This document is important and requires your immediate attention. If you are in any doubt as to what action you should take, you are recommended to seek your own independent advice from your stockbroker, solicitor, accountant or other professional adviser immediately. If you have sold or transferred all of your Acal plc ordinary shares, please forward this document, together with the accompanying documents, as soon as possible to the purchaser or transferee or to the agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

acal plc

Annual General Meeting
Tuesday 26 July 2016

Notice of Annual General Meeting and Chairman's explanatory letter

17 June 2016

Dear Shareholder,

Annual General Meeting 2016
I have great pleasure in inviting you to the Annual General Meeting of Acal plc (the "Company") to be held at 2 Chancellor Court, Occam Road, Surrey Research Park, Guildford, Surrey GU2 7AH at 11.00am on Tuesday 26 July 2016.

You will find with this letter:
- The Notice of Meeting, setting out the resolutions to be proposed, together with explanatory notes.
- A copy of the Annual Report and Accounts of the Company for the year ended 31 March 2016, including the Group Financial Statements and the Directors' Remuneration Report 2016.
- A Form of Proxy.

Recommendation
Your Directors believe that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and of its shareholders as a whole. They recommend that you vote in favour of these resolutions, as they intend to do in respect of their own beneficial holdings.

Action to be taken
You are requested to complete, sign and return the Form of Proxy, in accordance with the directions, as soon as possible and, in any event, so that it is received by 11.00am on Friday 22 July 2016 (or in the event of any adjournment, 48 hours (excluding non-working days) before the time of the adjourned meeting). Completion and return of the Form of Proxy will not prevent you from attending the Meeting and voting in person, should you wish to do so.

Should you have any questions please contact the Group Company Secretary at the address shown below.

Yours faithfully

Richard Moon
Chairman

Acal plc, 2 Chancellor Court, Occam Road,
Surrey Research Park, Guildford, Surrey, GU2 7AH

Tel: +44(0)1483 544500

Registered office as above.
Registered No: 2008246 England & Wales

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirtieth Annual General Meeting of Acal plc (the "Company") will be held at the Company's offices, 2 Chancellor Court, Occam Road, Surrey Research Park, Guildford, Surrey, GU2 7AH on Tuesday 26 July 2016 at 11.00am to consider and, if thought fit, to pass the Resolutions set out below. Resolutions 1 to 12 will be proposed as Ordinary Resolutions while Resolutions 13 to 17 will be proposed as Special Resolutions.

Resolutions

1 To receive and adopt the Financial Statements for the year ended 31 March 2016, together with the Reports of the Directors and the Auditor thereon.

2 To approve the final dividend of 5.72 pence per ordinary share recommended by the Directors in respect of the year ended 31 March 2016, payable on 29 July 2016 to holders of ordinary shares registered at the close of business on 10 June 2016.

3 To approve the Directors' Remuneration Report as set out on pages 44 to 61 of the Annual Report and Accounts for the year ended 31 March 2016.

4 To elect Tracey Graham as a Director.

5 To elect Malcolm Diamond as a Director.

6 To re-elect Richard Brooman as a Director.

7 To re-elect Henrietta Marsh as a Director.

8 To re-elect Richard Moon as a Director.

9 To re-appoint Ernst & Young LLP as Auditor of the Company to hold office from the conclusion of this Meeting until the conclusion of the next general meeting at which accounts are laid before the Company.

10 To authorise the Directors to determine the remuneration of the Auditor.

11 That, in substitution for all existing unexercised authorities, the authority conferred on the Directors by Article 7.2 of the Company's Articles of Association be renewed (unless previously renewed, varied or revoked) for a period ending on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017 and, for that period, the Section 551 Amount is £1,070,788.

12 That, in addition and without prejudice to the authority renewed in Resolution 11 above, the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot or grant rights to subscribe for or to convert any security into shares in the Company in connection with a rights issue by the Company of ordinary shares up to an aggregate nominal amount of £1,070,788 provided that this authority shall expire on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017 save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to be granted after such expiry and the Board may allot shares or grant such rights in pursuance of those offers or agreements, as if this authority had not expired.

For the purpose of this Resolution a "rights issue" means an offer to:
(a) ordinary shareholders in proportion (as may be practicable) to their existing holdings; and
(b) people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

13 That, in substitution for all existing authorities, the authority conferred on the Directors by Article 7.3 of the Company's Articles of Association be renewed (unless previously renewed, varied or revoked) for a period ending on the earlier of the date of the Company's next Annual General Meeting or on 25 October 2017 and, for that period, the Section 561 Amount is £160,618.

14 That, in addition and without prejudice to the authority renewed in Resolution 13 above, the Directors be and are unconditionally authorised to exercise all the powers of the Company to allot or grant rights to subscribe for or to convert any security into shares in the Company in connection with an acquisition by the Company or specified capital investment up to an aggregate nominal amount of £160,618 provided that this authority shall expire on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017 save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be alloted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement, as if the power conferred hereby had not expired.

For the purpose of this Resolution 'specified capital investment' means: one or more specific capital investment related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

15 That, subject to the passing of Resolution 12 above, the Directors be and are hereby empowered pursuant to Section 570 of the Companies Act 2006 to allot equity securities (within the meaning of Section 560 of the said Act) for cash pursuant to the authority conferred by Resolution 12 above as if sub-section (1) of Section 561 of the said Act did not apply to any such allotment provided that this power shall expire on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017 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 Board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

16 That, subject to the provisos hereto, the Company be and is hereby generally authorised to purchase any of its own ordinary shares of five pence each by a market purchase (as defined by Section 693(4) of the Companies Act 2006) provided always that this power shall:

(a) be limited to a purchase or purchases up to an aggregate of 6,424,733 issued ordinary shares of five pence each of the Company, representing approximately 10 per cent. of the Company's issued share capital;

(b) be limited to a purchase or purchases at a price per ordinary share (exclusive of dealing and other incidental costs and stamp duty) not below five pence and not above an amount equal to the higher of: (i) 105 per cent. of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased; and (ii) that stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003 (EC 2273/2003); and

(c) unless renewed, varied or revoked by the Company in general meeting expire on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017 and the Company may make a purchase of its own shares in accordance with this authority after the expiry of the said time limit imposed above where the contract of purchase is concluded before such authority expires and the Company is hereby permitted to make a contract of purchase which would or might be executed wholly or partly after the authority shall have expired.

17 That a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By Order of the Board

Gary Shillinglaw
Group Company Secretary

Registered Office
2 Chancellor Court, Occam Road,
Surrey Research Park, Guildford, Surrey, GU2 7AH

17 June 2016

Notes

1 A member of the Company entitled to attend, speak and vote at the Meeting convened by the Notice set out above may appoint a proxy to exercise all or any of his or her rights to attend, speak and vote at the Meeting on his/her behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to different shares held by the member. Details of how to appoint the Chairman of the AGM or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy.

2 To be valid, Forms of Proxy must be received by post or (during normal business hours only) by hand at the offices of the Company's registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA not later than 11.00am on Friday 22 July 2016 (or in the case of an adjournment, 48 hours (excluding non-working days) before the time fixed for holding the adjourned meeting), and must be accompanied by any power of attorney or other authority. The Form of Proxy for use at the Meeting is enclosed.

3 Completion and return of a Form of Proxy will not prevent a member from attending and voting in person should he or she wish to do so.

4 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.

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 to be held on Tuesday 26 July 2016 and any adjournment(s) thereof by using the procedures described in the CREST Manual at www.euroclear.com. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a 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'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 the issuer's agent (ID RA19) no later than 11.00am on Friday 22 July 2016 (or in the case of an adjourned meeting, not less than 48 hours (excluding non-working days) before the time of the adjourned meeting). 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 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.

7 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will apply therefore 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/her 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

8 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.

9 To be entitled to attend and vote at the Meeting or any adjournment thereof, and for the purposes of determining how many votes the member may cast, members must be entered in the Company's register of members at 6.30pm on Friday 22 July 2016 (or, in the event of any adjournment, exluding any part of a day that is not a working day, 6.30pm on the date which is two days before the time of the adjourned meeting). Changes to entries in the Register of Members after that time are disregarded in determining the rights of any person to attend and vote at the Meeting.

10 Pursuant to DTR 6.1.12 R (2) of the Disclosure and Transparency Rules as at 16 June 2016 (being the latest practical business day prior to the publication of this Notice), the Company had in issue 64,247,330 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 16 June 2016 are 64,247,330.

11 Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (S.I. 2001/3755), the Company specifies that only those Shareholders who are registered on the Company's share register (the "Register") at 6.30pm on Friday 22 July 2016 (the "Specified Time") shall be entitled to attend or vote at the Meeting in respect of the ordinary shares in the capital of the Company registered in their names at that time.

12 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. In the case of joint holders, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

13 Copies of all service contracts between the Directors and the Company, and the terms and conditions of appointment of Non-Executive Directors, may be inspected during business hours at the Company's registered office on a weekday (public holidays excluded) until the time of the Meeting and at 2 Chancellor Court, Occam Road, Surrey Research Park, Guildford, Surrey GU2 7AH from 15 minutes before the Meeting until the end of the Meeting.

14 Members who wish to communicate with the Company in relation to the Meeting should do so using the following means: (i) by writing to the Group Company Secretary at the registered office address or (ii) by writing to the Company's registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA. No other methods of communication will be accepted. In particular, you may not use any electronic address provided either in this Notice of Annual General Meeting or in any related documents to communicate with the Company for any purposes other than those expressly stated.

15 Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that Section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which Annual Accounts and Reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

16 Any shareholder attending the Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable, in the interests of the Company or the good order of the Meeting, that the question be answered.

17 A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found at www.acalplc.co.uk. The results of the Meeting will be announced to the London Stock Exchange as soon as practicable following the Meeting, and will be published on the Company's website, as above.

Explanatory notes

Resolution 1: accounts
In accordance with the Companies Act 2006 (the "Act"), the Directors must present to the Meeting the Financial Statements of Acal plc (the "Company") for the year ended 31 March 2016, together with the Reports of the Directors and the Auditor thereon and the Directors' Remuneration Report with the associated Auditor's Report. These are contained in the Company's Annual Report and Accounts.

Resolution 2: declaration of a dividend
A final dividend can only be paid after it has been approved by the shareholders and cannot exceed the amount recommended by the Board. A final dividend of 5.72 pence per ordinary share is recommended for payment by the Board to the shareholders who are entered in the Register of Members of the Company at the close of business on 10 June 2016 and, if approved, the date of payment of the final dividend will be 29 July 2016.

Resolution 3: approval of Directors' Remuneration Report
Following changes to the Act, effective from 1 October 2013, the Directors' Remuneration Report is now divided into two parts: an Annual Statement, which is set out on pages 45 and 46 of the Company's Annual Report and Accounts, and an Annual Report on Remuneration, which is set out on pages 48 to 55 of the Company's Annual Report and Accounts (together the "Directors' Remuneration Report"), and the Directors' Remuneration Policy (the "Policy"), which is set out on pages 56 to 61 of the Company's Annual Report and Accounts.

The Act requires that the Directors seek, as a separate resolution, the approval of shareholders to the Directors' Remuneration Report (other than the Policy) on an annual basis. This approval is sought in Resolution 3.

In addition, the Act requires the Company to seek the binding approval of shareholders to the Policy at any time the Company wishes to make a change to the Policy, and at least once in every three years. Shareholders approved the Policy at the Annual General Meeting held on 29 July 2015. As the changes to the Policy since then are either to improve its readability, or its administration, or are to the benefit of shareholders, the Company will not be re-submitting the Policy to a binding vote at this year's Annual General Meeting.

Resolutions 4, 5, 6, 7 and 8: election and re-election of Directors
The Company's Articles of Association require Directors appointed since the previous Annual General Meeting to submit themselves for election at the first Annual General Meeting after their appointmant. Under this provision, Tracey Graham and Malcolm Diamond are required to retire at the Company's Annual General Meeting this year and are eligible for election.

The Company's Articles of Association also require Directors to retire every three years. Under this provision, Richard Brooman and Henrietta Marsh are required to retire at the Company's Annual General Meeting this year and are eligible for re-election.

The Company's Articles of Association also require Non-Executive Directors who have served on the Board for more than nine years to retire at each Annual General Meeting thereafter. Consequently, Richard Moon, who was appointed to the Board in September 2004, is required to retire at the forthcoming Annual General Meeting and is eligible for re-election. While no longer deemed to be independent under the UK Corporate Governance Code, the Board is of the view that his objectivity and willingness to challenge management has not been compromised in any way by his length of tenure on the Board and that he therefore remains independent.

The Nomination Committee has confirmed in its recommendations to the Board that, following a formal evaluation of the Board, the performance of each of the Directors standing for election or re-election continues to be effective and that each Director demonstrates sufficient commitment to their role to be suitable for election or re-election.

A short biography of each Director eligible for election or re-election is set out in Appendix 1 to this Notice.

Resolutions 9 and 10: re-appointment of auditor
The Act requires that the auditor of a company must be re-appointed at each general meeting at which accounts are laid. After considering relevant information, the Audit Committee recommended to the Board that the Company's existing Auditor, Ernst & Young LLP, be re-appointed until the next general meeting at which accounts are laid. Approval to the re-appointment is sought in Resolution 9.

In accordance with current best practice, Resolution 10 is a separate resolution which gives authority to the Directors to determine the Auditor's remuneration.

Resolution 11: authority to allot
The Act requires that, to allot unissued shares, the Directors must receive authority from shareholders. The Company's Articles of Association give a general authority to the Directors to allot unissued shares, which is subject to renewal by shareholders. This Resolution will allow the Directors to issue new shares up to a total nominal value of £1,070,788 (the Section 551 Amount) which represents approximately one-third of the Company's issued share capital (calculated exclusive of any treasury shares). This authority will expire on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017. As at 17 June 2016, the Company did not hold any treasury shares within the meaning of Section 724(5) of the Companies Act 2006.

The Directors have no present intention of exercising this authority but, as in previous years, consider it desirable that they should have the flexibility to issue new shares from time to time to enable the Company to act in the best interests of shareholders, when opportunities arise. However, they will contemplate using this authority to take advantage of targeted acquisitions that help deliver the Company's strategy.

Resolutions 12 and 15: additional authorities to allot shares and disapplication of statutory pre-emption rights in connection with a rights issue

These resolutions authorise the Directors to allot, in addition to the authority referred to in Resolution 11, up to a further nominal amount of £1,070,788 in connection with a pre-emptive offer to existing shareholders by way of a rights issue, without the need to comply with the strict requirements of the statutory pre-emption provisions. This is in accordance with guidance on directors' powers to allot shares published by the Association of British Insurers ("ABI").

The guidance states that ABI members would support resolutions authorising the allotment of an additional one-third of the issued ordinary share capital provided that the additional authority can only be used for fully pre-emptive rights issues. In accordance with the ABI guidance, in the event that the general and additional authorities were used and:

- the number of ordinary shares in issue is thereby increased, in aggregate, by more than one-third; and
- in the case of any issue being in whole or part by way of a fully pre-emptive rights issue, where the monetary proceeds exceed one-third (or such lesser relevant proportion) of the pre-issue market capitalisation of the Company,

all members of the Board who wish to remain in office will stand for re-election at the next Annual General Meeting of the Company following the decision to make the issue in question.

While the Directors have no present intention to make use of these authorities (which will expire on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017), as in previous years, they intend to take advantage of the flexibility conferred by these authorities and will contemplate using them for targeted acquisitions that help deliver the Company's strategy.

Resolution 13: disapplication of statutory pre-emption rights

The Act requires that, subject to certain exceptions, before directors of a company can issue any new shares (including the sale of treasury shares) for cash, the new shares must first be offered to existing members of the Company in proportion to the number of shares which they hold at the time of the offer.

The Company's Articles of Association give a general authority to the Directors so that this statutory pre-emption requirement does not apply to allotments of shares or the sale of treasury shares for cash up to a specific amount, which is subject to renewal by shareholders.

In addition to and without prejudice to the authority in Resolution 12, this Resolution would allow the Directors to allot shares or sell treasury shares for cash only pursuant to the authority conferred by Resolution 11 up to a nominal value of £160,618 (the Section 561 Amount) which is approximately five per cent. of the Company's issued share capital (calculated inclusive of treasury shares).

This means that the rights of existing shareholders are protected. If a share issue is not a rights issue, the proportionate interest of existing shareholders could not, without their agreement, be reduced by more than five per cent. by the issue of new shares or the sale of treasury shares for cash to new shareholders. Such authority would expire on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017. Again, the Directors have no present intention of exercising this authority but, as in previous years, consider it desirable that they should have the flexibility to act in the best interests of shareholders when opportunities arise. They will contemplate using the authorities to take advantage of targeted acquisitions that help deliver the Company's strategy.

Resolution 14: additional disapplication of statutory pre-emption rights

In addition to the authority conferred by Resolution 13, the authority conferred by Resolution 14 allows the Directors to allot shares or sell treasury shares for cash on a non pre-emptive basis up to a nominal value of £160,618, being approximately five per cent. of the Company's issued share capital (calculated inclusive of treasury shares). Together, Resolutions 13 and 14 will allow the Directors to allot shares or sell treasury shares for cash on a non pre-emptive basis up to a nominal value of £321,236, being approximately ten per cent. of the Company's issued share capital (calculated inclusive of treasury shares). Such authority would expire on the earlier of the date of the Company's next Annual General Meeting or 25 October 2017. The additional authority conferred by Resolution 14 reflects the Pre-Emption Group's 2015 Statement of Principles for the disapplication of pre-emption rights (the "Statement of Principles"). The Directors will have due regard to the Statement of Principles in relation to any exercise of this power, in particular to the requirement for advance consultation and explanation before making any non pre-emptive cash issue pursuant to this Resolution which exceeds 7.5 per cent. of the Company's issued share capital in any rolling three year period. The Directors confirm that they intend to use this power only in connection with an acquisition or specified capital investment (within the meaning of the Statement of Principles from time to time) which is announced contemporaneously with the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

Resolution 16: purchase of own shares by the Company

The Act requires that a company must be authorised by its shareholders for it to purchase its own shares. The Company's Articles of Association contain a provision allowing the Directors to purchase the Company's own shares, subject to the prior authority of the shareholders having been obtained. This Resolution seeks authority for the Company to make market purchases of its own shares within the limits set out.

The Directors are of the opinion that it would be advantageous for the Company to be in a position to purchase its own shares through the London Stock Exchange should market conditions and price justify that action. The proposed authority would enable the Company to purchase up to a maximum of 6,424,733 ordinary shares of five pence each in the capital of the Company with a stated upper limit on the price payable, which reflects the requirements of the Listing Rules (which represents approximately 10 per cent. of the Company's share capital). Purchases would only be made after the most careful consideration, where the Directors believed that an increase in earnings or net assets per share would result and where purchases were, in the opinion of the Directors, in the best interests of the Company and its shareholders. The Directors consider that it is prudent to obtain the proposed authority, although they do not currently intend to exercise it.

The Act permits companies to hold any shares acquired by way of market purchases in treasury rather than having to cancel them. The Company would consider holding any of its own shares purchased under the authority granted by Resolution 16 as treasury shares. This would give the Company the ability to re-issue treasury shares, as and when required, quickly and cost effectively and would provide the Company with additional flexibility in the management of its capital base. No dividends would be paid on shares while held in treasury and no voting rights would attach to those shares.

Resolution 17: notice period for general meetings

Due to changes in the law made by the implementation of the Companies (Shareholders' Rights) Regulations 2009, listed companies must call general meetings (other than an annual general meeting) on at least 21 clear days' notice unless the company:

a) has obtained shareholder approval for the holding of general meetings on 14 clear days' notice by passing an appropriate resolution at its most recent annual general meeting; and
b) offers the facility for shareholders to vote by electronic means accessible to all shareholders.

To enable the Company to continue to utilise the shorter notice period of 14 clear days for calling such general meetings, shareholders are being asked to approve this Resolution. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. If granted, this authority will be effective until the Company's next Annual General Meeting. This is the same authority which was sought and granted at previous Annual General Meetings.

Appendix 1

Short biographies of Directors proposed for election or re-election

Non-Executive Director
Tracey Graham

Tracey joined the Board in November 2015. During her executive career, she was Chief Executive of Talaris Limited and Managing Director of De La Rue Cash Systems. Tracey is a Non-Executive Director at Ibstock plc; at Royal London Mutual Building Society; and at Link Scheme Limited.

Non-Executive Director
Malcolm Diamond

Malcolm joined the Board in November 2015. He is Executive Chairman of Trifast Plc and Non-Executive Chairman of Flowtech Fluidpower PLC. Among other previous appointments, Malcolm was Senior Non-Executive Director at Decra Pharmaceuticals Plc and a Non-Executive Director at Unicorn AIM VCT plc.

Non-Executive Director
Richard Brooman

Richard became a Non-Executive Director in January 2013. He was appointed Chairman of the Audit Committee in July 2013 and Senior Non-Executive Director in December 2014. During his executive career, appointments included Group Finance Director of Sherwood International plc and of VCI plc. He is a Non-Executive Director at Hg Capital Trust plc; at Invesco Perpetual UK Smaller Companies Investment Trust plc; and at Camden & Islington NHS Foundation Trust.

Non-Executive Director
Henrietta Marsh

Henrietta was appointed a Non-Executive Director in May 2013 and became Chairman of the Remuneration Committee in October 2014. She is a member of the London Stock Exchange's AIM Advisory Group and a Non-Executive Director at Alternative Networks plc and at Electric Word plc. Previous appointments included a Directorship of 3i plc.

Non-Executive Director
Richard Moon

Richard Moon joined the Board in September 2004 and became Chairman in April 2005. During his executive career, he was Chief Executive of Thales plc and, prior to that, a Director of Racal Electronics plc. He is Non-Executive Chairman of KeTech Enterprises Limited and Seven Technologies Holdings Limited and Chairman of Synergie Global Limited and Advetec Holdings Limited.

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