

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own independent professional advice immediately from your stockbroker, solicitor, accountant or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

If you have sold or otherwise transferred all your Existing Ordinary Shares in C. H. Bailey, Plc, please immediately forward this accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately. Such documents should not however be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction.

The total consideration under the Top-Up Offer shall be less than €8 million (or an equivalent pounds sterling amount) in aggregate and so, in accordance with Section 86(1)(e) of FSMA, the Top-Up Offer does not require the issue of a prospectus for the purposes of the Prospectus Rules. The Top-Up Offer does not constitute an offer to the public requiring an approved prospectus under Section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Rule made by the FCA pursuant to sections 73A(1) and (4) of FSMA and has not been pre-approved by the FCA pursuant to Sections 85 and 87 of FSMA, the London Stock Exchange, any securities commission or any other authority or regulatory body and has not been approved for the purposes of Section 21 of FSMA.

The Existing Ordinary Shares are currently admitted to trading on AIM. Application will not be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM.

C. H. Bailey, Plc

(Incorporated and registered in England and Wales with registered No. 190106)

Cancellation of admission of Existing Ordinary Shares to trading on AIM Proposed Capital Reorganisation Top-Up Offer of up to 1,729,827 Existing Ordinary Shares Tender Offer to purchase up to 2,316,168 Existing Ordinary Shares and Notice of General Meeting

Arden Partners plc (“**Arden**”), which is authorised and regulated by the Financial Conduct Authority, is acting exclusively for the Company and no-one else in connection with the Proposals and is not, and will not be, responsible to anyone other than the Company for providing the protections afforded to its clients or for advising any other person on the contents of this document of any matter, transaction or arrangement referred to therein. Arden makes no representation or warranty, express or implied, as to the contents of this document and Arden does not accept any liability whatsoever for the accuracy of or opinions contained (or for the omission of any material information) in this document and shall not be responsible for the contents of this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Arden may have under FSMA or the regulatory scheme established thereunder.

You are recommended to read the whole of this document. In particular, your attention is drawn to the letter from the Chairman of the Company which is set out on pages 11 to 21 of this document which includes a recommendation of the Independent Directors on page 20 that you vote in favour of the Resolutions at the General Meeting.

Acceptances of the Top-Up Offer made by Qualifying CREST Shareholders shall be made in accordance with the CREST procedures set out in Part III of this document and the USE instruction must have settled no later than 1.00 pm on 18 February 2019. The Top-Up Offer will close at 7.00 am on 19 February 2019 and will only be available to Qualifying Top-Up Offer Shareholders. The procedure for applying for Top-Up Shares is set out in Part III of this document. If you are a Qualifying Non-CREST Shareholder and wish to apply for

Top-Up Shares you should complete the Top-Up Form in accordance with the instructions set out in Part III of this document and those set out on the Top-Up Form and return it, together with a cheque for your payment, to the Receiving Agent at Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH or by hand (during normal business hours only) to the Receiving Agent at Corporation Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH so as to be received no later than 1.00 pm on 18 February 2019.

Acceptances by Qualifying CREST Shareholders of the Tender Offer in respect of Existing Ordinary Shares held in uncertificated form (i.e. in CREST) should not be made by the return of a Tender Form but instead should be made electronically through CREST as set out in paragraph 4.2 of Part IV of this document as soon as possible, but in any event, so that the TTE Instruction settles no later than 1.00 pm on 18 February 2019. The Tender Offer will close at 7.00 am on 19 February 2019, and will only be available to Qualifying Tender Offer Shareholders. The procedure for tendering your Existing Ordinary Shares is set out in Part IV of this document. If you are a Qualifying Non-CREST Shareholder and wish to sell Existing Ordinary Shares under the Tender Offer, you should complete the Tender Form in accordance with the instructions set out in Part IV of this document and those set out on the Tender Form and return it, together with your original share certificate(s), to the Receiving Agent at Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH or by hand (during normal business hours only) to the Receiving Agent at Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH so as to be received no later than 1.00 pm on 18 February 2019.

The Proposals described in this document are conditional, *inter alia*, on the approval of the Shareholders at the General Meeting by the passing of the Resolutions. Notice of the General Meeting to be held at 2.00 pm on 6 February 2019 at the offices of Squire Patton Boggs (UK) LLP, 7 Devonshire Square, London, EC2M 4YH is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the General Meeting. The Form of Proxy should be completed, signed and returned to the Company's registrars, Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 48 hours before the General Meeting. The completion and return of a Form of Proxy will not affect your right to attend and vote in person at the General Meeting or any adjournment thereof, if you wish to do so. Copies of this document will be available free of charge during normal business hours on any Business Day at the offices of the Company from the date of this document until 2.00 pm on 6 February 2019 and at the Company's website, <http://chbaileypkc.co.uk/>. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this document.

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Where to find help

You will find in Part II of this Circular answers to a number of questions that you may have about the Proposals described in this document. If you have any questions as regards how to complete a Top-Up Form or a Tender Form, you should call Computershare on the following numbers:

- 0370 889 3277 from inside the UK; or
- +44 370 889 3277 if calling from overseas. Calls to +44 370 889 3277 from outside the UK are chargeable at the applicable international rates.

If you are a nominee holding Existing Ordinary Shares on behalf of more than one beneficial owner, you are encouraged, if you have any questions as to the effect of the Top-Up Offer or the Tender Offer, to call Computershare on either of the numbers set out above.

Please note that calls to these numbers may be monitored or recorded and no advice on the merits of the Top-Up Offer, the Tender Offer or any financial, legal or tax advice can or will be given.

DIRECTORS, SECRETARY AND ADVISERS

Directors	David Wilkinson (Non-Executive Chairman) Charles Bailey (Chief Executive) Christopher Fielding (Non-executive Director)
Company Secretary	Harcharanjit Singh Sihra
Registered Office	Alexandra Dock, Newport, South Wales, NP20 2NP
Nominated Adviser & Brokers	Arden Partners Plc 125 Old Broad Street London EC2N 1AR
Auditors	Haasco Limited Chartered Accountants 24 Bridge Street Newport South Wales NP20 4SF
Solicitors to the Company	Squire Patton Boggs (UK) LLP Rutland House 148 Edmund Street Birmingham B3 2JR
Registrars and Receiving Agents	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE
Company Website	http://chbaileyplc.co.uk/

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for the Top-Up Offer*	6.00 pm on 11 January 2019
Determination of Qualifying Top-Up Offer Shareholders and Top-Up Offer Entitlements	6.00 pm on 11 January 2019
Announcement of the Proposals	8.00 am on 14 January 2019
Posting of this document, Top-Up Forms, Tender Forms, Forms of Proxy and notice convening the General meeting	14 January 2019
Offer to Qualifying Top-Up Offer Shareholders opens	14 January 2019
Offer to Qualifying Tender Offer Shareholders opens	14 January 2019
CREST Top-Up Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST	14 January 2019
Latest time and date for receipt of Form of Proxy (to be received no later than 48 hours before the General Meeting)	2.00 pm on 4 February 2019
General Meeting	2.00 pm on 6 February 2019
Announcement of results of General Meeting	By 5.00 pm on 6 February 2019
De-Listing and cancellation of admission of the Existing Ordinary Shares to trading on AIM	7.00 am on 14 February 2019
Latest time and date for receipt of Tender Forms and Top-Up Forms, TTE/USE instructions and for payment in respect of the Top-Up Offer	1.00 pm on 18 February 2019
Record Date for the Tender Offer	6.00 pm on 18 February 2019
Closing of the Top-Up Offer and transfer by the Company of Top-Up Shares to CREST accounts	7.00 am on 19 February 2019
Closing of the Tender Offer and purchase by Arden of Tender Offer Shares	7.00 am on 19 February 2019
Purchase by Arden of Existing Ordinary Shares representing Fractional Entitlements	7.00 am on 19 February 2019
Off-market purchase by the Company of Existing Ordinary Shares from Arden	7.30 am on 19 February 2019
Cancellation of Existing Ordinary Shares purchased from Arden	7.45 am on 19 February 2019
Record Date for the Consolidation	8.00 am on 19 February 2019
Effective Date for the Consolidation	8.15 am on 19 February 2019
Dispatch of cheques/settlement of CREST payments for Tender Offer Shares	By 4 March 2019
Dispatch of cheques/settlement of CREST payments for Fractional Entitlements	By 4 March 2019
Dispatch of definitive share certificates in respect of New Ordinary Shares	By 4 March 2019

***It is important for Shareholders to note that the Top-Up Offer is only available to Shareholders on the register of members as at 6.00 pm on 11 January 2019 which is the Record Date for the Top-Up Offer and the Top-Up Share Entitlement is calculated by referencing to the shareholding at that time. The Top-Up Offer is not available to individuals who become Shareholders, or to Shareholders whose shareholdings change, after that date.**

If any of the above times and/or dates change, the revised times and/or dates will be notified in writing to Shareholders and/or by announcement through a Regulatory Information Service. All times are references to London time.

All events in the above timetable following the General Meeting are conditional, inter alia, upon the approval of the Resolutions.

The De-Listing requires the approval of not less than 75% of the votes cast by Shareholders at the General Meeting.

STATISTICS RELATING TO THE PROPOSALS

Number of Existing Ordinary Shares in issue at the date of this document	8,335,413
Maximum number of Top-Up Shares offered to Qualifying Top-Up Offer Shareholders	1,729,827
Top-Up Price	£1 per New Ordinary Share
Tender Offer Price	£1 per Existing Ordinary Share
Maximum number of Existing Ordinary Shares to be purchased by the Company under the Tender Offer	up to 2,316,168
Conversion ratio of Existing Ordinary Shares to New Ordinary Shares	10,000 Existing Ordinary Shares : 1 New Ordinary Share

DEFINITIONS

The following shall apply throughout this document unless the context otherwise requires:

“Act”	the Companies Act 2006 (as amended)
“AIM”	a market operated by the London Stock Exchange
“AIM Rules”	the “AIM Rules for Companies” issued by the London Stock Exchange from time to time
“Arden”	Arden Partners plc, the Company’s nominated adviser and broker
“Articles”	the articles of association of the Company, as amended from time to time
“Buyback”	the buyback by the Company of the aggregate of all of the Tender Offer Shares and the Fractional Entitlements from Arden pursuant to the Repurchase Agreement
“Business Days”	a day, not being a public holiday, Saturday or Sunday on which clearing banks in London are open for business
“Capital Reorganisation”	the Consolidation and the purchase of Fractional Entitlements by Arden as set out in this document and the Buyback
“Certificated Shareholder”	a holder of Existing Ordinary Shares in certificated form
“certificated” or in “certificated form”	a share or security which is not in uncertificated form (that is, not in CREST)
“Company”	C.H. Bailey, Plc (registered under company number 190106)
“Computershare” or “Receiving Agent” or “Registrar” or “Escrow Agent”	Computershare Investor Services PLC of The Pavilions, Bridgwater Road, Bristol BS13 8AE
“Consolidation”	the proposed consolidation of the Company’s ordinary share capital resulting in every 10,000 Existing Ordinary Shares being consolidated into 1 New Ordinary Share pursuant to Resolution 4 as set out in the Notice
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Manual”	the CREST manual published by Euroclear
“CREST Member”	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
“CREST Participant”	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
“CREST Proxy Instruction”	an appropriate and valid CREST message appointing a proxy by means of CREST
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended, and any applicable rules made thereunder
“CREST Sponsor”	a CREST Participant admitted to CREST as a CREST sponsor
“CREST Sponsored Member”	a CREST Member admitted to CREST as a CREST sponsored member
“CREST Top-Up Entitlements”	in respect of each Qualifying CREST Shareholder, their entitlement to apply for Top-Up Shares pursuant to the Top-Up Offer
“De-Listing”	the cancellation of admission of the Existing Ordinary Shares to trading on AIM in accordance with the AIM Rules
“Directors” or “the Board”	the directors of the Company whose names are set out on page 4 of this document

“Disclosure and Transparency Rules”	the Disclosure Guidance and Transparency Rules published by the Financial Conduct Authority from time to time
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Ordinary Shares”	the 8,335,413 ordinary shares of 10 pence each in the capital of the Company in issue at the date of this document of which 671,959 are Treasury Shares
“Form of Proxy” or “Proxy Form”	the form of proxy enclosed with this document for use by Shareholders in connection with the General Meeting
“Fractional Entitlement”	a fractional entitlement to a New Ordinary Share arising on the Consolidation
“FSMA”	the Financial Services and Markets Act 2000, as amended from time to time
“General Meeting”	the general meeting of the Company convened for 2.00 pm on 6 February 2019, notice of which is set out at the end of this document (including any adjournment of such meeting), for the purpose of considering and, if thought fit, passing the Resolutions
“Group”	the Company and its subsidiary undertakings (as defined in the Act)
“London Stock Exchange”	London Stock Exchange plc
“Money Laundering Regulations”	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the money laundering provisions of the Criminal Justice Act 1993, Part VIII of FSMA (together with the provisions of the Money Laundering Sourcebook of the Financial Conduct Authority and the manual of guidance produced by the Joint Money Laundering Steering Group in relation to financial sector firms), the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001, the Proceeds of Crime Act 2002 and the Terrorism Act 2006
“New Ordinary Shares”	the ordinary shares of £1,000 each in the capital of the Company to be created following the Consolidation
“Notice of General Meeting”	the notice convening the General Meeting as set out at the end of this document
“Offers”	means the Top-Up Offer and the Tender Offer
“Ordinary Shares”	Existing Ordinary Shares or New Ordinary Shares, as the context may require
“Proposals”	the Top-Up Offer, the Tender Offer, the De-Listing and the Capital Reorganisation, all as described in this document
“Qualifying CREST Shareholders”	Qualifying Top-Up Offer Shareholders or Qualifying Tender Offer Shares (as relevant) in each case holding Existing Ordinary Shares in uncertificated form in CREST as at the relevant Record Dates for those Offers
“Qualifying Non-CREST Shareholders”	Qualifying Top-Up Offer Shareholders or Qualifying Tender Offer Shares (as relevant) in each case holding Existing Ordinary Shares in certificated form as at the relevant Record Dates for those Offers
“Qualifying Top-Up Offer Shareholders”	those Shareholders who, at the Record Date for the Top-Up Offer, hold more than 10,000 Existing Ordinary Shares but not an exact multiple of 10,000 Existing Ordinary Shares

“Qualifying Tender Offer Shareholders”	Shareholders who are entitled to participate in the Tender Offer, being Shareholders who are on the Register at the Record Date for the Tender Offer save for: <ul style="list-style-type: none"> (i) Small Shareholders at the Record Date for the Consolidation; (ii) Shareholders located in a Restricted Jurisdiction; and (iii) Shareholders who have irrevocably undertaken to the Company to refrain from tendering their Existing Ordinary Shares pursuant to the Tender Offer
“Record Date for the Top-Up Offer”	6.00 pm on 11 January 2019
“Record Date for the Tender Offer”	6.00 pm on 18 February 2019
“Record Date for the Consolidation”	8.00 am on 19 February 2019
“Register”	the register of members of the Company
“Regulatory Information Service”	has the meaning given to it in the AIM Rules
“Repurchase Agreement”	the agreement dated 14 January 2019 between the Company and Arden for the Buyback by the Company, as an off-market purchase (as defined in the Act), of the Tender Offer Shares and the Fractional Entitlements purchased by Arden pursuant to the Tender Offer and the agreement
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting (each of which shall be a “Resolution”)
“Restricted Jurisdiction”	each of the United States, Canada, Australia, New Zealand, South Africa or Japan and any other jurisdiction where the extension or acceptance of the Top-Up Offer or the Tender Offer, or where sending or making available information concerning the Top-Up Offer or the Tender Offer to Shareholders in such jurisdiction, would violate the laws or regulations of that jurisdiction or may result in a risk of civil, regulatory or criminal penalties if information concerning the Top-Up Offer or the Tender Offer is sent or made available to a Shareholder of that jurisdiction
“Securities Act”	the US Securities Act of 1933 (as amended)
“Share Price Calculation”	is the method by which the payment for Fractional Entitlements, the Tender Offer Price and the Top-Up Price have been calculated as detailed on page 14
“Shareholder(s)”	person(s) who is/are registered as holder(s) of Existing Ordinary Shares or New Ordinary Shares (as the context may require at the relevant time) and “Shareholder” shall mean any one of them
“Small Shareholders”	Shareholders who hold fewer than 10,000 Existing Ordinary Shares at the Record Date for the Consolidation
“Takeover Code”	the City Code on Takeovers and Mergers
“Tender” and “Tendered”	refers to the tenders by Shareholders of Existing Ordinary Shares pursuant to the Tender Offer
“Tender Conditions”	the conditions to completion of the Tender Offer set out in Part IV of this document

“Tender Form”	the form enclosed with this document for use by Qualifying Tender Offer Shareholders who hold Existing Ordinary Shares in certificated form for use in connection with the Tender Offer
“Tender Offer”	the invitation by Arden to Qualifying Tender Offer Shareholders to tender Existing Ordinary Shares for sale to Arden on the terms and subject to the conditions set out in this document and also, in the case of Existing Ordinary Shares held in certificated form, the Tender Form
“Tender Offer Shares”	up to 2,316,168 Existing Ordinary Shares to be acquired by Arden upon completion of the Tender Offer
“Tender Offer Price”	£1 per Existing Ordinary Share
“TFE Instruction”	a Transfer from Escrow Instruction (as defined in the CREST Manual) made in respect of Existing Ordinary Shares
“TTE Instruction”	a Transfer to Escrow Instruction (as defined in the CREST Manual) made in respect of Existing Ordinary Shares
“Top-Up Form”	the form enclosed with this document for the use by Qualifying Top-Up Offer Shareholders for use in connection with the Top-Up Offer
“Top-Up Offer”	the invitation to Qualifying Top-Up Offer Shareholders to purchase Top-Up Shares at the Top-Up Price on the terms and subject to the conditions set out in this document and also, in the case of Qualifying Non-CREST Shareholders, the Top-Up Form
“Top-Up Price”	£1 per Existing Ordinary Share
“Top-Up Shares”	the Existing Ordinary Shares, currently held by the Company as Treasury Shares, which may be purchased by Qualifying Top-Up Offer Shareholders pursuant to the Top-Up Offer
“Top-Up Share Entitlement”	the entitlement of Qualifying Top-Up Offer Shareholders to purchase such number of Existing Ordinary Shares as will take their shareholding up to the nearest multiple of 10,000 so that, following the Consolidation, they will be left with a whole number of New Ordinary Shares
“Treasury Shares”	those Existing Ordinary Shares not currently held by any Shareholder and which are available to the Company at completion for distribution as Top-Up Shares pursuant to a Top-Up Offer
“uncertificated” or “in uncertificated form”	means recorded on a register of securities maintained by Euroclear in accordance with the CREST Regulations as being in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“USE Instruction”	an Unmatched Stock Event Instruction (as defined in the CREST Manual) made in respect of CREST Top-Up Entitlements

All references in this document to “£” or “pence” are to the lawful currency of the United Kingdom. All references to legislation in this document are to English legislation unless the contrary is indicated.

PART I

LETTER FROM THE CHAIRMAN OF C. H. Bailey, PLC

(Incorporated and registered in England and Wales under company number 190106)

Directors

David Wilkinson (Non-Executive Chairman)
Charles Bailey (Chief Executive)
Christopher Fielding (Non-executive Director)

Registered Office

Alexandra Dock,
Newport,
South Wales,
NP20 2NP

14 January 2019

Dear Shareholder

**Cancellation of admission of Existing Ordinary Shares to trading on AIM
Proposed Capital Reorganisation
Top-Up Offer of up to 1,729,827 Existing Ordinary Shares
Tender Offer to purchase up to 2,316,168 Existing Ordinary Shares
and
Notice of General Meeting**

Dear Shareholder

1 INTRODUCTION

The Company today announced its proposals:

- to cancel the admission of its Existing Ordinary Shares to trading on AIM;
- as part of the De-Listing and in order to rationalise the Company's shareholder base, to reorganise the existing share capital by Consolidation and, following the Consolidation, to carry out a buyback of Fractional Entitlements held by Shareholders at a price of £1 for each Existing Ordinary Share comprised in such Fractional Entitlements;
- to offer such Qualifying Top-Up Offer Shareholders who wish to remain as Shareholders after the De-Listing has taken place and who do not want to lose their Fractional Entitlements, the opportunity to increase their shareholdings of Existing Ordinary Shares to the nearest multiple of 10,000 ahead of the Consolidation; and
- to provide Shareholders who do not wish to remain as Shareholders after the De-Listing has taken place with an opportunity to realise their investment in the Company by accepting the Tender Offer pursuant to which Arden will, conditionally, offer to purchase up to 2,316,168 Existing Ordinary Shares at the Tender Offer Price of £1 per Existing Ordinary Share.

In considering the Proposals, the Directors have reflected on the position of the Shareholders and their possible reasons for investing in the Company. As a result, the Proposals have been created to offer a number of possible options to the Shareholders, irrespective of whether they wish to remain a Shareholder of the Company or not following the De-Listing. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions necessary to implement the Proposals.

This letter sets out the background to and reasons for, and provides further details of, the Proposals including the terms and conditions of, and the procedure for participating in, the Top-Up Offer and Tender Offer, details of which can be found in the accompanying Top-Up Form and Tender Offer Form.

Implementation of the Proposals, including the Top-Up Offer and the Tender Offer, is conditional, *inter alia*, upon all of the Resolutions being passed at the General Meeting to be held at 2.00 pm on 6 February 2019. The Notice of General Meeting convening the General Meeting at which the Resolutions will be proposed is set out at the end of this document.

Shareholders should note that unless all the Resolutions are approved at the General Meeting by the requisite majority, the Proposals will not proceed.

2 GENERAL BACKGROUND

The Company is proposing the De-Listing for the reasons set out in paragraph 3 of this Part I below. In addition, the Company is proposing to:

- consolidate its existing share capital because the Company has a share register which includes a significant number of Shareholders holding a very small percentage of the total number of Existing Ordinary Shares. The Consolidation will give rise to a number of Shareholders becoming entitled to only a Fractional Entitlement to a New Ordinary Share. Small Shareholders together with other Shareholders who do not wish to acquire Top-Up Shares and do not wish to tender their Existing Ordinary Shares to the Company shall, following the Consolidation, have their Fractional Entitlements bought by Arden, at a price of £1 for each Existing Ordinary Share comprised in such Fractional Entitlements, for subsequent Buyback by the Company. Further details of the Consolidation and arrangements for the Fractional Entitlements are set out on pages 13 to 14 of this document;
- offer Shareholders who, following the De-Listing, wish to remain as Shareholders and who hold more than 10,000 Existing Ordinary Shares but not an exact multiple of 10,000 Existing Ordinary Shares as at the Record Date for the Top-Up Offer, the opportunity to purchase Top-Up Shares which means that such Shareholders will not lose any Fractional Entitlements upon the Consolidation. Further details of the Top-Up Offer is set out on page 15 and in Part II of this document; and
- offer an exit route for Shareholders who, following the De-Listing, do not wish to remain as Shareholders by the means of selling their Existing Ordinary Shares to Arden pursuant to the Tender Offer for subsequent Buyback by the Company. Further details of the Tender Offer is set out on page 16 and in Part III of this document.

As at the date of this document, the Company holds 671,959 Existing Ordinary Shares in the capital of the Company as Treasury Shares. Applications for Top-Up Shares will be satisfied firstly from the Treasury Shares. In the event that applications for Top-Up Shares are received which are in excess of the number of Treasury Shares available then Resolutions 2 and 5 to be proposed at the General Meeting will authorise the Company to issue additional Existing Ordinary Shares in order to satisfy such applications. The Treasury Shares hold the same rights in regards to voting and distribution as the shares currently in circulation to the Shareholders and no changes will be made to the existing share rights following the De-Listing.

3 DE-LISTING

Reasons for the De-Listing

The Board has conducted a review of the benefits and drawbacks to the Company in retaining its listing on AIM. The Board believes that the De-Listing is in the best interests of the Company and its Shareholders as a whole. In reaching this conclusion, the Board has considered the following key factors:

- the management time and the legal and regulatory burden associated with maintaining the Company's admission to trading on AIM is, in the Directors' opinion, disproportionate to the benefits to the Company;
- there is, and has been for some time, a lack of liquidity in the Existing Ordinary Shares such that there is a very limited market for the Existing Ordinary Shares; and
- there is limited trading of the Existing Ordinary Shares. Over the past 12 months 116,590 Existing Ordinary Shares were traded representing approximately 1.4 per cent. of the issued share capital and giving an average daily volume of approximately 457 Existing Ordinary Shares. Accordingly, the costs associated with maintaining the AIM quotation are considered by the Directors to be disproportionately high when compared to the benefits of being listed on AIM, even though these costs have been, so far as reasonably possible, controlled and minimised by the Company. The Board believes that these funds could be better utilised for the benefit of the Company.

Effect of De-Listing

The Directors consider that the principal effects of the De-Listing will be that:

- Shareholders will no longer be able to buy and sell Ordinary Shares through AIM or any other public stock market, further reducing the liquidity in the Ordinary Shares;

- in due course, Ordinary Shares will no longer be held in, or traded through, CREST but will be held in paper form only;
- the Company will no longer be required to announce material events or financial results through a Regulatory Information Service;
- the Company will no longer be required to comply with many of the corporate governance requirements applicable to companies traded on AIM;
- Arden will cease to be the nominated adviser and broker to the Company;
- the Company will no longer be subject to the Disclosure and Transparency Rules and will therefore no longer be required to publicly disclose major shareholdings in the Company;
- the Company will no longer be subject to the AIM Rules, with the consequence that Shareholders will no longer be afforded the protections given by the AIM Rules. Such protections include a requirement to obtain shareholder approval for reverse takeovers and fundamental changes in the Company's business and to announce, *inter alia*, certain substantial and/or related party transactions; and
- the De-Listing may have either positive or negative taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent adviser immediately.

Shareholders should note that the Takeover Code will continue to apply to the Company following the De-Listing. The Company will also continue to be bound by the Act (which requires shareholder approval for certain matters) following the De-Listing.

De-Listing Process

Under the AIM Rules, the De-Listing can only be effected by the Company after securing a resolution passed by 75% of the votes cast by its Shareholders in a general meeting of the Company and the expiry of a period of 20 clear Business Days from the date on which notice of the De-Listing is given to the London Stock Exchange. In addition, a period of at least five clear Business Days following Shareholders' approval of the De-Listing is required before the De-Listing may become effective. Resolution 6 seeks the approval of Shareholders for the De-Listing. Assuming that the Resolution is approved, it is proposed that the De-Listing will take place by 7.00 am on 14 February 2019.

New Ordinary Share dealing following De-Listing

Following the De-Listing, there will be no market facility for dealing in the New Ordinary Shares, no price will be publicly quoted for the New Ordinary Shares and the transfer of New Ordinary Shares will be subject to the provisions of the Articles of the Company. As such, holdings of New Ordinary Shares will be difficult to value and sell. However, while there can be no guarantee of any Shareholders being able to purchase or sell any New Ordinary Shares, any Shareholder seeking to do so should contact the Company at its registered office.

4 THE CONSOLIDATION, TOP-UP OFFER AND TENDER-OFFER

As set out in the Expected timetable of principal events on page 5 of this document, completion of the Top-Up Offer and the Tender Offer and the Consolidation will take place shortly following the De-Listing.

Background to the Consolidation

The Register includes a large number of Shareholders holding a very small percentage of the total Existing Ordinary Shares. This creates a financial and logistical burden for the Company which is disproportionate to its size, particularly in the context of the proposed De-Listing. Therefore a consolidation of the Existing Ordinary Shares is proposed, which the Board has deemed to be an appropriate and commonly used method of reducing the excessive length of a company's share register. Shareholder approval is required for the Consolidation.

As at 6.00 pm on 11 January 2019 (being the latest practicable date prior to the publication of this document), the Company had 8,335,413 Existing Ordinary Shares in issue, having a mid-market price per Existing Ordinary Share at the close of business on such date of 92.50 pence. As at that date, the Company had sixty eight Shareholders, of which twenty nine held fewer than 10,000 Existing Ordinary Shares. As at 6.00pm on 11 January 2019, being the latest practicable date prior to the publication of this document, a shareholding of 10,000 Existing Ordinary Shares was worth

£9,250 at the mid-market price. Thus a significant number of Shareholders hold a small number of shares in the Company and (based upon the closing mid-market price of an Existing Ordinary Share of 92.50 pence at 6.00 pm on 11 January 2019) the twenty nine Shareholders each holding fewer than 10,000 Existing Ordinary Shares have an aggregate holding worth £117,425 being just 1.66% of the Company's market capitalisation.

Your Board believes that the cost of administering the Company's Shareholder register and communicating with such a large number of Shareholders (many of whom have only a small interest in the Company) is to the detriment of the Company and its current Shareholders taken as a whole.

Accordingly, the Company has arranged for Arden to buy the Fractional Entitlements which will accrue to the Shareholders (save for any Qualifying Top-Up Offer Shareholders who accept the Top-Up Offer) on the Consolidation without any transaction cost being charged to the Shareholders. This will benefit the Small Shareholders who may have considered selling their Existing Ordinary Shares but decided not to do so due to the disproportionate dealing and administration costs relating to such a sale. It will also guarantee that Small Shareholders are able to exit the Company shortly after the De-Listing has taken place. The Company will subsequently Buyback the Fractional Entitlements from Arden.

The Consolidation

Upon implementation of the Consolidation, Shareholders on the Register of the Company at the Record Date for the Consolidation, will exchange every 10,000 Existing Ordinary Shares that they hold for one New Ordinary Share.

As a consequence of the Consolidation, if you hold 10,000 or fewer Existing Ordinary Shares at the Record Date for the Consolidation, your Fractional Entitlement to a New Ordinary Share will be purchased by Arden, at a price of £1 for each Existing Ordinary Share comprised in such Fractional Entitlement, and you will receive the proceeds of sale, free of dealing costs. The Company itself intends to subsequently Buyback those Fractional Entitlements from Arden, pursuant to the Repurchase Agreement.

If you hold an exact multiple of 10,000 Existing Ordinary Shares at the Record Date for the Consolidation then you will receive the relevant number of New Ordinary Shares and you will have no Fractional Entitlement.

If you hold more than 10,000 Existing Ordinary Shares but your holding is not divisible exactly by 10,000, you will be left with a whole number of New Ordinary Shares together with a Fractional Entitlement. If you are such a Qualifying Top-Up Offer Shareholder and, prior to the Record Date for the Consolidation, you have not purchased additional Existing Ordinary Shares on the market or Top-Up Shares under the Top-Up Offer then your Fractional Entitlement to a New Ordinary Share will be purchased by Arden and you will receive the proceeds of sale, free of dealing costs.

Pursuant to the terms of the Repurchase Agreement, the Company shall purchase the Fractional Entitlements from Arden at the same price as they were purchased by Arden from Shareholder and the purchased shares will then be cancelled.

If you hold a share certificate in respect of your Existing Ordinary Shares it will no longer be valid from the time the proposed Consolidation takes effect. If you are entitled to any New Ordinary Share(s), you will be sent a new share certificate by 4 March 2019 and upon receipt, you should destroy the old certificate(s). If you hold your Existing Ordinary Shares in uncertificated form (that is, in CREST), you should expect to have your CREST account adjusted to reflect New Ordinary Shares by 4 March 2019 or as soon as practicable after the Consolidation takes effect. Existing Ordinary Shares credited to any stock account in CREST will be disabled and all Existing Ordinary Shares will be removed from CREST in due course.

The New Ordinary Shares created by the Consolidation will have the same rights as the Existing Ordinary Shares.

Share Price Calculation

The payment of £1 for each Existing Ordinary Share compromised in any Fractional Entitlements, the Tender Offer Price and the Top-Up Price have each been calculated on the basis of:

- (a) the 92.50 pence closing mid-market price of an Existing Ordinary Share as at the close of business on 11 January 2019, being the last dealing day before the date of this document; plus

- (b) a premium of approximately 8.1% over that closing mid-market price of an Existing Ordinary Share to reflect what the increase in the share price of an Existing Ordinary Share would, theoretically, be if all of the Treasury Shares as at the date of this document were to be cancelled, in each case then rounded to the nearest 1 penny.

Top-Up Offer

Upon implementation of the Consolidation, Shareholders on the register of members of the Company at the Record Date for the Consolidation who do not participate in the Tender Offer, will exchange every 10,000 Existing Ordinary Shares that they hold for one New Ordinary Share.

If you hold more than 10,000 Existing Ordinary Shares at the Record Date for the Consolidation, then unless your holding is divisible by 10,000 you will be left with a whole number of New Ordinary Shares together with a Fractional Entitlement.

If you are in this position and if you do not wish to participate in the Tender Offer and if you do not wish to have your Fractional Entitlement sold then you might wish to consider increasing your shareholding of Existing Ordinary Shares to a multiple of 10,000. There are two methods to do that, namely:

- (a) you could seek to purchase on the market such number of Existing Ordinary Shares as you may decide provided that the trade completes prior to the Record Date for the Consolidation; or
- (b) you could choose to participate in the Top-Up Offer.

Shareholders who are nominees holding Existing Ordinary Shares on behalf of more than one beneficial owner will be entitled to participate in the Top-Up Offer in respect of any beneficial owner as would, if the Existing Ordinary Shares were registered in the name of such beneficial owner, constitute a Qualifying Top-Up Offer Shareholder. Shareholders who are nominees and who apply for Top-Up Shares on behalf of beneficial owners should note the relevant representations and warranties given in relation to such applications as referred to in Part III of this Circular in the two sections headed "*Effect of Application*".

Pursuant to the Top-Up Offer you are granted the right to purchase, ahead of the Consolidation, such number of Top-Up Shares as will take your shareholding up to the nearest multiple of 10,000 so that, following the Consolidation, you will be left with a whole number of New Ordinary Shares.

The Top-Up Price has been calculated on the basis of the Share Price Calculation. If you are a Qualifying Top-Up Offer Shareholder, your Top-Up Share Entitlement has been calculated as at the Record Date for the Top-Up Offer.

The Top-Up Offer is conditional on, *inter alia*, the passing of the Resolutions as set out in the Notice of General Meeting at the end of this document.

If you elect not to purchase additional Existing Ordinary Shares pursuant to the Top-Up Offer but still wish to remain a Shareholder of the Company and hold a Fractional Entitlement above a multiple of 10,000 Existing Ordinary Shares, your Fractional Entitlement will be purchased from you by Arden in accordance with paragraph 5 of Part I of this document. For the avoidance of doubt, Qualifying Top-Up Offer Shareholders wishing to remain a Shareholder of the Company will, should they elect not to purchase additional Existing Ordinary Shares, still have every 10,000 Existing Ordinary Shares they hold at the Record Date for the Consolidation consolidated into 1 New Ordinary Share and only their Fractional Entitlement will be purchased by Arden.

If you are a Qualifying Top-Up Offer Shareholder you need to consider carefully whether you wish to purchase additional Existing Ordinary Shares pursuant to the Top-Up Offer. You need to bear in mind the proposed De-Listing and that, subject to the passing of the Resolutions, neither the Existing Ordinary Shares, nor the New Ordinary Shares, will be admitted to trading on AIM. A Qualifying Top-Up Offer Shareholder should only apply for Top-Up Shares if they are making a positive decision that they wish to remain as a shareholder in the Company following the De-Listing and if, as part of that positive decision, they wish to ensure that they do not lose any Fractional Entitlements to a Consolidated Share pursuant to the Consolidation.

Qualifying Top-Up Shareholders who do not wish to remain as shareholders in the Company following the De-Listing should not apply for Top-Up Shares but should, instead, consider accepting the Tender Offer (described further below).

Full details of the Top-Up Offer are set out in Part III of this document.

Tender Offer

The Board recognises that not all Shareholders will wish to continue to own Ordinary Shares in the Company following the De-Listing. Subject to the Tender Conditions being satisfied, Qualifying Tender Offer Shareholders will therefore have the opportunity to tender, pursuant to the Tender Offer, all, but not some only, of their Existing Ordinary Shares at the Record Date for the Tender Offer.

In order for Shareholders who are nominees holding Existing Ordinary Shares on behalf of more than one beneficial owner to participate in the Tender Offer in respect of individual beneficial owners who would, if the Existing Ordinary Shares were registered in the names of such beneficial owners, constitute Qualifying Tender Offer Shareholders, the nominee will need to split the registered holding into separately designated accounts; one account for the total number of shares to be tendered then separately designated accounts for each beneficial owner who would constitute a Small Shareholder and who is unable to tender their Existing Ordinary Shares which will therefore be repurchased as Fractional Entitlements, and one for the remaining holding which will be subject to the Consolidation (this should be the original designated account and any Top-Up Offer Shares which have been applied for will be allotted to this account). The nominee must then submit a TTE for the entire holding of the account from which the shares will be tendered.

Qualifying Tender Offer Shareholders are not obliged to tender any Existing Ordinary Shares and, if they do not wish to participate in the Tender Offer, Qualifying Tender Offer Shareholders should not complete or return their Tender Form.

Shareholders in any doubt as to what action to take, are recommended to seek immediate professional advice from their stockbroker, solicitor, accountant or other independent financial adviser duly authorised under FSMA who specializes in advising upon investments in shares and other securities.

Under the Tender Offer, Arden will purchase up to 2,316,168 Existing Ordinary Shares from Qualifying Tender Offer Shareholders at £1 per Existing Ordinary Share.

The Tender Offer Price will be calculated on the basis of the Share Price Calculation.

The Tender Offer is conditional on, *inter alia*, the passing of the Resolutions as set out in the Notice of the General Meeting at the end of this document.

Existing Ordinary Shares not validly tendered and which do not become Fractional Entitlements will not be purchased. Existing Ordinary Shares purchased pursuant to the Tender Offer will be purchased free of commissions and dealing charges.

Pursuant to the terms of the Repurchase Agreement, all New Ordinary Shares and Fractional Entitlements derived from successfully tendered Existing Ordinary Shares purchased by Arden under the Tender Offer will be repurchased by the Company at an aggregate price equal to the price paid by Arden for such shares. Such shares will be immediately cancelled. For the avoidance of doubt, no shares repurchased by the Company will be retained as Treasury Shares.

Qualifying Tender Offer Shareholders who retain a shareholding following completion of the Tender Offer will, on completion of the De-Listing, hold New Ordinary Shares in a non-publicly traded company. As such, there will be no market facility for dealing in the New Ordinary Shares.

Full details of the Tender Offer are set out in Part IV of this document.

The attention of Qualifying Tender Offer Shareholders who are citizens or nationals of or resident in jurisdictions outside the United Kingdom and who wish to participate in the Tender Offer is drawn to the section headed "Overseas Shareholders" in Part IV of this document. The Tender Offer is not being made, directly or indirectly, in or into any Restricted Jurisdiction.

Interaction of Top-Up Offer and Tender Offer

The Top-Up Offer and the Tender Offer are exclusive of each other. If you are both a Qualifying Top-Up Offer Shareholder and a Qualifying Tender Offer Shareholder you need to choose to take part in one or other such Offer, or neither of them. If applications are received from a Shareholder under both the Top-Up Offer and the Tender Offer then the Top-Up Offer application will be rejected and the Shareholder will be deemed to have tendered their entire holding of Existing Ordinary Shares pursuant to the Tender Offer.

5 FRACTIONAL ENTITLEMENTS

Subject to completion of the Consolidation, Shareholders entitled to any Fractional Entitlement following the Consolidation will receive cash in lieu of those Fractional Entitlements.

Arden shall purchase the Fractional Entitlements of all Shareholders entitled to Fractional Entitlements following the Consolidation on the following basis:

- The price payable for the Fractional Entitlements calculated on the basis of £1 for each Existing Ordinary Share comprised in such Fractional Entitlements.
- Completion is to take place at 7.00 am on 19 February 2019 and payment of the cash consideration is to be made to the Shareholders by cheque or through their CREST accounts (as appropriate) by 4 March 2019.
- The Shareholders will receive payment of the sale proceeds of their Fractional Entitlements by cheque if they hold their Shares in certificated form, or, if held through CREST, their CREST accounts will be credited by 4 March 2019, and all such Fractional Entitlements which are purchased by the Company will be cancelled.
- Pursuant to the terms of the Repurchase Agreement, the Company will purchase the Fractional Entitlements from Arden. The aggregate of all Fractional Entitlements shall then be cancelled.

Example 1 – Small Shareholders

If a Small Shareholder holds 5,000 Existing Ordinary Shares at the Record Date for the Consolidation, such Small Shareholder will, following the implementation of the Consolidation, hold a Fractional Entitlement to half of a New Ordinary Share. Immediately following the Consolidation, such Fractional Entitlement will be aggregated with all other Fractional Entitlements and purchased by Arden, without any transaction cost being charged to the Shareholder. Based upon the Share Price Calculation, the Small Shareholder would receive £5,000 for its shareholding of 5,000 Existing Ordinary Shares.

Example 2 – other Shareholders

If a Shareholder holds 11,000 Existing Ordinary Shares at the Record Date for the Consolidation and such Shareholder has not participated in the Top-Up Offer, such Shareholder will, following the implementation of the Consolidation, hold 1 New Ordinary Share derived from 10,000 Existing Ordinary Shares with the remaining 1,000 Existing Ordinary Shares forming a 1/10th Fractional Entitlement of a New Ordinary Share. Immediately following the Consolidation, the Fractional Entitlement will be aggregated with all other Fractional Entitlements and purchased by Arden, without any transaction cost being charged to the Shareholder. Based upon the Share Price Calculation, the Shareholder would receive £1,000 for his shareholding of 1,000 Existing Ordinary Shares in addition to the 1 New Ordinary Share.

Rights attaching to the New Ordinary Shares

The New Ordinary Shares arising on implementation of the Consolidation will have the same rights as the Existing Ordinary Shares, including voting, dividend and other rights.

6 CURRENT TRADING AND FUTURE PROSPECTS

The Company published its interim financial results on 7 December 2018. The Company's highlights and outlook sections are detailed below:

“Group Highlights

Overall

- Value of the Malta property increases and improves the Company's assets and income statement value.
- Operations in Tanzania affected by reduced economic activity in the country.
- Revenue in South Africa reduced due to the fire at Galenia in February 2018 with anticipated recovery in the second half of the financial year.
- Growth in revenues at B.I.E, the UK engineering business.

Finance

- Group Revenue is down 4% to £2,609k (2017: £2,713k).

- Gross profit margin is down to 28.9% (2017: 30.2%).
- EBITDA at £1,188k is up 18% (2017: £1,006k).
- Group Operating profit is up 42% at £776k (2017: £547k).
- Overall profit is up 43% at £601k (2017: £421k).

Outlook

We will continue to maintain our market position in Tanzania. Our involvement in new development projects in an advisory capacity will indirectly help our hospitality business and we remain positive in our potential future growth in the country.

South Africa is expected to remain steady as the country stabilises and attracts new local and inward investment. We hope to locate and benefit from further property development opportunities in Cape Town, and to make progress with the development plans in Montagu.

Malta still grows in international economic stature. We hope to find further development sites in Valletta or other opportunities on the island, where we have invested for over 50 years and know the local market well.

We believe there will be continued growth in the UK engineering business. However, the continued uncertainty of Brexit may impact our customers' businesses and therefore could have an adverse effect on our business growth.

Operating in emerging markets and niche industries, like heavy engineering in the UK, it is difficult to predict the future but we remain positive and cautiously optimistic."

The directors of the Company can confirm that, since the date of publication of the interim financial results, there has been no significant change in the trading or financial position of the Company.

Following the Consolidation and De-Listing, the Company intends to continue operating as it has done over the Company's last financial year and carry out the same activities, and retain the same business strategy, as a private company, that it did as a public company. Based on current market conditions, the Company does not envisage any significant changes to the Company's trading position once the Consolidation and De-Listing are completed.

7 GENERAL MEETING

The General Meeting will be held on 6 February 2019 at 2.00 pm, at which Shareholders will be asked to consider and, if thought fit, pass the Resolutions.

Ordinary resolutions require the approval of the majority of those Shareholders present and voting (in person or by proxy) at the General Meeting. Special resolutions require the approval of not less than 75% of those Shareholders present and voting (in person or by proxy) at the General Meeting.

The Resolutions, which are summarised below, are necessary for the implementation of the Proposals. Accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions as they intend to do in relation to their respective shareholdings. The reasons for the recommendation in this paragraph are as set out in this document and, in particular, in paragraph 10 below on page 20. As regards Resolutions 1 and 5, the amount to be paid for the equity securities referred to in those Resolutions is the Top-Up Price which has been calculated as described in the paragraph headed "*Share Price Calculation*" on page 14 so as to be consistent with the Tender Offer Price and the price to be paid for the Existing Ordinary Shares that represent Fractional Entitlements.

Resolution 1

This Resolution is required for the purposes of the Top-Up Offer.

Resolution 1 is proposed as a special resolution to authorise the Company to sell the Existing Ordinary Shares currently held by the Company as Treasury Shares for cash as if section 561 of the Act did not apply to such sale. Such authority is proposed to be limited to the sale of Treasury Shares up to a total nominal value of £67,195. The proposed authority set out in Resolution 1 shall expire on 20 August 2020 but prior to its expiry the Directors may make offers, and enter into agreements, which would, or might, require Treasury Shares to be sold after the authority expires and the Directors may sell Treasury Shares under such offer or agreement as if the authority had not expired.

Resolution 2

This Resolution is also required for the purposes of the Top-Up Offer in the event that the Treasury Shares are insufficient to satisfy all applications for Top-Up Shares.

Resolution 2 is proposed as an ordinary resolution to authorise the Company, in accordance with section 551 of the Act, to allot equity securities for cash up to a total nominal value of £105,787. The proposed authority set out in Resolution 2 shall expire on 20 August 2020 but prior to its expiry the Directors may make offers, and enter into agreements, which would, or might, require equity securities to be sold after the authority expires and the Directors may sell equity securities under such offer or agreement as if the authority had not expired.

Resolution 3

This Resolution is required for the purposes of the Repurchase Agreement, the Tender Offer and the purchase of the Fractional Entitlements.

Resolution 3 is proposed as an ordinary resolution to approve the Repurchase Agreement and to authorise the Company to, in accordance with the Act, make the Buyback from Arden, pursuant to the Repurchase Agreement, of such number of Existing Ordinary Shares as are successfully tendered pursuant to the Tender Offer and the Fractional Entitlements which will arise from the Consolidation.

Resolution 4

This Resolution is required for the purposes of the Consolidation and is proposed as an ordinary resolution.

Resolution 4 is a resolution that all of the Existing Ordinary Shares be consolidated into, and redesignated as, New Ordinary Shares at a ratio of 10,000 Existing Ordinary Shares to 1 New Ordinary Share. Furthermore, the Directors are authorised to deal with the Fractional Entitlements arising from the Consolidation as described in this document pursuant to their powers under the Articles.

Resolution 5

This Resolution is also required for the purposes of the Top-Up Offer in the event that the Treasury Shares are insufficient to satisfy all applications for Top-Up Shares.

Resolution 5 is proposed as a special resolution to disapply the statutory pre-emption provisions of section 561 of the Act in relation to any shares to be allotted pursuant to Resolution 2.

Resolution 6

This Resolution relates to the De-Listing and is proposed as a special resolution for the cancellation of the admission of the Existing Ordinary Shares to trading on AIM.

8 ACTION TO BE TAKEN

General Meeting

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. The Form of Proxy should be completed and returned in accordance with the instructions printed thereon so as to arrive at the Company's Registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible and in any event not later than 2.00 pm on 4 February 2019. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the General Meeting or any adjournment thereof, if you so wish and are so entitled.

If the Form of Proxy is not returned by 2.00 pm on 4 February 2019, your vote will not count.

Top-Up Offer

If you are a Qualifying Top-Up Offer Shareholder and wish to participate in the Top-Up Offer, you should follow the procedure for applying for Top-Up Shares. Full details of the Top-Up Offer, and the procedure to be followed by Qualifying Top-Up Offer Shareholders wishing to apply for Top-Up Shares, are set out in Part III of this document.

The procedure for applying for Top-Up Shares depends on whether a Qualifying Top-Up Offer Shareholder holds Existing Ordinary Shares in certificated or uncertificated form.

Qualifying Top-Up Offer Shareholders who hold Existing Ordinary Shares in certificated form and who wish to apply for Top-Up Shares should complete a Top-Up Form in accordance with the instructions set out in Part III of this document and the instructions printed on the Top-Up Form itself and return it by post to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6AH or (during normal business hours only) by hand to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS13 8AE as soon as possible and, in any event, so as to arrive by no later than 1.00 pm on 18 February 2019. Share certificates for the New Ordinary Shares will be despatched no later than 4 March 2019.

Qualifying Top-Up Offer Shareholders who hold Existing Ordinary Shares in uncertificated form and who wish to apply for Top-Up Shares should follow the CREST procedures set out in Part III of this document. The CREST instruction must have settled no later than 1.00 pm on 18 February 2019.

Tender Offer

If you are a Qualifying Tender Offer Shareholder and wish to participate in the Tender Offer, you should follow the procedure for tendering shares. Full details of the Tender Offer, and the procedure to be followed by Qualifying Tender Offer Shareholders wishing to tender their Existing Ordinary Shares, are set out in Part IV of this document.

The procedure for tendering Existing Ordinary Shares on the Register at the Record Date for the Tender Offer depends on whether a Qualifying Tender Offer Shareholder holds Existing Ordinary Shares in certificated or uncertificated form.

Qualifying Tender Offer Shareholders who hold Existing Ordinary Shares in certificated form and who wish to tender all or some of their Existing Ordinary Shares held at the Record Date for the Tender Offer should complete a Tender Form in accordance with the instructions set out in Part IV of this document and the instructions printed on the Tender Form itself and return it, together with their original share certificate(s) by post to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6AH or (during normal business hours only) by hand to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS13 8AE as soon as possible and in any event so as to arrive by no later than 1.00 pm on 18 February 2019.

Qualifying Tender Offer Shareholders who hold Existing Ordinary Shares in uncertificated form and who wish to tender all or some of their Existing Ordinary Shares held at the Record Date for the Tender Offer should tender electronically through CREST so that the TTE Instruction settles by no later than 1.00 pm on 18 February 2019. If Existing Ordinary Shares are held under different member account IDs, a separate TTE Instruction should be sent for each member account ID.

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your broker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser, immediately.

9 DIRECTORS' INTENTIONS, AND IRREVOCABLE UNDERTAKINGS

The Directors, who together hold 5,390,855 Existing Ordinary Shares representing approximately 64.67% of the Existing Ordinary Shares in issue, have each confirmed to the Company that they intend to vote in favour of all of the Resolutions.

Mr Charles Bailey has undertaken to the Company that he intends to apply for his Top-Up Share Entitlement and that he will not be accepting the Tender Offer

Mr Christopher Fielding has undertaken to the Company that he will not apply for his Top-Up Share Entitlement and that he will be accepting the Tender Offer.

Mr David Wilkinson has undertaken to the Company that he will not apply for his Top-Up Share Entitlement and that he will be accepting the Tender Offer.

10 RECOMMENDATION

The Directors consider that the Proposals are fair and reasonable and are in the best interests of the Company and its Shareholders as a whole. Your Directors consider it appropriate that the Qualifying Top-Up Offer Shareholders should have the choice as to whether they, if they wish to remain as Shareholders in the Company following the De-Listing, should be able to increase their

holding of Existing Ordinary Shares prior to the Consolidation so as to not lose any Fractional Entitlements upon the Consolidation. Your Directors also consider it appropriate that the Qualifying Tender Offer Shareholders should have the choice as to whether to remain Shareholders in the Company following the De-Listing and that, accordingly, they should be given an opportunity to realise their investment under the Tender Offer prior to the De-Listing. However, the Directors make no recommendation to Qualifying Top-Up Offer Shareholders or to Qualifying Tender Offer Shareholders in relation to their participation in the Top-Up Offer or the Tender Offer and recommend that all such Shareholders consult their duly authorised independent advisers before they make a decision as to whether to apply for Top-Up Shares or to tender their Existing Ordinary Shares, in order to obtain advice relevant to their particular circumstances.

Yours faithfully

David Wilkinson
Chairman

PART II

QUESTIONS AND ANSWERS ON THE TOP-UP OFFER, TENDER OFFER, CAPITAL REORGANISATION AND DE-LISTING

To help you understand the purpose and effect of the Top-Up Offer, Tender Offer, Capital Reorganisation and De-Listing we have prepared some questions and answers. You should read the whole of this document and not rely solely on the summary information in this Part II.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each Shareholder should consult his, her or its own appropriate professional advisers for advice. Part II of this document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.

SECTION A

THE TOP-UP OFFER

1. Why is a Top-Up Offer being made by the Company?

If you hold more than 10,000 Existing Ordinary Shares but your shareholding is not divisible by 10,000 the Top-Up Offer is being made by the Company to you.

The proposed Consolidation means that each Shareholder on the Company's Register of the Company at the Record Date for the Consolidation will exchange every 10,000 Existing Ordinary Shares that they hold for one New Ordinary Share. The Top-Up Offer will enable you to purchase additional Existing Ordinary Shares to take your shareholding up to the nearest multiple of 10,000 so that, following the Consolidation, you will be left with a whole number of New Ordinary Shares rather than a Fractional Entitlement.

2. What is the effect of the Top-Up Offer?

If you are eligible to participate in the Top-Up Offer and you have accepted it, you will purchase additional Existing Ordinary Shares to take your shareholding up to the nearest multiple of 10,000 so that, following the Consolidation, you will be left with a whole number of New Ordinary Shares.

3. If I am eligible to participate in the Top-Up Offer, do I have to accept it? What happens if I do not accept the Top-Up Offer?

No, you are not obliged to accept the Top-Up Offer. You should make your own decision as to whether or not you participate in the Top-Up Offer and are recommended to consult an appropriate independent adviser. The Board makes no recommendation to Shareholders in relation to participation in the Top-Up Offer itself. Whether or not you decide to apply for Top-Up Shares will depend on your own individual circumstances.

If you are eligible to participate in the Top-Up Offer, you should only apply for Top-Up Shares if you are making a positive decision to remain as a Shareholder in the Company following the De-Listing.

If you do not accept the Top-Up Offer, following the Consolidation you will be left with Fractional Entitlements for any shares in excess of an integral multiple of 10,000 and you will receive cash in lieu of those Fractional Entitlements. Please see paragraph 5 of the Chairman's letter at Part I of this document for more information.

Furthermore, if you do not accept the Top-Up Offer, you may decide to accept the Tender Offer and choose to sell all of the Existing Ordinary Shares you hold. Please see paragraph 4 of the Chairman's letter at Part I of this document together with the terms and conditions of the Tender Offer at Part IV of this document for more information.

4. What should I do if I live outside the United Kingdom?

Your ability to apply to purchase Top-Up Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Top-Up Share Entitlement. Shareholders with registered addresses, or who are

located in the United States or any Restricted Jurisdiction, are, subject to certain exceptions, not eligible to participate in the Top-Up Offer. Your attention is drawn to the information in the section 'Overseas Shareholders' set out in the terms and conditions of the Top-Up Offer at Part III of this document.

5. Can I transfer my Top-Up Share Entitlement?

You cannot transfer all of part of your Top-Up Share Entitlement. The purpose of the Top-Up Offer is only to enable Qualifying Top-Up Offer Shareholders to have the ability to purchase such number of Existing Ordinary Shares as will increase their shareholding to the nearest multiple of 10,000. If you are a Qualifying Top-Up Offer Shareholder but at any time after the Record Date for the Top-Up Offer but before accepting, or purporting to accept the Top-Up Offer, you sell any of your Existing Ordinary Shares or buy any additional Existing Ordinary Shares then you will no longer be eligible to participate in the Top-Up Offer.

SECTION B

THE TENDER OFFER

1. Why is a Tender Offer being made?

The Tender Offer is being made to you provided that you are not a Small Shareholder. The Board recognises that you may not wish to continue to own shares in the Company following the De-Listing. Therefore, you have the opportunity to tender all of your Existing Ordinary Shares.

2. What is the effect of the Tender Offer?

If you accept the Tender Offer, your shares will be sold to Arden pursuant to the terms set out in this document and you will cease to be a shareholder. Pursuant to the terms of the Repurchase Agreement, the Company will purchase such shares from Arden and the shares will be cancelled.

Please see paragraph 4 of the Chairman's letter at Part I of this document together with the terms and conditions of the Tender Offer at Part IV of this document for more information.

3. If I am eligible to participate in the Tender Offer, do I have to accept it? What happens if I do not accept the Tender Offer?

No, you are not obliged to accept the Tender Offer.

You should make your own decision as to whether or not you participate in the Tender Offer and are recommended to consult an appropriate independent adviser. The Board makes no recommendation to Shareholders in relation to participation in the Tender Offer itself. Whether or not you decide to tender all or any of your Existing Ordinary Shares will depend on your own individual circumstances.

If you are eligible to participate in the Tender Offer and you do not accept it, on completion of the De-Listing you will hold shares in a non-publicly traded company and there will be no market facility for dealing in your shares.

4. What should I do if I live outside the United Kingdom?

Shareholders resident outside the United Kingdom, or who are nationals or citizens of jurisdictions other than the United Kingdom, should read the information in the section 'Overseas Shareholders' set out in the terms and conditions of the Tender Offer at Part IV of this document.

For legal reasons we are unable to offer Shareholders who are resident in any Restricted Jurisdiction the ability to participate in the Tender Offer.

SECTION C

THE CAPITAL REORGANISATION

1. Why is a Capital Reorganisation being proposed to be undertaken?

The Company is seeking to reduce the excessive length of its shareholder register which is disproportionate to its size and the Company wishes to provide an exit route for its Small Shareholders.

2. What is the effect of the Capital Reorganisation?

As part of the Capital Reorganisation:

- (a) if you hold less than 10,000 Existing Ordinary Shares, on the implementation of the Consolidation:
- you will be left with a Fractional Entitlement to a New Ordinary Share; and
 - your Fractional Entitlement will be purchased by Arden pursuant to the terms set out in this document and you will cease to be a Shareholder. Pursuant to the terms of the Repurchase Agreement, the Company will then purchase such Fractional Entitlement from Arden.
- (b) if you hold more than 10,000 Existing Ordinary Shares, on the implementation of the Consolidation:
- you will be left with a whole number of New Ordinary Shares equal to 1 New Ordinary Share for every integral multiple of 10,000 Existing Ordinary Shares, plus a Fractional Entitlement to a New Ordinary Share for any remaining Existing Ordinary Shares not exactly divisible by 10,000; and
 - your Fractional Entitlement will be purchased by Arden pursuant to the terms set out in this document. Pursuant to the terms of the Repurchase Agreement, the Company will then purchase such Fractional Entitlement from Arden.

Please see paragraphs 4 and 5 of the Chairman's letter at Part I of this document for more information.

SECTION D

THE DE-LISTING

1. Why is a De-Listing being proposed?

The Board believes that a De-Listing is in the best interests of the Company for the reasons set out in paragraph 3 of the Chairman's letter at Part I of this document.

2. What is the effect of a De-Listing?

The main effect of the De-Listing on any holding of shares is that there will be no market facility for dealing in such shares.

For more information, please see the paragraph headed "*New Ordinary Share dealing following De-Listing*" at paragraph 3 of the Chairman's letter at Part I of this document.

3. If I need to sell my shares after the de-listing, how would I do this?

Trading shares in the Company following the De-Listing will be very different to dealing in shares prior to the De-Listing; primarily due to the difficulty in locating a buyer of the shares when the Company is not trading on a public stock exchange. You will need to locate a buyer who is willing to purchase the shares from you, and as the Company will not be publically trading, the onus will be on you to locate a suitable buyer.

Due to the inherent difficulties a shareholder may face in selling their shares following the De-Listing, we would recommend that all Shareholders obtain independent financial advice if they are considering the Top-Up Offer route with a view to selling their shares following the De-Listing.

For more information, please see the paragraph headed “*New Ordinary Share dealing following De-Listing*” at paragraph 3 of the Chairman’s letter at Part I of this document.

PART III

TERMS AND CONDITIONS OF THE TOP-UP OFFER

Qualifying Top-Up Offer Shareholders who do not wish to participate in the Top-Up Offer need take no action.

1 INTRODUCTION

Subject to the terms and conditions set out in this document (and also, in the case of Qualifying Non-CREST Shareholders, the Top-Up Form), each Qualifying Top-Up Offer Shareholder on the Register on the Record Date for the Top-Up Offer is being given the right to purchase ahead of the Consolidation such number of Existing Ordinary Shares as will take their shareholding up to the nearest multiple of 10,000 so that, following the Consolidation, they will be left with a whole number of New Ordinary Shares.

2 TERMS OF THE TOP-UP OFFER

- 2.1 The Top-Up Offer is conditional upon, *inter alia*, the passing of the Resolutions.
- 2.2 The Top-Up Offer is only made to Qualifying Top-Up Offer Shareholders on the Register at the Record Date for the Top-Up Offer.
- 2.3 Each Top-Up Share is offered at £1.
- 2.4 The total number of Top-Up Shares available is fixed at 1,729,827 and will not be increased.
- 2.5 When calculating the number of Top-Up Shares offered to a Qualifying Top-Up Offer Shareholder, the number of Existing Ordinary Shares held and registered in their name as at the Record Date for the Top-Up Offer shall apply.
- 2.6 The Top-Up Share Entitlement, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Top-Up Shares as is shown in Box B on the Top-Up Form, or in the case of Qualifying CREST Shareholders, is no more than the number of Top-Up Shares comprised in the Top-Up Share Entitlement standing to the credit of their stock account in CREST.
- 2.7 Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holding for the purpose of calculating the Top-Up Offer.
- 2.8 Qualifying Top-Up Offer Shareholders should note that the Top-Up Offer is not a rights issue and therefore Top-Up Shares for which application has not been made under the Top-Up Offer will not be sold in the market for the benefit of those who do not apply under the Top-Up Offer, and Qualifying Top-Up Shareholders who do not apply to take up their entitlements will have no rights nor receive any benefit under the Top-Up Offer. The Top-Up Form is not a document of title and cannot be traded or otherwise transferred. Any Top-Up Shares which are not applied for under the Top-Up Offer will not be sold.
- 2.9 Qualifying Top-Up Offer Shareholders should further note that their entitlement to participate in the Top-Up Offer is, subject always to the next sentence, determined by reference to their holding of Existing Ordinary Shares as at the Record Date for the Top-Up Offer. If, at any time after the Record Date for the Top-Up Offer but before the closing of the Top-Up Offer, which is expected to be 7.00 am on 19 February 2019, any Qualifying Top-Up Offer Shareholder sells any of their Existing Ordinary Shares or buys any additional Existing Ordinary Shares then, whether or not they have applied for their Top-Up Share Entitlement, they will no longer be eligible to participate in the Top-Up Offer.
- 2.10 The attention of Qualifying Top-Up Offer Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document or a Top-Up Form into a jurisdiction other than the United Kingdom is drawn to the paragraph titled "Overseas Shareholders" in this Part III below. In particular, Shareholders in a Restricted Jurisdiction will not be sent this document or the Top-Up Form, and will not have their CREST stock accounts credited with the Top-Up Entitlement.
- 2.11 The Top-Up Shares will rank *pari passu* in all respects with the Existing Ordinary Shares.
- 2.12 Application will be made for the Top-Up Entitlement to be credited to Qualifying CREST Shareholders' CREST accounts. The Top-Up Entitlement is expected to be credited to CREST accounts on 14 January 2019.

2.13 If at any time prior to 7.00 am on 19 February 2019:

- (a) there has been material adverse change in national or international, financial, economic, political or market conditions; or
- (b) there has been material adverse change in the financial position or prospects and/or circumstances of the Company (including, without limitation, in relation to the distributable profits of the Company),

which, in the absolute discretion of the Company, is likely to prejudice the success of the Top-Up Offer or make it temporarily or permanently impracticable or inadvisable to proceed with the Top-Up Offer, then the Company may terminate the Top-Up Offer. In addition, the Top-Up Offer may be terminated if the Company concludes that the Top-Up Offer would no longer be in the interests of the Company and/or the Shareholders as a whole.

2.14 Where the Top-Up Offer is terminated in accordance with paragraph 2.13 above, as soon as reasonably practicable, the Company shall notify Shareholders in writing and/or through an announcement through a Regulatory Information Service that the Top-Up Offer has been terminated.

2.15 No certificates in respect of Top-Up Shares will be sent. Qualifying Top-Up Offer Shareholders who have validly elected to hold their Top-Up Shares in certificated form by 1.00 pm on 18 February 2019 will, instead, be sent certificates in respect of the New Ordinary Shares arising from the Consolidation by no later than 4 March 2019.

2.16 The Existing Ordinary Shares are already CREST-enabled. No further application for admission to CREST is required for the Top-Up Shares and all of the Top-Up Shares when sold to Shareholders may be held by means of CREST. Applications will be made for the Top-Up Entitlement to be admitted to CREST as participating securities.

2.17 Subject to the conditions above being satisfied and save as provided in this Part III, it is expected that:

- (a) the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of Qualifying CREST Shareholders with such Shareholders' CREST Top-Up Entitlement with effect from 14 January 2019;
- (b) Top-Up Shares in uncertificated form will be credited by no later than 7.00 am on 19 February 2019 to the appropriate stock accounts of relevant Qualifying CREST Shareholders who validly take up their CREST Top-Up Entitlement; and
- (c) share certificates for the New Ordinary Shares arising from the Consolidation and held in certificated form will be dispatched by 4 March 2019 to relevant Qualifying Non-CREST Shareholders who validly take up their Top-Up Share Entitlement.

2.18 Qualifying Top-Up Offer Shareholders taking up their Top-Up Share Entitlement will be deemed to have given the representations and warranties set out in the sub-paragraphs each with the heading "Effect of Application" in paragraph 3.1 of this Part III (in the case of Qualifying Non-CREST Shareholders) and in paragraph 3.2 of this Part III (in the case of Qualifying CREST Shareholders) unless, in each case, such requirement is waived by the Company.

2.19 All documents and cheques posted to or by Qualifying Top-Up Offer Shareholders and/or their transferees or renounees (or their agents, as appropriate) will be posted at their own risk.

2.20 References to dates and times in this document should be read as subject to adjustment. The Company will notify Shareholders in writing and/or make an appropriate announcement through a Regulatory Information Service giving details of any revised dates or times.

3 ACTION TO BE TAKEN IN CONNECTION WITH THE TOP-UP OFFER

The action to be taken in respect of the Top-Up Offer depends on whether, at the relevant time, a Qualifying Top-Up Form Shareholder has received a Top-Up Form in respect of his entitlement under the Top-Up Offer or has had his Top-Up Share Entitlement credited to his CREST Stock account in respect of such entitlement.

If you are a Qualifying Non-CREST Shareholder and you are not a Shareholder in a Restricted Jurisdiction, please refer to paragraph 3.1 of this Part III.

If you are a Qualifying CREST Shareholder and you are not a Shareholder in a Restricted Jurisdiction, please refer to paragraph 3.2 of this Part III.

Qualifying CREST Shareholders who are CREST Sponsored Members should refer to their CREST Sponsors, as only their CREST Sponsors will be able to take the necessary actions specified below to apply under the Top-Up Offer in respect of the CREST Top-Up Entitlement of such members held in CREST.

CREST Members who wish to apply under the Top-Up Offer in respect of their CREST Top-Up Share Entitlement in CREST should refer to the CREST Manual for further information on the CREST procedures referred to above.

3.1 Action to be taken by Qualifying Non-CREST Shareholders

General

Qualifying Non-CREST Shareholders will have received a Top-Up Form with this document. The Top-Up Form sent to each such Qualifying Non-CREST Shareholder sets out for reference only:

- (a) in Box A, the number of Existing Ordinary Shares registered in such person's name at the latest practicable date before mailing; and
- (b) in Box B, the number of Top-Up Shares for which such person is entitled to apply under the Top-Up Offer based on the number of Existing Ordinary Shares registered in such person's name at the latest practicable date before mailing. Qualifying Top-Up Offer Shareholders should note that if they buy or sell Existing Ordinary Shares after the Record Date for the Top-Up Offer they will no longer be entitled to participate in the Top-Up Offer.

Qualifying Non-CREST Shareholders may only apply for a number of Top-Up Shares that would take their total holding of Existing Ordinary Shares up to the nearest multiple of 10,000 as at the Record Date for the Top-Up Offer.

The instructions and other terms set out in the Top-Up Form constitute part of the terms and conditions of the Top-Up Offer to Qualifying Non-CREST Shareholders.

The latest time and date for receipt of the Top-Up Form and payment in full will be 1.00 pm on 18 February 2019.

The Top-Up Shares are expected to be sold at 7.00 am on 19 February 2019. After such date the Top-Up Shares will be freely transferable by a written instrument of transfer, and will be either in registered (or uncertificated) form, or, if they have been sold in or converted into uncertificated form, in electronic form under the CREST system.

Qualifying Top-Up Offer Shareholders who do not want to take up or apply for the Top-Up Offer Shares under the Top-Up Offer should take no action and should not complete or return the Top-Up Form.

Qualifying Top-Up Offer Shareholders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the Form of Proxy.

Application procedures

Qualifying Non-CREST Shareholders who wish to apply to purchase all or any of the Top-Up Shares in respect of their Top-Up Entitlement must return the Top-Up Form in accordance with the instructions thereon.

Completed Top-Up Forms should be posted in the accompanying pre-paid envelope (in the UK only) or delivered by hand (during normal office hours only) to Computershare Investor Services PLC (who will act as the Company's receiving agent in relation to the Top-Up Offer) so as to be received by Computershare Investor Services PLC by no later than 1.00 pm on 18 February 2019, after which time, subject to the limited exceptions set out below, Top-Up Forms will not be valid. Applications delivered by hand will not be checked upon delivery and no receipt will be provided. Qualifying Non-CREST Shareholders should note that applications, once made, will, subject to the very limited withdrawal rights set out in this document, be irrevocable and receipt thereof will not be acknowledged.

If the Top-Up Form is being sent by first-class post in the United Kingdom, Qualifying Non-CREST Shareholders are recommended to allow at least four working days for delivery. Completed Top-Up Forms should be returned together with a cheque or banker's draft in sterling made payable to "CIS PLC re: CH Bailey plc – Top-Up Offer A/C" for the full amount payable on acceptance, by

post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH so as to be received as soon as possible and, in any event, not later than 1.00 pm on 18 February 2019.

Payment in pound sterling

All payments must be made by cheque or banker's draft in pound sterling and must be made payable to "CIS PLC re: CH Bailey plc – Top-Up Offer A/C". Third party cheques may not be accepted except building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the building society cheque or banker's draft to such effect. The account name should be the same as that shown on the application. Cheques or banker's drafts must be drawn on an account at a bank or building society or a branch of a bank or building society which must be in the United Kingdom, the Channel Islands or the Isle of Man and which is either a settlement member of Cheque & Credit Clearing Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided by either of those companies. Cheques and banker's drafts must bear the appropriate sorting code number in the top right-hand corner. Post-dated cheques will not be accepted. Payments via CHAPS, BACS or electronic transfer will not be accepted.

The Company reserves the right to have cheques and banker's drafts presented for payment on receipt. No interest will be allowed on payments made before they are due and any interest on such payments will be paid to the Company. It is a term of the Top-Up Offer that cheques must be honoured on first presentation and the Company may elect to treat as invalid any acceptances in respect of which cheques are not honoured. Return of the Top-Up Form with a cheque will constitute a warranty that the cheque will be honoured on first presentation. If cheques or banker's drafts are presented for payment before the conditions of the Top-Up Offer are fulfilled, the application monies will be kept in an interest-bearing account retained for the Company until all conditions are met. If the Top-Up Offer does not become unconditional, no Top-Up Shares will be sold and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable, following the lapse of the Top-Up Offer.

If Top-Up Shares are sold to a Qualifying Top-Up Offer Shareholder and a cheque for that sale is subsequently not honoured, the application may be invalid and the applicant will be notified accordingly.

For all enquiries in connection with the Top-Up Forms, please contact Computershare Investor Services PLC on 0370 889 3277 or +44 370 889 3277 if calling from outside the United Kingdom. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Calls may be recorded and monitored for security and training purposes.

Discretion as to validity of acceptances

If payment is not received in full by 1.00 pm on 18 February 2019, the offer to purchase Top-Up Offer Shares will be deemed to have been declined and will lapse.

The Company may also (in its absolute discretion) treat a Top-Up Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required. The Company reserves the right to treat as invalid any application or purported application for the Top-Up Shares pursuant to the Top-Up Offer that appears to the Company to have been executed in, dispatched from, or that provides an address for delivery of definitive share certificates for Top-Up Shares in a Restricted Jurisdiction.

Effect of Application

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering a Top-Up Form the applicant:

- (a) represents and warrants to the Company and Arden that it has the right, power and authority, and has taken all action necessary, to make the application under the Top-Up Offer and to execute, deliver and exercise its rights, and perform its obligations, under any contracts

resulting therefrom and that it is not a person otherwise prevented by legal or regulatory restrictions from applying for Top-Up Shares or acting on behalf of any such person on a non-discretionary basis;

- (b) agrees with the Company and Arden that all applications under the Top-Up Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;
- (c) confirms with the Company and Arden that in making the application it is not relying on any information or representation other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any information or representation not so contained and further agrees that, having had the opportunity to read this document, it will be deemed to have had notice of all information contained in this document (including information incorporated by reference);
- (d) unless they are a Shareholder to which paragraph (e) below applies, represents and warrants to the Company and Arden that it is the Qualifying Top-Up Offer Shareholder;
- (e) if they are a nominee holding Existing Ordinary Shares on behalf of more than one beneficial owner and they are applying for Top-Up Shares on behalf of a beneficial owner, represents and warrants to the Company and Arden that such beneficial owner would, if the relevant Existing Ordinary Shares were registered in the name of such beneficial owner, be a Qualifying Top-Up Offer Shareholder;
- (f) requests that the Top-Up Shares to which it will become entitled be transferred to him on the terms set out in this document and the Top-Up Form, subject to the Articles;
- (g) represents and warrants to the Company and Arden that it is not, nor is it applying on behalf of any person who is: (a) located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, in or of any Restricted Jurisdiction or any jurisdiction in which the application for Top-Up Shares is prevented by law and, (b) it is not applying with a view to reoffering, reselling, transferring or delivering any of the Top-Up Shares which are the subject of his application to, or for the benefit of, a person who is located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Top-Up Shares is prevented by law, except where proof satisfactory to the Company has been provided to the Company, in respect of (a) and (b) above, that it is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor a person(s) otherwise prevented by legal or regulatory restrictions from applying for Top-Up Shares under the Top-Up Offer;
- (h) represents and warrants to the Company and Arden that it is not, nor is it applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of the United States or any other jurisdiction in which the application for Top-Up Shares is prevented by law and it is not applying with a view to reoffering, re-selling, transferring or delivering any of the Top-Up Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States or any other jurisdiction in which the application for Top-Up Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that it is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor a person otherwise prevented by legal or regulatory restrictions from applying for Top-Up Shares under the Top-Up Offer;
- (i) represents and warrants to the Company and Arden that it is not, and nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and

- (j) confirms that in making the application it is not relying and has not relied on the Company and Arden or any person affiliated with the Company and Arden in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

The Company and Arden reserve the right to reject, in their absolute discretion, any Top-Up Form if they are aware or suspect that any of the representations, warranties and confirmations referred to above cannot validly be made by the applicant.

Money Laundering Regulations

To ensure compliance with the Money Laundering Regulations, Computershare may require, in its absolute discretion, verification of the identity of the beneficial owner by whom or on whose behalf the Top-Up Form is lodged with payment (requirements which are referred to below as the “verification of identity requirements”). If an application is made by a UK-regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of Computershare. In such case, the lodging agent’s stamp should be inserted on the Top-Up Form.

The applicant lodging the Top-Up Form with payment, including any person who appears to Computershare to be acting on behalf of some other person, shall thereby be deemed to agree to provide Computershare with such information and other evidence as Computershare may require to satisfy the verification of identity requirements. Submission of a Top-Up Form shall constitute a warranty that the Money Laundering Regulations will not be breached by the acceptance of remittance and an undertaking by the applicant to provide promptly to Computershare such information as may be specified by Computershare as being required for the purpose of the Money Laundering Regulations.

If Computershare determines that the verification of identity requirements apply to any applicant or application, the relevant Top-Up Shares will not be transferred to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. Computershare is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and neither Computershare nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, Computershare has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the application monies will be returned (at the applicant’s risk) without interest to the account of the bank or building society on which the relevant cheque or banker’s draft was drawn.

The verification of identity requirements will not usually apply if:

- (a) the applicant is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- (b) the applicant is an organisation required to comply with the EU Money Laundering Directive (No. 91/308/EEC) as amended by Directives 2001/97/EC and 2005/60/EC; or
- (c) the applicant is a company whose securities are listed on a regulated market subject to specified disclosure obligations; or
- (d) the applicant (not being an applicant who delivers his/her application in person) makes payment through an account in the name of such applicant with a credit institution which is subject to the Money Laundering Regulations or with a credit institution situated in a non-EEA state which imposes requirements equivalent to those laid down in that directive; or
- (e) the aggregate purchase price for the relevant Top-Up Shares is less than €15,000 (approximately £13,500 as at the date of this document).

Submission of the Top-Up Form with the appropriate remittance will constitute a warranty to the Company from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

Where the verification of identity requirements apply, please note the following as this will assist in satisfying the requirements. Satisfaction of these requirements may be facilitated in the following ways:

- (a) if payment is made by cheque or banker's draft in sterling drawn on a branch of a bank or building society in the United Kingdom and bears a United Kingdom bank sort code number in the top right hand corner, the following applies. Cheques, which are recommended to be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to "CIS PLC re: CH Bailey plc Plc – Top-Up Offer Account". Third party cheques may not be accepted except for building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the building society cheque/banker's draft to such effect. The account name should be the same as that shown on the application; or
- (b) if the Top-Up Form is lodged with payment by an agent which is an organisation of the kind referred to in sub-paragraph (b) above or which is subject to anti-money laundering regulations in a country which is a member of the Financial Action Task Force (the non-EU members of which are Argentina, Australia, Brazil, Canada, members of the Gulf Co-operation Council (being Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), Hong Kong, Iceland, Japan, Mexico, Luxembourg, New Zealand, Norway, the Russian Federation, Singapore, South Africa, Switzerland, Turkey and the US), the agent should provide written confirmation that it has that status with the Top-Up Form(s) and written assurances that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to Computershare and/or any relevant regulatory or investigatory authority; or
- (c) if a Top-Up Form is lodged by hand by the applicant in person, it should ensure that he has with him evidence of identity bearing its photograph (for example, its passport) and evidence of its current address (for example, a photocard driving licence or utility bill).

To confirm the acceptability of any written assurance referred to in paragraph (b) above, or in any other case, please contact Computershare on 0370 889 3277 or +44 370 889 3277 if calling from outside the United Kingdom. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Calls may be recorded and monitored for security and training purposes.

New Ordinary Shares in certificated form

Definitive share certificates in respect of the New Ordinary Shares arising from the Consolidation to be held in certificated form are expected to be dispatched by post by no later than 4 March 2019, at the risk of the person(s) entitled to them, to accepting Qualifying Non-CREST Shareholders or their agents or, in the case of joint holdings, to the first-named Shareholder, in each case at their registered address (unless lodging agent details have been completed on the Top-Up Form).

3.2 Action to be taken by Qualifying CREST Shareholders

General

Save as provided in paragraph 3.4 of this Part III in relation to certain Shareholders in Restricted Jurisdictions, each Qualifying CREST Shareholder is expected to receive a credit to his CREST stock account of the maximum number of Top-Up Shares for which such Qualifying Crest Shareholder could be entitled to purchase under the Top-Up Offer. Such number of CREST Top-Up Entitlements has been calculated by reference to the theoretical maximum possible number of beneficial owners who would, if the relevant Existing Ordinary Shares were registered in the name of such beneficial owner, be a Qualifying Top-Up Offer Shareholder.

The CREST stock account to be credited will be an account under the CREST participant ID and CREST member account ID that apply to the Existing Ordinary Shares held at the Record Date for the Top-Up Offer by the Qualifying CREST Shareholder in respect of which the CREST Top-Up Entitlements have been allocated.

If for any reason it is impracticable to credit the stock accounts of Qualifying CREST Shareholders by 14 January 2019 (or such later time as the Company shall decide), Top-Up Forms shall, unless the Company determines otherwise, be sent out in substitution for the CREST Top-Up Entitlements which have not been so credited and the expected timetable as set out in this document may be adjusted as appropriate. References to dates and times in this document should be read as

subject to any such adjustment. The Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates but Qualifying CREST Shareholders may not receive any further written communication.

Qualifying CREST Shareholders may only apply for a number of Top-Up Shares that would take their total holding, or (in the case of a nominee holding on behalf of multiple beneficial holders) the total holding of a beneficial holder who would constitute a Qualifying Top-Up Offer Shareholder, of Existing Ordinary Shares up to the nearest multiple of 10,000 as at the Record Date for the Top-Up Offer.

Qualifying CREST Shareholders who wish to take their entitlements in respect of CREST Top-Up Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST Sponsored Member, you should consult your CREST Sponsor if you wish to take up your entitlement, as only your CREST Sponsor will be able to take the necessary action to take up your entitlements in respect of Top-Up Shares. If you have any queries on the procedure for acceptances and payment, please contact Computershare on 0370 889 3277 or +44 370 889 3277 if calling from outside the United Kingdom. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Calls may be recorded and monitored for security and training purposes.

In accordance with the instructions of this paragraph 3.2, the CREST instruction must have been settled by 1.00 pm on 18 February 2019.

USE Instructions

Qualifying CREST Shareholders who are CREST Members and who wish to apply for Top-Up Shares in respect of all of their CREST Top-Up Share Entitlement must send (or, if they are CREST Sponsored Members, procure that their CREST Sponsor sends) a USE Instruction to CREST which, on its settlement, will have the following effect:

- (a) the crediting of a stock account of Computershare under the CREST participant ID and CREST member account ID specified below, with a number of CREST Top-Up Share Entitlements corresponding to the number of Top-Up Shares applied for; and
- (b) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of Computershare in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of Top-Up Shares referred to in (a) above.

Content of USE Instructions in respect of Top-Up Entitlements

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of CREST Top-Up Shares for which application is being made (and hence the number of the Top-Up Share Entitlements being delivered to Computershare);
- (b) the ISIN of the CREST Top-Up Entitlement. This is GB00BHNBGK05;
- (c) the CREST participant ID of the CREST Member;
- (d) the CREST member account ID of the CREST Member from which the CREST Top-Up Entitlements are to be debited;
- (e) the participant ID of Computershare in its capacity as a CREST receiving agent. This is 3RA18;
- (f) the CREST Member account ID of Computershare in its capacity as a CREST receiving agent. This is CHBTOPUP;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Top-Up Shares referred to in (a) above;
- (h) the intended settlement date. This must be on or before 1.00 pm on 18 February 2019; and
- (i) the Corporate Action Number for the Top-Up Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Top-Up Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above. In order to assist prompt settlement of the USE Instruction, CREST members may consider adding the following non-mandatory fields to the USE Instruction:

- (a) a contact name and telephone number (in the free format shared note field); and
- (b) a priority of at least 80.

CREST Members and, in the case of CREST Sponsored Members, their CREST Sponsors, should note that the last time at which a USE Instruction may settle on in order to be valid is 1.00 pm on 18 February 2019. After 7.00 am on 19 February 2019, the Top-Up Shares will be registered and freely transferable in electronic form under the CREST system.

If the conditions to the Top-Up Offer are not fulfilled at or before 1.00 pm on 18 February 2019, or such other time and/or date as may be agreed between the Company and Arden, the Top-Up Offer will lapse, the Top-Up Entitlements admitted to CREST will be disabled and Computershare will refund the amount paid by way of a CREST payment, without interest as soon as practicable thereafter. The interest earned on such monies, if any, will be retained for the benefit of the Company.

CREST procedures and timings

Qualifying CREST Shareholders who are CREST Members and CREST Sponsors (on behalf of CREST Sponsored Members) should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Top-Up Offer. It is the responsibility of the Qualifying CREST Shareholder concerned to take (or, if the Qualifying CREST Shareholder is a CREST Sponsored Member, to procure that his CREST Sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 1.00 pm on 18 February 2019. In this connection, Qualifying CREST Shareholders and (where applicable) CREST Sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Validity of application

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 1.00 pm on 18 February 2019 will constitute a valid application under the Top-Up Offer.

Incorrect or incomplete applications

If a USE Instruction includes a CREST payment for an incorrect sum, the Company and Arden, through the Registrar, reserve the right:

- (a) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (b) in the case that an excess sum is paid, to treat the application as a valid application for the number of Top-Up Shares that would take the total number of Existing Ordinary Shares up to the nearest multiple of 10,000, refunding any unutilised sum to the CREST member in question (without interest).

Effect of application

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

- (a) represents and warrants to the Company and Arden that it has the right, power and authority, and has taken all action necessary, to make the application under the Top-Up Offer and to execute, deliver and exercise its rights, and perform its obligations, under any contracts resulting therefrom and that it is not a person otherwise prevented by legal or regulatory restrictions from applying for Top-Up Shares or acting on behalf of any such person on a non-discretionary basis;
- (b) agrees with the Company and Arden that all applications under the Top-Up Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;

- (c) confirms with the Company and Arden that in making the application it is not relying on any information or representation other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any information or representation not so contained and further agrees that, having had the opportunity to read this document, it will be deemed to have had notice of all information contained in this document (including information incorporated by reference);
- (d) unless they are a Shareholder to which paragraph (e) below applies, represents and warrants to the Company and Arden that it is the Qualifying Top-Up Offer Shareholder;
- (e) if they are a nominee holding Existing Ordinary Shares on behalf of more than one beneficial owner and they are applying for Top-Up Shares on behalf of a beneficial owner, represents and warrants to the Company and Arden that such beneficial owner would, if the relevant Existing Ordinary Shares were registered in the name of such beneficial owner, be a Qualifying Top-Up Offer Shareholder;
- (f) requests that the Top-Up Shares to which it will become entitled be transferred to him on the terms set out in this document and the Top-Up Form, subject to the Articles;
- (g) represents and warrants to the Company and Arden that it is not, nor is it applying on behalf of any person who is: (a) located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, in or of any Restricted Jurisdiction or any jurisdiction in which the application for Top-Up Shares is prevented by law and, (b) it is not applying with a view to reoffering, reselling, transferring or delivering any of the Top-Up Shares which are the subject of its application to, or for the benefit of, a person who is located, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Top-Up Shares is prevented by law, except where proof satisfactory to the Company has been provided to the Company, in respect of (a) and (b) above, that it is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor a person(s) otherwise prevented by legal or regulatory restrictions from applying for Top-Up Shares under the Top-Up Offer;
- (h) represents and warrants to the Company and Arden that it is not, nor is it applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of the United States or any other jurisdiction in which the application for Top-Up Shares is prevented by law and it is not applying with a view to re-offering, re-selling, transferring or delivering any of the Top-Up Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States or any other jurisdiction in which the application for Top-Up Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that it is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor a person otherwise prevented by legal or regulatory restrictions from applying for Top-Up Shares under the Top-Up Offer;
- (i) represents and warrants to the Company and Arden that it is not, and nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (j) confirms that in making the application it is not relying and has not relied on the Company and Arden or any person affiliated with the Company and Arden in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

The Company and Arden reserve the right to reject, in their absolute discretion, any application if they are aware or suspect that any of the representations, warranties and confirmations referred to above cannot validly be made by the applicant.

Discretion as to rejection and validity of acceptances

The Company and Arden may:

- (a) reject any acceptance constituted by a USE Instruction, which is otherwise valid, in the event of breach of any of the representations, warranties and undertakings set out or referred to in this paragraph 3.2 of this Part III. Where an acceptance is made as described in this paragraph 3.2 which is otherwise valid, and the USE Instruction concerned fails to settle by 1.00 pm on 18 February 2019 (or by such later time and date as the Company and Arden may determine), Company shall be entitled to assume, for the purposes of their right to reject an acceptance as described in this paragraph 3.2, that there has been a breach of the representations, warranties and undertakings set out or referred to in this paragraph 3.2 above unless the Company is aware of any reason outside the control of the Qualifying CREST Shareholder or CREST Sponsor (as appropriate) concerned for the failure of the USE Instruction to settle;
- (b) treat as valid (and binding on the Qualifying CREST Shareholder concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this paragraph 3.2;
- (c) accept an alternative properly authenticated dematerialised instruction from a Qualifying CREST Shareholder or (where applicable) a CREST Sponsor as constituting a valid acceptance in substitution for, or in addition to, a USE Instruction and subject to such further terms and conditions as the Company may determine;
- (d) treat a properly authenticated dematerialised instruction (in this sub-paragraph (d), the “first instruction”) as not constituting a valid acceptance if, at the time at which Computershare receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or Computershare has received actual notice from Euroclear of any of the matters specified in CREST Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (e) accept an alternative instruction or notification from a Qualifying CREST Shareholder or (where applicable) a CREST Sponsor, or extend the time for acceptance and/or settlement of a USE Instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any Qualifying CREST Shareholder or (where applicable) CREST Sponsor or Qualifying CREST Shareholder is unable validly to take up all or part of his CREST Basic Entitlement and Excess Entitlement by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of facilities and/or systems operated by Computershare in connection with CREST.

Money Laundering Regulations

If you hold your Top-Up Shares in CREST and apply to take up all or part of your entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a bank, a broker or another UK financial institution), then, irrespective of the value of the application, Computershare is required to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. Such Qualifying CREST Shareholders must therefore contact Computershare before sending any USE Instruction or other instruction so that appropriate measures may be taken.

Submission of a USE Instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above constitutes a warranty and undertaking by the applicant to the Company, Arden and Computershare to provide promptly to Computershare any information Computershare may specify as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Computershare as to identity, Computershare, having consulted with the Company, may take, or omit to take, such action as it may determine to prevent or delay settlement of the USE Instruction. If satisfactory evidence of identity has not been provided within a reasonable time, Computershare will not permit the USE Instruction concerned to proceed to settlement (without prejudice to the right of the Company to take proceedings to recover any loss suffered by it/them as a result of failure by the applicant to provide satisfactory evidence).

Right to sell in certificated form

Despite any other provision of this document, the Company reserves the right to sell any Top-Up Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST (or of any part of CREST) or of a part of the facilities and/or systems operated by Computershare in connection with CREST.

3.3 Withdrawal Rights

Qualifying Top-Up Offer Shareholders wishing to exercise the withdrawal rights under section 87Q(4) of FSMA after the issue by the Company of a circular or prospectus supplementing this document (if any) must do so by lodging a written notice of withdrawal, which shall not include a notice sent by facsimile or any other form of electronic communication, which must include the full name and address of the person wishing to exercise such statutory withdrawal rights and, if such person is a Qualifying CREST Shareholder the CREST participant ID and the CREST member account ID of such Qualifying CREST Shareholder with Computershare or by hand (during normal business hours only) to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS13 8AE, so as to be received no later than two business days after the date on which the supplementary circular or prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received by Computershare after expiry of such period will not constitute a valid withdrawal.

3.4 Overseas Shareholders

The comments set out in this paragraph are intended as a general guide only and any overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

General

The distribution of this document and the making or acceptance of the Top-Up Offer to or by persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom, may be affected by the laws or regulatory requirements of the relevant jurisdictions. It is the responsibility of those persons to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Top-Up Shares under the Top-Up Offer.

No action has been or will be taken by the Company, Arden or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the Top-Up Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom. Receipt of this document and/or a Top-Up Form and/or a credit of a Top-Up Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Top-Up Form must be treated as sent for information only and should not be copied or redistributed.

Top-Up Forms will not be sent to, and Top-Up Share Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or a Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or a Top-Up Form and/or a credit of Top-Up Share Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Top-Up Form and/or credit of Top-Up Share Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Top-Up Form and/or credit of Top-Up Share Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory

requirements, this document and/or the Top-Up Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Top-Up Shares under the Top-Up Offer to satisfy themselves as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any sale, transfer or other taxes due in such territory. None of the Company, Arden, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Top-Up Shares regarding the legality of an investment in the Top-Up Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or a Top-Up Form and/or a credit of Top-Up Entitlements to a stock account in CREST, in connection with the Top-Up Offer or otherwise, should not distribute or send either of those documents nor transfer Top-Up Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or a Top-Up Form and/or a credit of Top-Up Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Top-Up Shares in respect of the Top-Up Offer unless the Company and Arden determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or a Top-Up Form and/or transfers Top-Up Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part III "Terms and Conditions of the Top-Up Offer" and specifically the contents of this paragraph 3.4.

The Company and Arden reserve the right to treat as invalid any application or purported application for Top-Up Shares that appears to the Company, Arden or their respective agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any other jurisdiction or if the Company, Arden or their respective agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Top-Up Shares or in the case of a credit of Top-Up Entitlements to a stock account in CREST, to a CREST Member whose registered address would be, in the United States or a Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this document or the relevant Top-Up Form, the Company and Arden reserve the right to permit any person to apply for Top-Up Shares in respect of the Top-Up Offer if the Company and Arden, in their sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Top-Up Shares should note that payment must be made in sterling denominated cheques or banker's drafts or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST.

Due to restrictions under the securities laws of the United States and the Restricted Jurisdictions, and subject to certain exceptions, Qualifying Top-Up Offer Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Top-Up Offer and will not be sent a Top-Up Form nor will their stock accounts in CREST be credited with CREST Top-Up Entitlements. No public offer of Top-Up Shares is being made by virtue of this document or the Top-Up Forms into the United States or any Restricted Jurisdiction. Receipt of this document and/or a Top-Up Form and/or a credit of a CREST Top-Up Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Top-Up Form must be treated as sent for information only and should not be copied or redistributed.

United States

The Top-Up Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, within the United States except in reliance on an exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Top-Up Offer into the United States unless an exemption from the registration requirements of the Securities Act is available and, subject to certain exceptions, neither this document nor the Top-Up Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any Top-Up Shares in the United States. Subject to certain exceptions, neither this document nor a Top-Up Form will be sent to, and no Top-Up Shares will be credited to a stock account in CREST of, any Qualifying Top-Up Offer Shareholder with a registered address in the United States. Subject to certain exceptions, Top-Up Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring Top-Up Shares and wishing to hold such Top-Up Shares in registered form must provide an address for registration of the Top-Up Shares transferred upon exercise thereof outside the United States.

Subject to certain exceptions, any person who acquires Top-Up Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Top-Up Form and delivery of the Top-Up Shares, that they are not, and that at the time of acquiring the Top-Up Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company and Arden reserve the right to treat as invalid any Top-Up Form that appears to the Company, Arden or their respective agents to have been executed in, or dispatched from, the United States, or that provides an address in the United States for the receipt of Top-Up Shares, or which does not make the warranty set out in the Top-Up Form to the effect that the person completing the Top-Up Form does not have a registered address and is not otherwise located in the United States and is not acquiring the Top-Up Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Top-Up Shares in the United States or where the Company believes acceptance of such Top-Up Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to sell any Top-Up Shares to any person with an address in, or who is otherwise located in, the United States in whose favour a Top-Up Form or any Top-Up Shares may be transferred. In addition, the Company and Arden reserve the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the Top-Up Shares. In addition, until 45 days after the commencement of the Top-Up Offer, an offer, sale or transfer of the Top-Up Shares within the United States by a dealer (whether or not participating in the and Top-Up Offer) may violate the registration requirements of the Securities Act.

Restricted Jurisdictions

Due to restrictions under the securities laws of the Restricted Jurisdictions and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Top-Up Offer and will not be sent a Top-Up Form nor will their stock accounts in CREST be credited with Top-Up Share Entitlements. The Top-Up Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption. No offer or invitation to apply for Top-Up Shares is being made by virtue of this document or the Top-Up Forms into any Restricted Jurisdiction.

Other overseas territories

Top-Up Forms will be sent to Qualifying Non-CREST Shareholders and Top-Up Share Entitlements will be credited to the stock accounts in CREST of Qualifying CREST Shareholders. Qualifying Non-Crest Shareholders in jurisdictions other than the United States or the Restricted Jurisdictions

may, subject to the laws of their relevant jurisdiction, take up Top-Up Shares under the Top-Up Offer in accordance with the instructions set out in this document and the Top-Up Form. Qualifying Top-Up Offer Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Top-Up Shares in respect of the Top-Up Offer.

Representations and warranties relating to Overseas Shareholders

(a) Qualifying Non-CREST Shareholders

Any person completing and returning a Top-Up Form or requesting registration of the Top-Up Shares comprised therein represents and warrants to the Company and Arden and the Registrars that, except where proof has been provided to the Company's satisfaction that such person's use of the Top-Up Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Top-Up Shares from within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Top-Up Shares in respect of the Top-Up Offer or to use the Top-Up Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Top-Up Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Top-Up Shares into any of the above territories. The Company and/or Arden and/or the Registrars may treat as invalid any acceptance or purported acceptance of the sale of Top-Up Shares comprised in a Top-Up Form if it: (i) appears to the Company, Arden or their respective agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or a Restricted Jurisdiction for delivery of the share certificates of Top-Up Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph (a).

(b) Qualifying CREST Shareholders

A CREST Member or CREST Sponsored Member who makes a valid acceptance in accordance with the procedures set out in this Part III represents and warrants to the Company and Arden that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he or she is not within the United States or any Restricted Jurisdiction; (ii) he or she is not in any territory in which it is unlawful to make or accept an offer to acquire Top-Up Shares; (iii) he or she is not accepting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he or she is not acquiring any Top-Up Shares with a view to offer, sell, resell, transfer, deliver or distribute, directly or indirectly, any such Top-Up Shares into any of the above territories.

Waiver

The provisions of this paragraph 3.4 and of any other terms of the Top-Up Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company and Arden in their absolute discretion. Subject to this, the provisions of this paragraph 3.4 supersede any terms of the Top-Up Offer inconsistent herewith. References in this paragraph 3.4 to Shareholders shall include references to the person or persons executing a Top-Up Form and, in the event of more than one person executing a Top-Up Form, the provisions of this paragraph 3.4 shall apply to them jointly and to each of them.

3.5 Times and Dates

The Company shall, in agreement with Arden, and after consultation with its financial and legal advisers, be entitled to amend the dates that Top-Up Forms are dispatched or amend or extend the latest date for acceptance under the Top-Up Offer and all related dates set out in this document and in such circumstances shall notify the London Stock Exchange and notify Shareholders in writing and/or make an announcement on a Regulatory Information Service but Qualifying Top-Up Offer Shareholders may not receive any further written communication.

If a supplementary circular is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Top-Up Offer specified in this document, the latest date for acceptance under the Top-Up Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

3.6 Further Information

Your attention is drawn to the further information set out in this document and also, in the case of Qualifying Non-CREST Shareholders and other Qualifying Top-Up Offer Shareholders to whom the Company has sent Top-Up Forms, to the terms, conditions and other information printed on the accompanying Top-Up Form.

3.7 Governing Law and Jurisdiction

The terms and conditions of the Top-Up Offer as set out in this document, the Top-Up Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law.

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Top-Up Offer, this document or the Top-Up Form.

By taking up Top-Up Shares, by way of their Top-Up Share Entitlements, in accordance with the instructions set out in this document and, where applicable, the Top-Up Form, Qualifying Top-Up Offer Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART IV

TERMS AND CONDITIONS OF THE TENDER OFFER

Qualifying Tender Offer Shareholders who do not wish to participate under the Tender Offer need take no action under this Part IV.

1 INTRODUCTION

Qualifying Tender Offer Shareholders on the Register on the Record Date for the Tender Offer are being invited to tender their Existing Ordinary Shares for purchase by Arden on the terms and subject to the conditions set out in this document and also, in the case of certificated Existing Ordinary Shares only, in the Tender Form. Pursuant to the terms of the Repurchase Agreement, the Company will repurchase from Arden all of the Existing Ordinary Shares purchased by Arden pursuant to the Tender Offer. All of the Existing Ordinary Shares purchased by the Company will be cancelled.

2 TERMS OF THE TENDER OFFER

2.1 The Tender Offer is conditional upon *inter alia*, the following conditions (together the “**Tender Conditions**”):

- (a) the passing of the other Resolutions as set out in the Notice of General Meeting;
- (b) Arden being satisfied that the Company has paid funds to an interest bearing escrow account with the Receiving Agent designated in the name of the Company in accordance with the terms of the Tender Offer Deed (to be held on trust for the Company pending completion of the Tender Offer), sufficient to allow Arden to complete the purchase of the Existing Ordinary Shares to be acquired by Arden pursuant to the Tender Offer; and
- (c) neither the Tender Offer Deed or the Repurchase Agreement not having been terminated in accordance with its terms.

Arden will not purchase the Existing Ordinary Shares pursuant to the Tender Offer unless the Tender Conditions and the conditions contained in the Tender Offer Deed and the Repurchase Agreement (other than any condition relating to the purchase by Arden of the Existing Ordinary Shares pursuant to the Tender Offer) have been satisfied or waived. The Tender Conditions may not be waived by Arden or the Company.

If any of the Tender Conditions are not satisfied by 1.00 pm on 18 February 2019 (or such later time and date as the Company and Arden may agree), the Tender Offer will not proceed and will lapse.

- 2.2 All Existing Ordinary Shares tendered by Shareholders under the Tender Offer will be tendered at the Tender Offer Price. Existing Ordinary Shares may not be tendered at any other price. The aggregate amount received by each Shareholder in respect of Existing Ordinary Shares validly tendered will be rounded down to the nearest penny.
- 2.3 Subject to the terms of the Tender Offer, Arden will purchase Existing Ordinary Shares tendered by Qualifying Tender Offer Shareholders under the Tender Offer at the Tender Offer Price at 7.00 am on 19 February 2019.
- 2.4 The total number of Existing Ordinary Shares purchased pursuant to the Tender Offer will not exceed 2,316,168 Existing Ordinary Shares (equivalent to a maximum total amount of £2,316,168)
- 2.5 The Tender Offer is only available to Qualifying Tender Offer Shareholders on the Register on the Record Date for the Tender Offer and is only being made in respect of all Existing Ordinary Shares registered in those Qualifying Tender Offer Shareholders’ names at such time.
- 2.6 Tender Forms once duly completed (for Existing Ordinary Shares held in certificated form) and submitted to the Receiving Agent and TTE instructions which have settled (for Existing Ordinary Shares held in uncertificated form) will be irrevocable and cannot be withdrawn. All questions as to the validity (including time of receipt) will be determined by Arden, in its sole discretion, which determination shall be final and binding (except as otherwise required under applicable law).

- 2.7 The Tender Offer will close at 7.00 am on 19 February 2019 and tenders or TTE instructions received after 1.00 pm will not be accepted.
- 2.8 All documents and remittances sent by or to Shareholders and all instructions made by or on behalf of a Shareholder in CREST relating to the Tender Offer will be sent at the relevant Shareholder's own risk. If the Tender Offer does not become unconditional, or does not proceed, and lapses or it is terminated, in respect of Existing Ordinary Shares held in certificated form, Tender Forms, certificates and other documents of title will be returned by post to Shareholders not later than 5 Business Days after the date of such lapse or termination, or, in the case of Existing Ordinary Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear to transfer all Existing Ordinary Shares held in escrow by TFE instruction to the accounts to which those Existing Ordinary Shares relate.
- 2.9 All and not part only of a holding of Existing Ordinary Shares may be tendered by Qualifying Tender Offer Shareholders. Any Tender Form that is completed and lodged which includes no number of Existing Ordinary Shares or includes a number of Existing Ordinary Shares which is less than the relevant Qualifying Tender Offer Shareholder's holding of Existing Ordinary Shares, then it shall be deemed that such Tender Form constitutes an offer by such Qualifying Tender Offer Shareholder to tender all of the Existing Ordinary Shares it currently holds.
- 2.10 If a Top-Up Form is completed and lodged by a Qualifying Top-Up Offer Shareholder in accordance with Part III of this document and such Qualifying Top-Up Offer Shareholder also completes and lodges a Tender Form in respect of tendering his Existing Ordinary Shares pursuant to this Tender Offer, it shall be deemed that such Top-Up Form is invalid, of no legal effect, that the Top-Up Offer was not accepted and any payment made by such Qualifying Top-Up Offer Shareholder shall be returned. Furthermore, it shall be deemed that such Qualifying Top-Up Offer Shareholder has accepted the Tender Offer (in his capacity acting as a Qualifying Tender Offer Shareholder) to tender all of his Existing Ordinary Shares.
- 2.11 Existing Ordinary Shares successfully tendered under the Tender Offer will be sold to the Company fully paid and free from all liens, charges, equitable interests and encumbrances and with all rights attaching to the same. Successfully tendered Existing Ordinary Shares under the Tender Offer which the Company purchases will be cancelled.
- 2.12 All tenders of Existing Ordinary Shares held in certificated form must be made on the Tender Form duly completed in accordance with the instructions set out on the Tender Form (which constitute part of the terms of the Tender Offer).
- 2.13 All tenders of Existing Ordinary Shares held in uncertificated form must be made by the input and settlement of an appropriate TTE instruction in CREST in accordance with the procedure set out below and the relevant procedures in the CREST Manual.
- 2.14 A tender will only be valid if the procedures contained in this document and, for Qualifying Tender Offer Shareholders who hold Existing Ordinary Shares in certificated form, in the Tender Form, are complied with.
- 2.15 The Tender Offer will be governed by, and construed in accordance with, English law and the delivery of a Tender Form or the giving of a TTE instruction by a Qualifying Tender Offer Shareholder will constitute submission to the jurisdiction of the English courts.
- 2.16 No announcement is expected to be made in relation to the closing of the Tender Offer.
- 2.17 Further copies of the documents referred to in this document may be obtained on request from the Receiving Agent at Computershare Investor Services PLC of The Pavilions, Bridgwater Road, Bristol BS13 8AE.
- 2.18 All questions as to the number of Existing Ordinary Shares tendered and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Existing Ordinary Shares under the Tender Offer will be determined by Arden in its sole discretion, whose determination shall be final and binding on all parties except as otherwise required under applicable law. Arden reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance of payment which may, in the opinion of Arden, be unlawful. Arden also reserves the absolute right to waive any of the terms or conditions of the Tender Offer (other than the Tender Conditions) and any defect or irregularity in the tender of any particular Existing Ordinary Shares or any particular holder

thereof. No tender of Existing Ordinary Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration under the Tender Offer will not be dispatched (in respect of Existing Ordinary Shares in certificated form) or made by way of CREST payment (in respect of Existing Ordinary Shares in uncertificated form) to the relevant Shareholder until after (in the case of Existing Ordinary Shares in certificated form) the Tender Form is complete in all respects and the share certificate(s) and/or other document(s) of title satisfactory to Arden have been received or (in the case of Existing Ordinary Shares in uncertificated form) the relevant TTE instruction has settled. None of the Receiving Agent, Arden, the Company nor any other person is or will be obliged to give notice of any defects or irregularities in tenders, and none of them will incur any liability for failure to give any such notice.

- 2.19 Existing Ordinary Shares will be purchased under the Tender Offer free of all commissions and dealing charges.
- 2.20 The failure of any person to receive a copy of this document or the Tender Form shall not invalidate any aspect of the Tender Offer.
- 2.21 If at any time prior to 7.00 am on 19 February 2019:
- (a) the Company is in breach of any of its obligations under the Tender Offer Deed; or
 - (b) there has been a breach of any warranty or undertaking of the Company under the Tender Offer Deed; or
 - (c) there has been material adverse change in national or international, financial, economic, political or market conditions; or
 - (d) there has been material adverse change in the financial position or prospects and/or circumstances of the Company (including, without limitation, in relation to the distributable profits of the Company),

which, in the absolute discretion of Arden (acting reasonably), is likely to prejudice the success of the Tender Offer or make it temporarily or permanently impracticable or inadvisable to proceed with the Tender Offer, then Arden may terminate the Tender Offer. In addition, the Tender Offer may be terminated if the Company and/or Arden, conclude that the Tender Offer would no longer be in the interests of the Company and/or the Shareholders as a whole.

- 2.22 Where the Tender Offer is terminated in accordance with paragraph 2.21 above, as soon as practicable thereafter, the Company shall notify Shareholders in writing and/or through an announcement through a Regulatory Information Service that such is the case.
- 2.23 No interest will be payable to any Shareholder in respect of any monies that are held in the escrow account or due in consideration of any Existing Ordinary Share that has been accepted for Tender.

3 OVERSEAS SHAREHOLDERS

Overseas Shareholders should inform themselves about and observe any applicable or legal regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

- 3.1 The making of the Tender Offer in, or to persons resident in, jurisdictions outside the United Kingdom or who are citizens, residents or nationals of other countries may be affected by the laws of the relevant jurisdiction. Shareholders who are not resident in the United Kingdom, or who are citizens, residents or nationals of countries outside the United Kingdom should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Shareholder wishing to take up the Tender Offer to satisfy itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due in such jurisdiction. Any such Shareholder will be responsible for any such transfer or other taxes by whomsoever payable and the Registrars and Arden and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Form in any territory outside the United Kingdom.

- 3.2 In particular, the Tender Offer is not being made directly or indirectly into or from or by use of the mails or by any means or instrumentality (including, without limitation, facsimile transmission, telex, and telephone) or interstate or foreign commerce, or any facility of a national securities exchange, of the United States, Canada, Australia, New Zealand, Japan or South Africa and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility from within the United States, Canada, Australia, New Zealand, Japan or South Africa. Accordingly, copies of this document, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed or sent in, into, or from the United States, Canada, Australia, New Zealand, Japan or South Africa, including to Shareholders with registered addresses in the United States, Canada, Australia, New Zealand, Japan or South Africa, or to persons who are custodians, nominees or trustees holding Existing Ordinary Shares for persons in the United States, Canada, Australia, New Zealand, South Africa or Japan. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from the United States, Canada, Australia, New Zealand, South Africa or Japan or use such mails or any such means, instrumentality or facility, in connection with the Tender Offer, and so doing will render invalid any related purported acceptance of the Tender Offer. Persons in such countries wishing to accept the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of a Tender Offer. Envelopes containing a Tender Form should not be postmarked in the United States, Canada, Australia, New Zealand, South Africa or Japan or otherwise despatched from the United States, Canada, Australia, New Zealand, South Africa or Japan and all accepting Shareholders must provide addresses outside the United States, Canada, Australia, New Zealand, South Africa or Japan for the remittance of cash or return of Tender Forms and share certificates.
- 3.3 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Tender Form or any related documents in, into or from the United States, Canada, Australia, New Zealand, South Africa or Japan or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States, Canada, Australia, New Zealand, South Africa or Japan in connection with such forwarding, such persons should:
- (a) inform the recipient of such fact;
 - (b) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - (c) draw the attention of the recipient to this section of this document.
- 3.4 The provisions in this section and/or any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards a specific Shareholder or on a general basis by Arden in its absolute discretion but only if Arden is satisfied that such waiver, variation or modification will not constitute or give rise to a breach of applicable securities or other law. Subject to this, the provisions in this paragraph supersede any terms of the Tender Offer inconsistent therewith. References to a Shareholder shall include references to the persons executing a Tender Form and in the event of more than one person executing a Tender Form, the provisions in this section shall apply to them jointly and severally.

4 PROCEDURE FOR TENDERING

4.1 Existing Ordinary Shares held in certificated form

To participate in the Tender Offer, Shareholders holding Existing Ordinary Shares in certificated form must complete, sign, have witnessed and return the Tender Form in accordance with these instructions and the instructions on the Tender Form. The following instructions should be read together with the notes on the Tender Form:

- (a) To take up the Tender Offer in respect of Existing Ordinary Shares held in certificated form, you must complete Box 2 and sign and have witnessed Box 3 of the accompanying Tender Form in accordance with the instructions thereon.

- (b) You should complete separate Tender Forms for Existing Ordinary Shares held in certificated form but under different designations. Additional copies of the Tender Form can be obtained from the Receiving Agent.
- (c) Completed, signed and witnessed Tender Forms and share certificates and/or other documents of title, should be sent by post to the Receiving Agent at Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE as soon as possible and, in any event, so as to be received not later than 1.00 pm on 18 February 2019. Duly completed Tender Forms sent by any of the means set out above and received signed and complete in all respects by the prescribed time will be treated as tenders of Existing Ordinary Shares in accordance with the terms and conditions of the Tender Offer. No acknowledgement of receipt of documents will be given. The instructions on the Tender Form shall be deemed to form part of the terms of the Tender Offer.

By signing and returning a Tender Form, you will be deemed to have appointed Computershare as the Receiving Agent in respect of the tender process. Arden will therefore issue a contract note on behalf of all Shareholders whose Existing Ordinary Shares are so purchased under the Tender Offer and will remit the cash consideration to Computershare with instructions that such consideration be remitted to Shareholders in accordance with the terms and conditions of the Tender Offer.

If you have lost your share certificate and/or other document of title, you should write to the Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE for a letter of indemnity in respect of the lost share certificate and/or other document of title. When completed in accordance with the instructions given, such indemnity should be returned by post to the Receiving Agent at Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to arrive not later than 1.00 pm on 18 February 2019. A fee may be payable by the Shareholder in respect of each letter of indemnity.

If you are in any doubt as to the procedure for acceptance, please contact Computershare on 0370 889 3277 from within the UK or +44 370 889 3277 if calling from outside the UK. For legal reasons, Computershare will not be able to give advice on the merits of the Tender Offer or to provide legal, financial or personal taxation advice and, accordingly, for such advice you should consult your stockbroker, solicitor, accountant, bank manager or other independent professional adviser.

4.2 Existing Ordinary Shares in uncertificated form (that is, in CREST)

If your Existing Ordinary Shares are in uncertificated form, to tender such shares under the Tender Offer you should take (or procure the taking of) the action set out below to transfer (by means of a TTE instruction) the number of Existing Ordinary Shares in respect of which you wish to tender under the Tender Offer to an escrow balance specifying Computershare, (in its capacity as a CREST Participant under Computershare's Participant ID and Member Account ID as referred to below) as the Escrow Agent, as soon as possible and in any event so that the transfer to escrow settles by no later than 1.00 pm on 18 February 2019.

The input and settlement of a TTE instruction in accordance with this section shall constitute an offer to Arden to sell to it the number of Existing Ordinary Shares at the price indicated on the terms of the Tender Offer by transferring such shares to the relevant escrow account as detailed below. If you are a CREST Sponsored Member, you should refer to your CREST Sponsor before taking any action. Only your CREST Sponsor will be able to send the TTE instruction to Euroclear in relation to your Existing Ordinary Shares.

The Corporate Action Number is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST.

You should send (or, if you are a CREST Sponsored Member, procure that your CREST Sponsor sends) a TTE instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to the other information that is required for the TTE instruction to settle in CREST, the following details:

- the number of Existing Ordinary Shares to be transferred to the relevant escrow account;
- your Member Account ID;
- your Participant ID;
- the Participant ID of the Escrow Agent, in its capacity as a CREST Escrow Agent, which is 8RA37;
- the Member Account ID of the Receiving Agent, which is CHBTEN01;
- the ISIN number in respect of the Company shares, which is GB00B6SCF932 ;
- the intended settlement date. This should be as soon as possible and in any event no later than 1.00 pm 18 February 2019;
- the contact name and telephone number in the shared note field;
- the corporate action number for the Tender Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- input with a standard delivery instruction priority of 80.

After settlement of the TTE instruction, you will not be able to access the Existing Ordinary Shares concerned for any transaction or charging purposes, notwithstanding that they will be held in escrow until completion or lapse of the Tender Offer. The input and settlement of a TTE instruction in accordance with this section (which has not been validly withdrawn) shall constitute an offer to Arden to sell to it the number of Existing Ordinary Shares at the price indicated on the terms of the Tender Offer, by transferring such shares to the relevant escrow account as detailed above.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST Sponsor) to enable a TTE instruction relating to your Existing Ordinary Shares to settle prior to 1.00 pm on 18 February 2019. In this connection you are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company and/or Arden will notify Shareholders in writing and/or make an appropriate announcement if any of the details contained in this section relating to settlement in CREST are materially altered.

4.3 Deposits of Existing Ordinary Shares into, and withdrawals of Existing Ordinary Shares from, CREST

Normal CREST procedures (including timings) apply in relation to any Existing Ordinary Shares that are, or are to be, converted from uncertificated to certificated form or vice versa during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Existing Ordinary Shares relating to the Tender Offer or otherwise). Shareholders who are proposing to convert any such Existing Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person with a holding in or acquiring the Existing Ordinary Shares as a result of the conversion to take all necessary steps in connection with the take up of the Tender Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfer to an escrow balance as described above) prior to 1.00 pm on 18 February 2019, whether in certificated or uncertificated form.

5 EFFECT OF TENDER

5.1 Tender Forms

Completion and lodgement of a Tender Form, including the completion and lodgement of a Tender Form which is treated by Arden as valid, shall constitute the irrevocable agreement, warranty and representation by the relevant Shareholder that:

- (a) the execution of the Tender Form shall constitute an offer to Arden to sell to it such number of certificated Existing Ordinary Shares as are inserted in Box 1 of the Tender Form, or if no number or a number less than the relevant Shareholder's holding of Existing Ordinary Shares is inserted, then it shall constitute an offer to sell all Existing

Ordinary Shares held by the Shareholder, deemed to be tendered, in each case, on and subject to the terms and conditions set out or referred to in this document and the Tender Form and that, once lodged, such tender shall be irrevocable;

- (b) such Shareholder has full power and authority to tender, sell, assign or transfer the Existing Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and Arden will acquire such Existing Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, at 7.00 am on 19 February 2019;
- (c) such completion and lodgement, shall, subject to the Tender Offer becoming unconditional, irrevocably constitute Arden or its agents and officers as such Qualifying Tender Offer Shareholder's agent, and an instruction to them as such, to:
 - (i) complete and execute any and all forms and take any and all actions which are necessary or, in Arden's absolute discretion, desirable to give effect to the purchase of the Existing Ordinary Shares that are the subject of the Tender Form;
 - (ii) procure the purchase of the Existing Ordinary Shares which are the subject of the Tender Form; and
 - (iii) dispatch or otherwise make payment of the proceeds of sale in respect of the purchased Existing Ordinary Shares in accordance with the settlement provisions set out below;
- (d) such Qualifying Tender Offer Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Arden or any of its directors or agents and officers or any person nominated by Arden or the Receiving Agents or any of its directors in the proper exercise of their or his powers and/or authorities hereunder;
- (e) such Qualifying Tender Offer Shareholder with a holding of Existing Ordinary Shares in certificated form will deliver to the Registrars their share certificate and/or other document of title in respect of the Existing Ordinary Shares referred to in sub-paragraph (a) above, or an indemnity acceptable to Arden in lieu thereof, or will procure the delivery of such document(s) to such person(s) as soon as possible thereafter and, in any event, by no later than 1.00 pm on 18 February 2019;
- (f) the provisions of the Tender Form form part of the terms and conditions of the Tender Offer;
- (g) such Qualifying Tender Offer Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Arden to be desirable, in each case to complete the purchase of the Existing Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (h) such Qualifying Tender Offer Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities, so that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdiction, and has not taken or omitted to take any action which would otherwise result in Arden acting in breach of any applicable legal or regulatory requirement in respect of the purchase of the Existing Ordinary Shares tendered by him under the Tender Offer and the associated Repurchase Agreement;
- (i) such Qualifying Tender Offer Shareholder has not received or sent copies or originals of this document or the Tender Form or any related documents in, into or from the United States, Canada, Australia, New Zealand, South Africa or Japan and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) or interstate or foreign commerce, or of any facility of a national securities exchange, of the United States, Canada, Australia, New Zealand, South Africa or Japan, this document or the Tender Form have not been mailed or otherwise sent in, into or from the United States, Canada, Australia, New Zealand, South Africa or Japan and such Shareholder is accepting the Tender Offer from outside the United States, Canada, Australia, New Zealand, South Africa or Japan;
- (j) on execution a Tender Form takes effect as a deed; and

- (k) the execution of a Tender Form constitutes such Shareholders' submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form. A reference in this paragraph to a Shareholder includes a reference to the person or persons executing a Tender Form and in the event of more than one person executing a Tender Form, the provisions of this paragraph will apply to them jointly and severally.

5.2 Electronic Tenders

The input of the TTE instruction which is treated by Arden and the Company as valid shall constitute the agreement and irrevocable representation by the relevant Shareholder that:

- (a) the input of the TTE instruction shall constitute an offer to sell to Arden such number of Existing Ordinary Shares as are specified in the TTE instruction or deemed to be tendered, in each case, on and subject to the terms and conditions set out or referred to in this document and the TTE instruction and that, once lodged, such tender shall be irrevocable;
- (b) such Shareholder has full power and authority to tender, sell, assign or transfer the Existing Ordinary Shares in respect of which the Tender Offer is accepted (together with all rights attaching thereto) and when the same are purchased by Arden, Arden will acquire such Existing Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, at 7.00 am on 19 February 2019;
- (c) the input of the TTE instruction which has effect as a tender under the Tender Offer, subject to the Tender Offer becoming unconditional, irrevocably constitutes Arden as such Shareholder's agent, and an instruction to it as such, to complete and execute all or any instruments of transfer and/or other documents or input any instructions into Euroclear at the agent's discretion in relation to the Existing Ordinary Shares referred to in paragraph (a) above in favour of Arden or such other person or persons as Arden may direct and to deliver any documents or input any instructions into Euroclear relating to such Existing Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such agent be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Arden or its nominee or such other person as Arden may direct such Existing Ordinary Shares;
- (d) such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Arden or any of its directors agents or officers or any person nominated by Arden or the Receiving Agents or any of its directors in the proper exercise of their or his powers and/or authorities hereunder;
- (e) if, for any reason, any Existing Ordinary Shares in respect of which a TTE instruction has been made are, prior to 1.00 pm on 18 February 2019, converted into certificated form, the Electronic Tender in respect of such Existing Ordinary Shares shall cease to be valid and the Shareholder will need to comply with the procedures for tendering Existing Ordinary Shares in certificated form as set out in this Part IV in respect of the Existing Ordinary Shares so converted, if he wishes to make a valid tender of such Existing Ordinary Shares pursuant to the Tender Offer;
- (f) such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Arden to be desirable, in each case to complete the purchase of the Existing Ordinary Shares and/or to perfect any of the authorities expressed to be given hereunder;
- (g) such Qualifying Tender Offer Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities, so that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdiction, and has not taken or omitted to take any action which would otherwise result in Arden acting in breach of any applicable legal or regulatory requirement in respect of the purchase of the Existing Ordinary Shares tendered by him under the Tender Offer;

- (h) such Qualifying Tender Offer Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from the United States, Canada, Australia, New Zealand, South Africa or Japan and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) or interstate or foreign commerce, or of any facility of a national securities exchange, of the United States, Canada, Australia, New Zealand, South Africa or Japan, this document or the Tender Form has not been mailed or otherwise sent in, into or from the United States, Canada, Australia, New Zealand, South Africa or Japan and such Shareholder is accepting the Tender Offer from outside the United States, Canada, Australia, New Zealand, South Africa or Japan;
- (i) the creation of an assured payment obligation in favour of such Qualifying Tender Offer Shareholder's payment bank in accordance with the CREST assured payment arrangements as referred to in the paragraph below under the heading "Settlement" will, to the extent of the obligations so created, discharge fully any obligation of Arden to pay to such Qualifying Tender Offer Shareholder the consideration to which he is entitled under the Tender Offer; and
- (j) the input of the TTE instruction constitutes such Qualifying Tender Offer Shareholder's submission to the exclusive jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer.

5.3 Settlement

Subject to the Tender Offer becoming unconditional, settlement of the consideration to which any Qualifying Tender Offer Shareholder is entitled pursuant to tenders accepted by Arden as complete in all respects will be made by the dispatch of cheques or CREST messages as follows:

(a) Shares in uncertificated form (that is, in CREST)

Where a purchase relates to Existing Ordinary Shares held by Qualifying Tender Offer Shareholders in uncertificated form, the cash consideration will be paid through CREST, by the Receiving Agent (on behalf of Arden) procuring the creation of an assured payment obligation in favour of the payment banks of accepting Shareholders in accordance with the CREST assured payment arrangement. Arden reserves the right to settle all or any of the consideration referred to in this paragraph in the manner referred to in paragraph 2 below, if for any reason it wishes to do so.

(b) Shares in certificated form where a purchase relates to Existing Ordinary Shares held by Qualifying Tender Offer Shareholders in certificated form

Where an accepted tender relates to Existing Ordinary Shares held in certificated form, cheques for the consideration due will be despatched by the Receiving Agent by first class post to the person or agent whose name and address (outside the United States, Canada, Australia, New Zealand, Japan South Africa or any other Restricted Jurisdiction) is set out in Box 1 of the Tender Form or, if none is set out, to the registered address of the tendering Qualifying Tender Offer Shareholder or, in the case of joint holders, the registered address of the first named Qualifying Tender Offer Shareholder. All cash payments will be made in pounds sterling by cheque, drawn on a branch of a UK clearing bank.

PART V

TAX ASPECTS OF THE TOP-UP OFFER, TENDER OFFER AND THE CONSOLIDATION

SECTION A – TAX ASPECTS OF THE TOP-UP OFFER

Qualifying Top-Up Offer Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Top-Up Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable, professional adviser.

SECTION B – TAX ASPECTS OF THE TENDER OFFER

United Kingdom Taxation in relation to the Tender Offer

The following comments do not constitute tax advice and are intended only as a general guide to United Kingdom law as at the date of this circular and HMRC's published practice (which are both subject to change at any time, possibly with retrospective effect). They relate only to certain limited aspects of the United Kingdom taxation treatment of Shareholders and are intended to apply only to Shareholders who are resident in the United Kingdom for United Kingdom tax purposes and who are the absolute beneficial owners of their Existing Ordinary Shares and who hold, and will hold, them as investments (and not as securities to be realised in the course of a trade). They may not apply to certain Shareholders, such as dealers in securities, insurance companies and collective investment schemes, Shareholders who are exempt from taxation and Shareholders who have (or are deemed to have) acquired their Existing Ordinary Shares by virtue of an office or employment. Such persons may be subject to special rules. The position may be different for future transactions and may alter after the date of this document.

Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult their professional adviser.

In addition, Shareholders who have claimed reliefs under the Enterprise Investment Scheme or the Corporate Venturing Scheme, or who are Venture Capital Trusts, are strongly recommended to consult their own professional advisers immediately for advice on the tax implications of the Tender Offer.

The Tender Offer

Since Arden will be acting as principal, a Shareholder who tenders Existing Ordinary Shares to Arden pursuant to the Tender Offer should be treated, for the purposes of United Kingdom taxation of chargeable gains ("CGT"), as though it had sold them in the ordinary way to a third party.

Therefore, if the Existing Ordinary Shares are held as a capital asset by the Shareholder, the sale will constitute a disposal for the purposes of CGT and a chargeable gain or an allowable loss could therefore arise for a Shareholder resident in the United Kingdom, depending on the Shareholder's particular circumstances (including the availability of any exemptions, reliefs and allowable losses).

For a Shareholder within the charge to UK corporation tax, indexation relief may be available in respect of its period of ownership to relieve any chargeable gain subject to corporation tax. However such Shareholders should note that no further indexation allowance accrued from 31 December 2017.

A Shareholder whose allowable expenditure in relation to its Existing Ordinary Shares exceeds its gross proceeds of sale will realise a capital loss. If an allowable loss arises to a Shareholder on the sale of Existing Ordinary Shares pursuant to the Tender Offer, such Shareholder is recommended to seek professional advice on the potential utilisation of such allowable loss.

Anti-avoidance provisions

You should be aware of the anti-avoidance provisions at Chapter 8 Part 15 of the Corporation Tax Act 2010 and Chapter 1 Part 13 of the Income Tax Act 2007, which HMRC may apply where they have reason to believe that a person obtains a tax advantage in consequence of a "transaction in securities". Where HMRC does seek to apply any of these provisions to the proceeds of sale of a

Shareholder's Existing Ordinary Shares, the general effect would be to tax some or all of such proceeds as income. These rules only apply in certain circumstances and do not apply where it can be shown that (in relation to income tax payers) the obtaining of an income tax advantage was not one of the main purposes of being a party to the transaction or, (in relation to corporation tax payers), that the transaction in question was entered into for genuine commercial reasons and did not involve as one of its main objects the obtaining a corporation tax advantage. In view of these restrictions on the application of the anti-avoidance provisions, no application has been made by the Company for clearance from HMRC in respect of the application of the above provisions. Qualifying Tender Offer Shareholders are advised to take independent advice as to the potential application of the above provisions in light of their own particular circumstances.

SECTION C – TAX ASPECTS OF THE CONSOLIDATION

United Kingdom taxation in relation to the Consolidation

The following comments do not constitute tax advice and are intended only as a general guide to United Kingdom law as at the date of the document and HMRC's published practice (which are both subject to change at any time, possibly with retrospective effect). They relate only to certain limited aspects of the United Kingdom taxation treatment of Shareholders and are intended to apply only to Shareholders who are resident in the United Kingdom for United Kingdom tax purposes and who are the absolute beneficial owners of their Existing Ordinary Shares and who hold, and will hold, them as investments (and not as securities to be realised in the course of a trade). They may not apply to certain Shareholders, such as dealers in securities, insurance companies and collective investment schemes, Shareholders who are exempt from taxation and Shareholders who have (or are deemed to have) acquired their Existing Ordinary Shares by virtue of an office or employment. Such persons may be subject to special rules. The position may be different for future transactions and may alter after the date of this document.

Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult their professional adviser.

In addition, Shareholders who have claimed reliefs under the Enterprise Investment Scheme or the Corporate Venturing Scheme, or who are Venture Capital Trusts, are strongly recommended to consult their own professional advisers immediately for advice on the tax implications of the Consolidation.

Shareholders holding 10,000 or more Existing Ordinary Shares

The consolidation of the Existing Ordinary Shares will be treated as a reorganisation of the share capital of the Company for UK tax purposes. Accordingly, the New Ordinary Shares will, for tax purposes, be treated as the same asset as the Shareholder's Existing Ordinary Shares, and as having been acquired at the same time and for the same price as the Shareholder's Existing Ordinary Shares were acquired. There will be no disposal for CGT purposes as a result of the consolidation and subdivision.

Shareholders holding fewer than 10,000 Existing Ordinary Shares and Qualifying Top-Up Offer Shareholders who do not participate in the Top-Up Offer

Shareholders holding fewer than 10,000 Existing Ordinary Shares and Qualifying Top-Up Offer Shareholders who do not participate in the Top-Up Offer, will have their Fractional Entitlements to a New Ordinary Share sold to Arden on their behalf. Since Arden will be acting as principal, a Shareholder who sells Fractional Entitlements to Arden should be treated, for the purposes of CGT, as though it had sold them in the ordinary way to a third party. Sellers of Fractional Entitlements to Arden are directed to the discussion on CGT in Section B above which is equally applicable here.

C. H. Bailey, Plc

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of C. H. Bailey, Plc (the “**Company**”) will be held at 2.00 pm on 6 February 2019 at the offices of Squire Patton Boggs (UK) LLP, 7 Devonshire Square, London, EC2M 4YH for the purpose of considering and, if thought fit, passing the following resolutions:

SPECIAL RESOLUTION

1. **THAT** the Directors be authorised to sell ordinary shares of 10 pence each in the capital of the Company (“**Existing Ordinary Shares**”) held by the Company in treasury for cash as if section 561 of the Companies Act 2006 (the “**Act**”) did not apply to any such sale, such authority to be limited to the sale of ordinary shares held by it in treasury at the date hereof up to a total nominal value of £67,195. The authority granted by this resolution will expire on 20 August 2020 or, if earlier, the date of the next annual general meeting of the Company save that prior to its expiry the Directors may make offers, and enter into agreements, which would, or might, require ordinary shares held by it in treasury to be sold after the authority expires and the Directors may sell ordinary shares held by it in treasury under any such offer or agreement as if the authority had not expired. This resolution revokes and replaces all unexercised powers previously granted to the Directors to sell treasury shares as if section 561 of the Act did not apply to such sale but is without prejudice to any sale of treasury shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

ORDINARY RESOLUTIONS

2. **THAT**, subject to and conditional upon the passing of Resolution 1 above, in accordance with section 551 of the Act, the Directors be generally and unconditionally authorised to allot equity securities (as defined in section 560 of the Act) of the Company for cash up to an aggregate nominal amount of £105,787 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 20 August 2020 or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot equity securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.
3. **THAT**, subject to and conditional upon the passing of Resolutions 1 and 2 above:
 - a. the terms of the contract made between the Company and Arden Partners plc and dated 14 January 2019 (the “**Repurchase Agreement**”, as further described in the circular to shareholders dated 14 January 2019 of which this notice forms part (“**Circular**”)) providing for, *inter alia* and conditional upon the passing of this resolution, the purchase by the Company of those Existing Ordinary Shares as are purchased by Arden Partners plc pursuant to the Tender Offer (as defined in the Circular), the Consolidation (as defined in the Circular) and the Repurchase Agreement (a copy of which has been available for inspection both at this meeting and throughout the period of 15 days ending with the date of this meeting at the registered office of the Company), laid before this meeting and initialled by the chairman for the purpose of identification be and are hereby approved;
 - b. the Company be and is authorised to make an off market purchase (within the meaning of section 693(2) of the Companies Act 2006) (the “**Act**”) of the Existing Ordinary Shares described in paragraph (a) of this Resolution on the terms of the Repurchase Agreement at any time before the expiry of 18 months from the date of the passing of this Resolution and that any director of the Company be and is hereby authorised to fulfil all obligations of the Company thereunder; and
 - c. the Company be and is hereby authorised (but not required) to hold any Existing Ordinary Shares so purchased as treasury shares (as defined in section 726 of the Act).

4. **THAT**, subject to and conditional upon the passing of Resolutions 1, 2 and 3 above and subject to completion of each of the Repurchase Agreement, the Tender Offer and the Top-Up Offer (as defined in the Circular), all of the Existing Ordinary Shares (whether whole or fractional and including any such shares and fractions held as Treasury Shares (as defined in the Circular)) as at 7.00 am on 19 February 2019 (or such later time and date as the Directors may determine) shall, at 8.15 am on 19 February 2019 (or such later time and date as the Directors may determine), be consolidated into and redesignated as new ordinary shares of £1,000 each in the capital of the Company (each a “**New Ordinary Share**”) at a ratio of 10,000 Existing Ordinary Shares to one New Ordinary Share provided that, where such consolidation would result in any shareholder being entitled to a fraction only of one New Ordinary Share, such fraction (or the Existing Ordinary Shares representing such fraction) shall be dealt with by the directors of the Company as described in the Circular pursuant to their powers under article 4.2 of the Articles of Association of the Company.

SPECIAL RESOLUTIONS

5. **THAT**, subject to and conditional upon the passing of Resolutions 1, 2, 3 and 4 above, the Directors be authorised to allot equity securities for cash under the authority conferred by Resolution 2 as if section 561 of the Act did not apply to any such allotment provided that the authority granted by this resolution shall be limited to the allotment of equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount of £105,787. The authority granted by this resolution will expire on 20 August 2020 or, if earlier, the date of the next annual general meeting of the Company save that prior to its expiry the Directors may make offers, and enter into agreements, which would, or might, require equity securities to be sold after the authority expires and the Directors may allot equity securities under any such offer or agreement as if the authority had not expired. Save for Resolution 1 above, this resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561 of the Act did not apply but without prejudice to any allotment of equity securities or grant of rights already made, offered or agreed to be made pursuant to such authorities.
6. **THAT**, subject to and conditional upon the passing of Resolutions 1, 2, 3, 4 and 5 above, the cancellation of the admission of the Existing Ordinary Shares to trading on AIM, the market of that name operated by the London Stock Exchange plc, be and is hereby approved and that the directors of the Company be authorised to take all actions reasonable or necessary to effect such cancellation.

Dated 14 January 2019

By order of the Board

David Wilkinson, Director

*Registered Office:
Alexandra Dock, Newport, South Wales, NP20 2NP*

Notes

- 1 Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and, on a poll, 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 Computershare Investor Services PLC on 0370 889 3277 or +44 370 889 3277 if calling from outside the United Kingdom.
- 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 at the offices of the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH no later than 2.00 pm on 4 February 2019.
- 3 The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 7 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
- 4 If you wish to attend the meeting in person, please attend at 2.00 pm on 6 February 2019 bringing appropriate identification so that you can be identified by the Company's registrars. It is recommended that you arrive at least 15 minutes before the time appointed for the meeting to begin.
- 5 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 2.00 pm on 4 February 2019.
- 6 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 (available via www.euroclear.com/CREST). 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.
- 7 In order for a proxy appointment or instruction made using the CREST service to be valid, 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 3RA50) by 2 pm on 6 February 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp 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.
- 8 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(s), 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.
- 9 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.
- 10 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.
- 11 There will be available for inspection, from 9.00 am today until the date of the General Meeting, at the Company's office at Alexandra Dock, Newport, South Wales, NP20 2NP and at the meeting, copies of the Repurchase Agreement referred to in Resolution 3 above.

