

**MEDICA GROUP PLC
(INCORPORATED IN ENGLAND AND WALES
WITH REGISTERED NUMBER 08497963)**

NOTICE OF ANNUAL GENERAL MEETING 2018

**THIS DOCUMENT IS
IMPORTANT AND
REQUIRES YOUR
IMMEDIATE
ATTENTION.**

If you are in any doubt about the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your ordinary shares in the Company, please forward this document to the purchaser or transferee or to the stockbroker, bank or other person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

MEDICA GROUP PLC (THE “COMPANY”) NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2018 annual general meeting of the Company (the “Annual General Meeting”) will be held at the offices of Eversheds Sutherland (International) LLP at One Wood Street, London EC2V 7WS on 23 May 2018 at 10:00 a.m. for the following purposes:

Ordinary Business

To consider and, if thought fit, to pass the following resolutions, which will be proposed as ordinary resolutions:

1. To receive and adopt the annual report and accounts of the Company and its subsidiaries for the year ended 31 December 2017.
2. To re-appoint Grant Thornton UK LLP as auditors to the Company from the conclusion of the Annual General Meeting, to hold office until the conclusion of the next annual general meeting of the Company.
3. To authorise the Directors to determine the remuneration of the auditors of the Company.
4. To declare a final dividend for the year ended 31 December 2017 of 1.1p per ordinary share, to be paid on 22 June 2018 to members whose names appear on the register of members at the close of business on 1 June 2018.
5. To approve the Directors’ Remuneration Report (other than the part containing the Directors’ Remuneration Policy) for the year ended 31 December 2017.
- 5A. To approve the Directors’ Remuneration Policy in the form set out in the Directors’ Remuneration Report, such policy to take effect from the date this resolution is passed.

And to transact any other ordinary business of the Company.

Special Business

As special business, to consider and if thought fit pass the following resolutions which will be proposed as to resolutions 6, 10 and 11 as ordinary resolutions and as to resolutions 7, 8 and 9 as special resolutions:

6. (i) THAT, the Directors be and they are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (in substitution for any existing authority to allot shares but without prejudice to allotment of any Relevant Securities already made or to be made pursuant to such authority) to exercise

all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company (together, the “Relevant Securities”) up to an aggregate nominal amount of £74,074.08 (being approximately one third of the Company’s issued share capital) provided that such authority shall expire at the end of the next annual general meeting of the Company after the passing of this resolution (or, if earlier at the close of business on 22 August 2019), save that the Company may before such expiry make an offer or agreement which would or might require Relevant Securities to be allotted, and the Directors may allot Relevant Securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired,

and further,

- (ii) THAT, the Directors be and they are generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the said Act) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount of £148,148.16 (being approximately two thirds of the Company’s issued share capital) provided that this authority shall expire at the end of the next annual general meeting of the Company after the passing of this resolution (or, if earlier at the close of business on 22 August 2019) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.
7. THAT if resolution 6 as set out in the notice of this meeting is passed, the Directors be authorised pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of the said Act) for cash under the general authority conferred by resolution 6 as set out in the notice of this meeting and/or empowered pursuant to section 573 of the said Act to sell ordinary shares (as defined in section 560 of the said Act) held by the Company as treasury shares (as defined in section 724 of the said Act) for cash, as if section 561(1) of the said Act did not apply to such allotment or sale, such authority to be limited to the allotment of equity securities or sale of treasury shares:

(i) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the

regulations or requirements of any regulatory authority or any stock exchange in any territory; and

(ii) otherwise than under paragraph (i) above, up to a nominal amount of £11,111.11,

such authority to expire at the end of the next annual general meeting of the Company after the passing of this resolution (or, if earlier, at the close of business on 22 August 2019, but in each case prior to its expiry, the Company may make offers or enter into agreements, which would or might require equity securities to be allotted (and treasury shares to be sold) after the authority expires, and the board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

8. THAT if resolution 6 as set out in the notice of this meeting is passed, the Directors be authorised pursuant to section 570 of the Companies Act 2006 in addition to any authority granted under resolution 7 as set out in the notice of this meeting to allot equity securities (as defined in section 560 of said Act) for cash under the authority given by that resolution and/or empowered pursuant to section 573 of the said Act to sell ordinary shares (as defined in section 560 of the said Act) held by the Company as treasury shares (as defined in section 724 of the said Act) for cash as if section 561(1) of the said Act did not apply to any such allotment or sale, such authority to be:

(i) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £11,111.11; and

(ii) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or another capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on 22 August 2019) but in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) under any such offer or agreement as if the authority had not expired.

9. THAT the Company be generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006, to make market purchases (as defined in section 693(4) of the Companies Act 2006) of up to 11,111,111 Ordinary Shares of 0.2p each in the capital of the Company (being approximately 10 per cent of the current issued ordinary share capital of the Company) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

(i) the amount paid for each share (exclusive of expenses) shall not be more than the higher of (1) five per cent above the average of the middle market quotation for Ordinary Shares as derived from the Daily Official List of London Stock Exchange plc for the five business days before the date on which the contract for the purchase is made, and (2) an amount equal to the higher of the price of the last independent trade and highest current independent purchase bid as derived from the trading venue where the purchase was carried out or less than 0.2p per share; and

(ii) the authority herein contained shall expire at the end of the annual general meeting of the Company to be held in 2019 or on 22 August 2019, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred hereby had not expired.

10. THAT as permitted by section 307A of the Companies Act 2006 any general meeting of the Company (other than the annual general meeting of the Company) shall be called by notice of at least 14 clear days in accordance with the provisions of the Articles of Association of the Company provided that the authority of this resolution shall expire at the end of the annual general meeting of the Company to be held in 2019.

11. THAT, the rules of the Medica Group PLC Company Share Option Plan 2018, the principal terms of which are summarised in Appendix 1 to the notice of this meeting, be approved.

By Order of the Board

ANTHONY LEE

Chief Financial Officer and Company Secretary

Dated: 26 April 2018

Registered Office:

Medica Group PLC
Fifth Floor, Havelock Place
Havelock Road
Hastings
East Sussex TN34 1BG

NOTES

1. Any member entitled to attend and vote at the Annual General Meeting is entitled (unless they have, pursuant to article 90 of the Company's articles of association, nominated someone else to enjoy such a right, in which case only the person so nominated may exercise the right) to appoint one or more proxies (who need not be a member of the Company) to attend and, on a poll, to vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the Annual General Meeting in person, should he subsequently decide to do so.
2. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
3. A personalised form of proxy for use in connection with the Annual General Meeting is enclosed with the document of which this notice forms part. If you do not have a personalised form of proxy and believe that you should, please contact the Company's registrars, Link Asset Services, PXS1 34 Beckenham Road, Beckenham, Kent BR3 4ZF. Completion and return of a form of proxy will not prevent a shareholder from attending and voting at the Annual General Meeting. Addresses (including electronic addresses) in this document are included strictly for the purposes specified and not for any other purpose.
4. To appoint a proxy or proxies shareholders must complete: (a) a form of proxy, sign it and return it, together with the power of attorney or any other authority under which it is signed, or a notarially certified copy of such authority, to the Company's registrars Link Asset Services, PXS1 34 Beckenham Road, Beckenham, Kent BR3 4ZF; or (b) a CREST Proxy Instruction (see note 5 below), in each case so that it is received no later than 10:00 a.m. on 21 May 2018.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST Manual (available via <http://www.euroclear.com/CREST>). CREST Personal Members or other CREST sponsored members and those CREST members who have appointed any voting 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.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or 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 Link Asset Services (ID RA 10) by the latest time for receipt of proxy appointments set out in paragraph 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company'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:

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 messages. 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 any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as is 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

7. The right of members to vote at the Annual General Meeting is determined by reference to the register of members. As permitted by section 360B(3) of the Companies Act 2006 and Regulation 41 of the Uncertificated Securities Regulations 2001, shareholders (including those who hold shares in uncertificated form) must be entered on the Company's share register at close of business on 21 May 2018 (or, if the Annual General Meeting is adjourned, on the register at close of business two working days before the time for holding any adjourned meeting) in order to be entitled to attend and vote at the Annual General Meeting. Such shareholders may only cast votes in respect of shares held at such time. Changes to entries on the register after the relevant deadline shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.
8. In accordance with section 319A of the Companies Act 2006, a member has the right to ask questions at the Annual General Meeting.
9. The total number of ordinary shares of 0.2p each in issue as at 16 April 2018, the last practicable day before printing this document was 111,111,114 ordinary shares and the total level of voting rights was 111,111,114. No ordinary shares are held in treasury by the Company.
10. Resolutions 5 and 5A - Resolution 5 is to approve the Directors' Remuneration Report set out in the 2018 annual report and accounts. This resolution is advisory only and does not directly affect the remuneration paid to any Director. Resolution 5A is to approve the Directors' Remuneration Policy which is set out in the Directors' Remuneration Report. This policy is required to be put to a shareholder vote at least every three years.
11. Resolution 11 - This resolution seeks approval for a discretionary tax-advantaged employee share option plan for executive directors and employees of the Company or any of its subsidiaries. The purpose of the Medica Group PLC Company Share Option Plan 2018 ("CSOP") is to aid in retention and incentivisation of employees (including executive directors) by giving them the opportunity to acquire shares in the Company upon payment of an exercise price following a vesting period. There will potentially be income tax benefits on exercise of the options for participants in the CSOP and savings of National Insurance contributions for both participants and the Company provided certain conditions are satisfied. The principal terms of the CSOP are summarised in Appendix 1 to the notice of this meeting.

APPENDIX 1

THE MEDICA GROUP PLC COMPANY SHARE OPTION PLAN 2018 (“CSOP”)

The CSOP is designed to meet the requirements of Schedule 4 of the Income Tax (Earnings and Pensions) Act 2003 (“**Schedule 4**”) so as to permit the grant of tax-advantaged options to selected employees.

Eligibility

Options granted under the CSOP (“**CSOP Options**”) may be granted to any employees or full time executive directors of Medica Group PLC (“**Company**”) and any of its subsidiaries provided that they are not prohibited under the terms of Schedule 4 from being granted an option by virtue of having, or having had, a material interest in shares in the Company (“**Shares**”).

Grant

The Remuneration Committee of the Board of Directors of the Company (“**Committee**”) will have absolute discretion to select employees to whom CSOP Options may be granted and, subject to the limits set out below, in determining the number of Shares which are to be subject to a CSOP Option.

CSOP Options may be granted: (a) during the period of 42 days commencing on the date of adoption of the CSOP; (b) during the period of 42 days commencing on the dealing day immediately following the date of the preliminary announcement of the Company’s annual results or the announcement of its half-yearly results in any year, provided that if the Shares are admitted to the Official List at the time in question, no CSOP Options may be granted on the first dealing day following the date of any such announcement (or in the first three dealing days following such announcement if the exercise price of the CSOP Option is based on a three day average share price); or (c) at any other time determined by the Committee where, in its discretion, circumstances are considered to be so exceptional as to justify the grant of CSOP Options.

If the grant of a CSOP Option during any of the periods described above would be prohibited by virtue of the EU Market Abuse Regulation, any statute, order or regulation on dealing in the Company’s securities or the Company’s share dealing code from time to time (“**Share Dealing Code**”), then such CSOP Option may be granted during the period of 42 days commencing immediately after the dealing day following the time that such prohibition shall cease to have effect.

CSOP Options may only be granted for as long as the Shares satisfy the relevant conditions in Schedule 4. No consideration is payable for the grant of a CSOP Option.

Plan Limits

On any date, no CSOP Option may be granted if, as a result, the aggregate nominal value of Shares issued or issuable pursuant to awards granted during the previous ten years under the CSOP or any other employees’ share scheme adopted by the Company would exceed ten per cent. of the nominal value of the share capital of the Company in issue on that date.

On any date, no CSOP Option may be granted if, as a result, the aggregate nominal value of Shares issued or issuable due to awards granted during the previous ten years under the CSOP or any other discretionary employees’ share scheme adopted by the Company would exceed five per cent. of the nominal value of the share capital of the Company in issue on that date.

For the purposes of the limits set out above:

- any Shares which were subject to an option or other right (whether granted under the CSOP or any other employees’ share scheme adopted by the Company) which has lapsed or been surrendered will not count towards the limits set out above;
- any Shares which are subject to options or awards granted on or prior to the date of admission of the Shares to trading on the Official List (21 March 2017) will not count towards the limits set out above;
- any Shares which are subject to options granted under the Company’s Sharesave Scheme in respect of invitations issued under the Sharesave Scheme within five dealing days after the date of admission of the Shares to trading on the Official List (21 March 2017) will not count towards the limits set out above;
- Shares will only be counted as “issued or issuable” to the extent to which they have been issued (or there is an intention for them to be issued) by the Company to the CSOP Option holder, or any employee benefit trust established by the Company for the purposes of the CSOP or any other employees’ share scheme operated by the Company; and
- Shares held in treasury which are used to satisfy options/awards or other rights (whether under the CSOP or any other employees’ share scheme adopted by the Company) shall be taken into account.

Individual Limit

Each individual’s participation is limited so that the aggregate market value of Shares subject to all CSOP Options (calculated as at the date of grant of each CSOP Option) granted to the individual will not exceed £30,000 (or such other amount as specified in Schedule 4).

Exercise Price

The exercise price per Share under a CSOP Option is determined by the Committee at the time of grant but may not be less than the greater of (i) the market value of a Share as at the date of grant and (ii) in the case of a CSOP Option to subscribe for Shares, the nominal value of a Share. While the Shares are traded on the Official List, the market value of a Share will be the closing middle market price of a Share as derived from the Official List for the dealing day immediately preceding the date of the grant of the CSOP Option or the average of the closing middle market prices for a Share as derived from the Official List for the three consecutive dealing days immediately preceding the date of the grant of the CSOP Option.

The exercise price (as well as the number of Shares under a CSOP Option and their description) may be adjusted by the Committee in the event of any capitalisation issue or rights issue (other than an issue of Shares on the exercise of an option given to the shareholders of the Company to receive Shares in place of a dividend) or rights offer or any other variation in the share capital of the Company including (without limitation) any consolidation, subdivision or reduction of capital. Any such adjustments may not be made if they would result in the requirements of Schedule 4 not being met in relation to the CSOP Option and any adjustments made must secure that the total market value of the Shares which may be acquired by the exercise of the CSOP Option and the total price at which those Shares may be acquired are immediately after such adjustments substantially the same as what they were immediately before the adjustments.

Performance Condition

The exercise of a CSOP Option may be made conditional upon the achievement of performance conditions set at the time of grant ("**Performance Condition**") and measured over a performance period (determined by the Committee at the time of grant) ("**Performance Period**").

If events occur which cause the Committee reasonably to consider that a Performance Condition should be waived or that a different or amended condition would be a fairer measure of performance, the Committee may waive the Performance Condition or amend the original Performance Condition in such manner as it deems fit, provided that any such amended condition is not materially more challenging to meet or achieve than the original Performance Condition.

In circumstances where a CSOP Option holder is permitted to exercise a CSOP Option before the end of the relevant Performance Period (as a result of cessation of employment in certain circumstances or the occurrence of certain corporate events such as a change of control of the Company), the Committee may, in its discretion, determine that the extent to which any relevant Performance Condition applying to his CSOP Option has been met may be measured by reference to the proportion of the Performance Period that has elapsed at the time of relevant event. The Committee may make such modifications to any relevant Performance Condition as it thinks fit when applying its discretion in these circumstances, provided that the modified Performance Condition is not materially more difficult to meet or achieve than the original Performance Condition, taking into account the abbreviated period.

Exercise and Lapse of CSOP Options

CSOP Options will be capable of exercise following a date ("**Vesting Date**") specified at the time of grant which occurs after the expiry of the relevant Performance Period (if any). The Vesting Date for a CSOP Option will not occur before the third anniversary of the date of grant.

Normally, a CSOP Option may only be exercised (in whole or in part) in the period commencing on the Vesting Date and ending on the tenth anniversary of the date of grant, to the extent that the Performance Condition (if applicable) has been satisfied and provided that the participant is still an employee of the Company or any subsidiary of the Company ("**Group**") and has not given or been given notice of cessation of employment.

CSOP Options may not be exercised during any period when exercise would be in breach of a Share Dealing Code.

A CSOP Option cannot be exercised more than ten years after its date of grant and will lapse on the tenth anniversary of its date of grant.

Exercise of CSOP Options is possible earlier than the Vesting Date in the event of a takeover, a scheme of arrangement under Part 26 of the Companies Act 2006 being sanctioned by the court or the voluntary winding-up of the Company ("**Corporate Event**"). CSOP Options may be exercised for a six month period following such Corporate Event, to the extent that any Performance Condition (if applicable) has been satisfied and subject to time pro-rating (see below). If, as a consequence of a Corporate Event, the Shares to which a CSOP Option relates no longer meet the requirements of Schedule 4, the CSOP Option holder may exercise the CSOP Option within the period of 20 days after the Corporate Event.

If a CSOP Option holder ceases to be employed within the Group prior to the Vesting Date by reason of death, his personal representatives may exercise his CSOP Options within the twelve month period immediately following his death, to the extent that the Performance Condition (if applicable) has been satisfied at the date of death and subject to time pro-rating (see below).

If a CSOP Option holder ceases to be employed within the Group by reason of:

- f. injury or disability (as reasonably determined by the Committee);
- g. retirement (as reasonably determined by the Committee);
- h. redundancy (within the meaning of the Employment Rights Act 1996); or
- i. the sale or transfer out of the Group of the Company or undertaking employing him,

(each being a “**Good Leaver**”), normally his CSOP Options may be retained and exercised within the six-month period following the date of cessation of employment to the extent that any Performance Condition (if applicable) has been satisfied and subject to time pro-rating (see below).

Where a CSOP Option holder ceases to be employed within the Group for any other reason or gives or is given notice in respect of his employment, his CSOP Options will immediately cease to be capable of exercise and lapse in full at the end of the period of three months following cessation of employment, unless the Committee determines within three months of cessation of employment to allow him to exercise his CSOP Options, in which case the Committee can determine when and the extent to which the CSOP Options can be exercised.

The maximum number of Shares over which a CSOP Option: (i) held by a CSOP Option holder who ceases employment prior to the Vesting Date as a Good Leaver or by reason of death; or (ii) held by a CSOP Option holder in the case of a Corporate Event (as described above) prior to the Vesting Date, is capable of exercise will be pro-rated down. This pro-rating will be made on a time-apportioned basis by reference to the time that has elapsed from the grant of such CSOP Option up to the cessation of employment or the date of the relevant Corporate Event as a proportion of the total period from the date of grant to the Vesting Date. The Committee may, however, exercise discretion not to pro-rate a CSOP Option or to pro-rate on a different basis.

In any circumstance which allows for the early exercise of a CSOP Option prior to the Vesting Date, the CSOP Option may not be exercised unless (subject to any modification of the Performance Condition in accordance with the rules of the CSOP) the Performance Condition, if applicable, to which it is subject has been met unless the Committee determines, in its discretion, not to apply the Performance Condition.

In the event of a takeover of the Company, a CSOP Option holder may be allowed to exchange his CSOP Option for a new option over shares in the acquiring company, provided that the acquiring company agrees to such exchange and the rights under the new option are equivalent to those under the old option.

Other CSOP Option terms

CSOP Options will be satisfied by the issue of new Shares, transfer of Shares out of treasury or the transfer of Shares from any employee benefit trust established by the Company for the purposes of the CSOP or any other employees’ share scheme operated by the Company.

CSOP Options are not capable of transfer or assignment.

Until CSOP Options are exercised, CSOP Option holders have no voting or other rights in relation to the Shares which are subject to those CSOP Options.

Shares allotted pursuant to the exercise of a CSOP Option will rank *pari passu* in all respects with the Shares already in issue but shall not rank for any dividends or other

distribution payable by reference to a record date preceding the date of allotment. Shares transferred on the exercise of a CSOP Option shall be transferred without the benefit of any rights attaching to the Shares by reference to a record date preceding the date of that exercise. For so long as any Shares are listed on the Official List, the Company will use its best endeavours to procure that the Shares issued following exercise of any CSOP Options are admitted to the Official List as soon as practicable after allotment.

Benefits obtained under the CSOP are not pensionable.

Administration & Amendment

The CSOP is administered by the Committee. The Committee may amend the provisions of the CSOP. However, no amendment to a key feature of the CSOP may be made which would result in the requirements of Schedule 4 not being met in relation to the CSOP.

Furthermore, the rules of the CSOP which relate to:

- j. the persons to whom CSOP Options may be granted;
- k. the limits on the number of Shares which may be issued under the CSOP;
- l. the maximum entitlement of any CSOP Option holder;
- m. the basis for determining a CSOP Option holder’s entitlement to Shares or an employee’s entitlement to CSOP Options; and
- n. the basis for determining the adjustment of any CSOP Option granted under the CSOP in the event of a capitalisation issue, rights issue or open offer, subdivision or consolidation of shares or reduction of capital or any other variation of capital of the Company,

cannot be amended to the advantage of any CSOP Option holder or potential CSOP Option holder without the prior approval of the Company in general meeting except for minor amendments to benefit the administration of the CSOP, to take account of any change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for any CSOP Option holders, the Company or any subsidiary undertaking of the Company from time to time.

Overseas employees

The Board may adopt supplemental rules to the CSOP to facilitate the granting of options to individuals not resident in the UK provided that such supplemental rules will, so far as the Board in its discretion considers reasonable practicable, follow the rules of the CSOP.

Termination

The CSOP may be terminated at any time by resolution of the Board and shall in any event terminate on the tenth anniversary of its adoption so that no further CSOP Options can be granted after such termination. Termination will not affect the outstanding rights of existing CSOP Option holders.