) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of Section 28 of the CA 2006, are to be treated as provisions of the Company's Articles of Association; and

(b) the Articles of Association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the Board

John Slater
Company Secretary
26 July 2011

Registered Office:
Consort Medical plc
Breakspear Park
Breakspear Way
Hemel Hempstead
Hertfordshire
HP2 4TZ
Registered No. 00406711

Documents available for inspection

Copies of the directors' service contracts and letters of appointment for the non-executive directors and a copy of the proposed new articles of association and the current memorandum and articles of association of the Company will be available for inspection at the Registered Office of the Company and at the offices of Taylor Wessing, 5 New Street Square, London, EC4A 3TW during normal business hours on any weekday (public holidays excepted) from the date of this Notice until the conclusion of the annual general meeting.

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 annual 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 member of the Company. Members wishing to vote by proxy should use the Form of Proxy enclosed. To appoint more than one proxy, the Form of Proxy may be photocopied and completed for each proxy holder. The proxy holder's name should be written on the Form of Proxy together with the number of shares in relation to which the proxy is authorised to act. The box on the Form of Proxy must also be ticked to indicate that the proxy instruction is one of multiple instructions being given.
2. To be valid, the instrument appointing a proxy should be received by the Company's Registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not less than 48 hours before the time of the meeting. Completion of the Form of Proxy does not preclude a member from attending and voting at the meeting if they so wish.
3. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only shareholders registered in the Register of Members of the Company as at close of business on 30 August 2011 (or, in the event of an adjournment of the annual general meeting, 6pm on the date which is two days before the time of the adjourned meeting) shall be entitled to attend and vote, whether in person or by proxy, at the annual general meeting in respect of the number of shares registered in their name at that time. Changes to entries in the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the annual general meeting.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST-sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 2pm on 30 August 2011. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
6. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
7. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
8. Any member attending the annual general meeting is entitled pursuant to section 319A of the Companies Act 2006 to ask any question relating to the business being dealt with at the meeting. The Company will answer any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
9. As at 22 July 2011 (being the last business day prior to the publication of this Notice), the Company's issued share capital consists of 28,946,214 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 22 July 2011 are 28,946,214.
10. A copy of this Notice and other information required by section 311A of the CA 2006 will be available on the Company's website and can be accessed at www.consortmedical.com
11. A form to be used for appointing a proxy or proxies for this meeting to vote on your behalf has been included in this mailing.

12. If you are a person who has been nominated under section 146 of the CA 2006 to enjoy information rights (a "Nominated Person"):

- You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (the "Relevant Member") to be appointed or to have someone else appointed as a proxy for the annual general meeting.
- If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.
- Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

The statement of rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to a Nominated Person.

13. Under section 527 of the CA 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' 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 CA 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 CA 2006. Where the Company is required to place a statement on a website under section 527 of the CA 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 CA 2006, to publish on a website.

14. In order to attend and vote at this meeting you must comply with the procedures set out in notes 1 to 13 of this Notice by the dates specified in those notes.

Notes on Resolutions

Resolution 1 — Annual Report and Accounts

Shareholders will be asked to receive the Annual Report and Accounts for the year ended 30 April 2011 (the "Accounts"). This is a legal requirement after the directors have approved the Accounts and the auditors have prepared their report.

Resolution 2 — Remuneration Report

Listed companies are required to prepare a directors' remuneration report and put a resolution to approve the report to the shareholders at the annual general meeting. Shareholders will be asked to approve the Remuneration Report of the Board as set out on pages 29 to 33 of the Accounts.

Resolution 3 — Final Dividend

A final ordinary dividend of 12.1p has been recommended by the Board as detailed on page 25 of the Accounts and will be payable to all members on the register at the close of business on 23 September 2011. The payment date will be 28 October 2011.

Resolutions 4 to 7 — Election of Directors

Biographical details of the directors seeking election and re-election are given on pages 22 and 23 of the Accounts.

At a meeting of the Board held on 14 June 2011 the Board considered the performance and ability of the directors standing for re-election at the forthcoming annual general meeting. Each director concerned was considered to be an effective member of the Board and to display the requisite level of commitment. Hence, the Board recommends their re-election as directors.

Resolution 8 — Re-appointment and remuneration of Auditors

At each meeting at which Accounts are laid before the members, the Company is required to appoint auditors to serve from the conclusion of that meeting until the conclusion of the next such meeting. Resolution 8 proposes the re-appointment of PricewaterhouseCoopers LLP as the Company's auditors and authorises the directors to set their remuneration for the forthcoming year. The remuneration will then be disclosed in the next Accounts of the Company.

Resolutions 9 and 10 — Authorities to Allot Shares

Under the Companies Act 2006, the directors of a company may only allot shares if they are authorised by the shareholders in general meeting to do so. A resolution was passed at last year's annual general meeting and it is proposed to renew this authority to authorise the directors under section 551 of the CA 2006 to allot shares or grant rights to subscribe for or convert any security into shares in the Company.

Paragraph (a)(i) of Resolution 9 will allow the directors to allot ordinary shares up to a maximum nominal amount of £964,800 representing approximately one-third of the Company's issued share capital and calculated as at 22 July 2011 (being the latest practicable date prior to publication of this document). In accordance with the latest institutional guidelines issued by the ABI, paragraph (a)(ii) of Resolution 9 will allow directors to allot, including the ordinary shares referred to in paragraph (a)(i) of Resolution 9, further ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £1,929,600, representing approximately two-thirds of the Company's issued share capital calculated as at 22 July 2011. The directors have no present intention of exercising this authority. However, if they do exercise the authority, the directors intend to follow emerging best practice as regards its use (including, where appropriate, the directors standing for re-election) as recommended by the ABI.

The authority will expire on the earlier of 30 October 2012 and the conclusion of the next annual general meeting of the Company.

If equity securities are to be allotted using the authority given by Resolution 9 above, section 561 of the CA 2006 requires that those securities are offered first to existing shareholders in proportion to the number of ordinary shares they each hold at that time. There may be circumstances, however, when it is in the interests of the Company for the directors to be able to allot new equity securities other than by way of a strict rights issue. The directors will, therefore, seek renewal of their authority to allot shares in certain circumstances for cash in accordance with the CA 2006, without the requirement to offer them first to existing shareholders.

The authority given by Resolution 10 will empower the directors to modify the position with regard to offers by way of rights so that they may apply such exclusions or other arrangements as they deem necessary or expedient in relation to treasury shares, fractional entitlements or legal or practical problems arising under the laws or requirements of any recognised regulatory body or any stock exchange or otherwise in any overseas territories. Resolution 10 further authorises the directors to allot equity securities pursuant to any share scheme and also, more generally, for cash in other circumstances, but limited to equity securities having a maximum aggregate nominal value of £144,730, being approximately 5% of the Company's issued ordinary share capital at 22 July 2011. This amount includes the sale for cash, on a non pre-emptive basis, of any shares the Company may hold in treasury.

The authority will expire on the earlier of 30 October 2012 and the conclusion of next year's annual general meeting.

The directors do not intend to issue more than 7.5% of the issued share capital of the Company for cash on a non pre-emptive basis in any rolling three-year period without prior consultation with shareholders.

Resolution 11 — Share Buy-back

Authority is sought to purchase up to 10% of the ordinary issued share capital of the Company, continuing the authority granted by shareholders last year. This authority will be used only if the directors are satisfied that any purchase will increase earnings per share and would be in the best interests of the Company and its shareholders generally. Any purchases of ordinary shares made pursuant to this authority would be made by way of market purchases through the London Stock Exchange and made out of distributable profits.

The proposed authority would enable the Company to purchase up to a maximum of 2,894,621 ordinary shares (being 10% of the Company's issued share capital as at 22 July 2011) with a stated upper and lower limit on the price payable. The authority will expire on 30 October 2012 or, if earlier, at the conclusion of the Company's annual general meeting in 2012 unless renewed, varied or revoked at that, or any earlier, general meeting of the Company's shareholders.

Shares purchased under this authority may be held by the Company as treasury shares for possible future use rather than immediate cancellation, within the limits allowed by law. The Company is required to disclose sales and transfers of shares into and out of treasury and place a limit on the discount to market price at which shares can be sold out of treasury for cash not subject to shareholder pre-emption rights.

For information, at 22 July 2011 there were options outstanding over 1,493,711 shares representing approximately 5.2% of the issued share capital of the Company at that date. If the full authority being sought to buy back shares were to be exercised, then such number of options to subscribe for shares would represent approximately 5.7% of the reduced share capital.

Resolution 12 — General Meetings on 14 Days' Notice

The Companies (Shareholders' Rights) Regulations 2009 has increased the required notice period for general meetings of the Company to 21 days. The Company is currently able to call general meetings (other than an annual general meeting) on 14 clear days' notice and would like to preserve this ability. In order to be able to do so, shareholders must have approved the calling of meetings on 14 days' notice. Resolution 12 seeks such approval. The shorter notice period would not be used as a matter of routine for such meetings but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of the shareholders as a whole. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Regulations before it can call a general meeting on 14 days' notice.

Resolution 13 — Adoption of new Articles of Association

It is proposed in Resolution 13 to adopt new articles of association (the New Articles) in order to update the Company's current articles of association (the Current Articles) primarily to take account of the Shareholders' Rights Regulations and the implementation of the final tranche of the Companies Act 2006.

An explanation of the principal changes between the proposed New Articles and the Current Articles is set out in the Appendix on pages 9 and 11 of this document. Other changes, which are of a minor, technical or clarifying nature and some which merely reflect changes made by the Shareholders' Rights Regulations or the CA 2006 have not been noted. A copy of the proposed New Articles and a copy of the current Memorandum and the Current Articles will be available for inspection as detailed above.

Consort Medical plc
Breakspear Park
Breakspear Way
Hemel Hempstead
Hertfordshire
HP2 4TZ

Appendix

Explanatory notes of principal changes to the company's articles of association

Resolution 13 proposes the adoption of new articles of association. The amendments primarily update the current articles of association to take account of changes introduced by the Shareholder Rights Regulations and the implementation of the final tranche of the Companies Act 2006 (the "2006 Act").

The opportunity has also been taken to make other minor, technical and administrative changes to the articles to ensure that they reflect current best practice including where appropriate removing provisions which replicate provisions contained in the 2006 Act. The articles have also been re-ordered for ease of reference.

The principal changes introduced by the New Articles are set out below. A copy of the New Articles and a copy of the Memorandum and the Current Articles are available for inspection as noted on page 5 of this document.

1. The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The 2006 Act significantly reduces the constitutional significance of a company's memorandum. The 2006 Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the 2006 Act the objects clause and all other provisions which are contained in a company's memorandum are deemed to be contained in the company's articles of association but the company can remove these provisions by special resolution.

Further the 2006 Act states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the 2006 Act, are treated as forming part of the Company's articles of association. Resolution 13 (A) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

2. Authorised share capital and unissued shares

The 2006 Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because an allotment authority continues to be required under the 2006 Act, save in respect of employee share schemes.

3. Redeemable shares

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption of the shares. The 2006 Act enables directors to determine such matters instead provided they are so authorised by the articles. The power contained in the New Articles has been amended to reflect this. The Company has no plans to issue redeemable shares but if it did so the directors would need shareholders' authority to issue such shares in the usual way.

4. Suspension of registration of share transfers

The Current Articles permit the directors to suspend the registration of transfers. Under the 2006 Act share transfers must be registered as soon as practicable. This power has been removed from the New Articles as the power to suspend the registration of transfers is inconsistent with this requirement.

5. Notice of general meetings

The Shareholders' Rights Regulations amend the 2006 Act to require the Company to give 21 clear days' notice of general meetings unless the company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. Annual general meetings must be held on 21 clear days' notice. The New Articles amend the provisions of the Current Articles to be consistent with the new requirements.

6. Quorum

The quorum for a general meeting has been reduced from three persons to two qualifying persons. A qualifying person is a member of the Company, a person authorised to act as a representative of a corporation in relation to a meeting or a person appointed as proxy.

7. Security at general meetings

The New Articles include a new provision permitting the directors to make security arrangements in relation to general meetings if they think it appropriate.

8. Adjournments for lack of quorum

Under the 2006 Act, as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The New Articles have been amended to reflect this requirement.

9. Voting by proxies on a show of hands

The Shareholders' Rights Regulations have amended the 2006 Act so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The Current Articles have been amended to reflect these changes.

10. Voting by corporate representatives

The Shareholders' Rights Regulations have amended the 2006 Act in order to enable multiple representatives appointed by the same corporate member to vote in different ways on a show of hands and a poll. The New Articles contain provisions which reflect these amendments.

11. Chairman's casting vote

The New Articles remove the provision giving the chairman a casting vote in the event of an equality of votes as this is no longer permitted under the 2006 Act.

12. Voting record date and proxy appointment

Under the 2006 Act as amended by the Shareholders' Rights Regulations, a company must determine the right of members to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days which are not working days. The New Articles have been amended to reflect this requirement.

The 2006 Act also allows companies to set a time limit for the receipt of proxy appointments and related documents that is not more than 48 hours before the time for the holding of the meeting, not taking account of days that are not working days. The New Articles amend the Current Articles to reflect these provisions.

13. Retirement and removal of directors

The provisions relating to the retirement of directors have been updated to reflect current best practice and the provisions of the Combined Code. The retirement by rotation provisions have been removed from the New Articles and each director is now required to retire at least once every three years.

A new provision has been included in the New Articles which provides that a director may also be removed from office by notice in writing to that effect signed by all of the directors.

14. Vacation of office by directors

The Current Articles specify the circumstances in which a director must vacate office. The New Articles update these provisions to treat physical illness in the same manner as mental illness.

15. Directors fees

Under the Current Articles, discretionary fees can be paid to directors up to an aggregate maximum of £300,000 per annum. These discretionary fees under the Current Articles are distinct from salary, remuneration or other amounts payable to a director under the articles.

Under the New Articles, the maximum amount of discretionary fees that can be paid to directors who are not executive directors has been increased from £300,000 to £400,000 per annum. This increase is proposed in order that the Company may compete in the market to attract and retain directors of a suitable caliber and experience required to help assure the success of the Company for all its stakeholders.

16. Borrowing powers

Minor amendments have been made to the powers of the directors to borrow money to reflect current market practice, in particular replacing the concept of "cash deposits" with "cash and cash equivalents", including where appropriate subsidiary undertakings in calculating the Company's adjusted capital and reserves and excluding from this calculation amounts payable under any agreements which are not finance leases. The multiple of "twice adjusted capital and reserves" remains unaltered.

17. Provision for employees on cessation of business

The 2006 Act provides that the powers of the directors of a company to make provision for a person employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary, may only be exercised by the directors if they are so authorised by the company's articles or by the company in general meeting. The New Articles provide that the directors may exercise this power.

18. Use of seals

Under the Companies Act 1985, a company required authority in its articles to have an official seal for use abroad. Under the 2006 Act, such authority will no longer be required. Accordingly, the relevant authorisation has been removed in the New Articles.

The New Articles provide an alternative option for execution of documents. Under the New Articles, when the seal is affixed to a document or when a share certificate is issued without affixing the seal, it may also be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a director and the secretary or two directors or such other person or persons as the directors may approve.

19. Uncashed dividends

In keeping with market practice the New Articles provide that where payments for dividends have been left uncashed or returned on two consecutive occasions, the Company is no longer obliged to send dividend payments until the shareholder notifies the Company of a new address or account details.

20. Scrip dividends

In the event that a scrip dividend offer is made the New Articles permit the directors to offer shareholders the use of a scrip dividend mandate. In addition, the directors can withdraw a scrip dividend offer if there are material fluctuations in the share price.

21. Capitalisation of reserves – employees share schemes

A new provision has been included in the New Articles permitting the directors in certain circumstances to transfer amounts from the profit and loss account to reserves if the subscription price for the shares under the employee share scheme is less than the nominal value, i.e. the difference between the subscription price and the nominal value of the shares to be issued.

