

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company for 2003 will be held on Wednesday 9 July 2003 at 11.00 am at the Radisson SAS Hotel, 301 Argyle Street, Glasgow, G2 8DL for the following purposes:

## Ordinary business

- 1 To receive and adopt the Report of the Directors and Accounts for the year ended 31 March 2003.
- 2 To approve the Directors' Remuneration Report for the year ended 31 March 2003.
- 3 To elect Margaret Ford as a Director.
- 4 To re-elect Roy Brown as a Director.
- 5 To re-elect Philip Male as a Director.
- 6 To re-elect Ian Chippendale as a Director.
- 7 To re-appoint KPMG Audit Plc as auditors of the Company and to authorise the Directors to fix their remuneration.

## Special business

- 8 To consider and if thought fit to pass the following resolution which will be proposed as an ordinary resolution:

THAT the Board be and it is hereby generally and unconditionally authorised in substitution for the authority conferred on it by all subsisting authorities to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985) up to an aggregate nominal amount of £11,238,442.96, which authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (unless previously revoked or varied by the Company in general meeting) save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Board may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

- 9 To consider and if thought fit to pass the following resolution which will be proposed as a special resolution:

THAT the Board be and it is hereby empowered, pursuant to Section 95 of the Companies Act 1985, to allot equity securities (within the meaning of Section 94 of the said Act) for cash, pursuant to the authority conferred by the previous resolution, as if sub-section (1) of Section 89 of the said Act did not apply to any such allotment, PROVIDED THAT this power shall be limited to:

- A the allotment of equity securities in connection with a rights issue, open offer or any other pre-emptive offer in favour of ordinary shareholders and in favour of holders of any other class of equity security in accordance with the rights attached to such class where the equity securities respectively attributable to the interests of such persons on a fixed record date are proportionate (as nearly as may be) to

the respective numbers of equity securities held by them or are otherwise allotted in accordance with the rights attaching to such equity securities (subject in either case to such exclusions or other arrangements as the Board may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever); and

- B the allotment (otherwise than pursuant to sub-paragraph A above) of equity securities up to an aggregate nominal value of £1,685,766.44 or if less, 5% of the issued ordinary share capital from time to time;

and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, 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.

By order of the Board

David Macleod  
Secretary  
15 May 2003

Registered office:  
1/2 Berkeley Square  
99 Berkeley Street  
Glasgow, G3 7HR

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of him. A proxy need not be a member of the Company. A separate form of proxy is enclosed. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, members will be entitled to attend and vote at the meeting if they are registered on the Company's register of members 48 hours before the time appointed for the meeting or any adjournment of it.

## Notes

### Resolution 1

The Directors are required by law to present to the meeting the Accounts and the Report of the Directors and Auditors for the year ended 31 March 2003.

### Resolution 2

The shareholders are being asked, as required by Section 241 of the Companies Act 1985 (as amended) to vote on the Remuneration Report relating to Directors and senior executives. The new legal requirement to prepare a Remuneration Report gives shareholders the opportunity to clearly express their views on this important issue.

### Resolution 3-7

The Articles of Association require any Director appointed by the Board since the last Annual General Meeting to retire at the Annual General

Meeting following appointment. In addition they require one third of Directors to retire at every Annual General Meeting. The re-appointment of the auditors is also proposed.

## Resolution 8

Under the Companies Act 1985 (Section 80) the Directors of a Company may only allot unissued shares if authorised to do so. Passing this Resolution will continue the Directors' flexibility to act in the best interests of shareholders when opportunities arise by issuing new shares.

In Resolution 8 the Company is seeking authority to allot shares with a nominal value of up to £11,238,442.96, which represents approximately 33.33% of the Company's issued ordinary share capital. The Directors intend to use this authority, which will lapse at the conclusion of the next Annual General Meeting of the Company (to be held in 2004), for general corporate purposes.

## Resolution 9

If shares are to be offered for cash, the Companies Act 1985 requires that those shares are offered first to the existing shareholders in proportion to the number of shares they hold at the time of the offer. However, it may sometimes be in the interests of the Company for the Directors to allot shares other than to shareholders in proportion to their existing holdings. At last year's Annual General Meeting shareholders authorised the Board, subject to specified limits:

- To allot shares in connection with a rights issue, defined in summary as, an offer of equity securities to shareholders which is open for a period decided by the Board subject to any limits or restrictions which the Board thinks are necessary or appropriate.
- For allotments of shares not in connection with a rights issue so that the pre-emption requirement does not apply to the allotments of shares for cash up to a specific amount.

This authority requires to be renewed annually. The Directors will be empowered by Resolution 9 to allot equity securities (within the meaning of Section 94 of the Companies Act 1985) for cash without complying with the statutory pre-emption rights of shareholders under section 89 of the Companies Act 1985, up to a maximum amount of £11,238,442.96. This disapplication is limited to allotments made to ordinary shareholders and holders of any other class of equity security in proportion (as nearly as may be) to their holdings and, otherwise, to allotments up to a maximum nominal amount of £1,685,766.44 (representing approximately 5% of the Company's issued ordinary share capital).

This means that the interests 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 5% of the value of the new shares in cash to new shareholders by reference to the issued share capital at the date of this notice. There are no current plans to allot shares except in connection with the employee share schemes.

# General Information for Shareholders Attending the Annual General Meeting

- 1 The Notice of Meeting is being issued to all shareholders. Enclosed with this notice, you will find an attendance card and a form of proxy.
- 2 If you are attending the meeting, you should bring the attendance card.
- 3 A shareholder is entitled to appoint one or more proxies to attend and, upon a poll, vote instead of him. A proxy need not be a shareholder. If you wish to appoint a proxy, you must complete the enclosed form of proxy which must be deposited with the Registrars, Lloyds TSB Registrars, The Causeway, Worthing, West Sussex, BN99 6EF, not later than 11.00 am on 7 July 2003.
- 4 Copies of the Executive Directors' service contracts, letters of appointment for the Non-executive Directors, a statement of all transactions of Directors (and of their families) in the share capital of the Company in the year ended 31 March 2003, a copy of the Register of Directors' (and their families') interests in the share capital of the Company and a copy of the Company's Memorandum and Articles of Association will be available for inspection at the Company's registered office during normal business hours on each day (except Saturday, Sunday and any public holidays) from the date of the Notice of Meeting until 9 July 2003 and also at the place of the AGM from 10.30 am on the day of the meeting until the conclusion of the meeting. Copies of the same will also be available on the same days at the offices of the Company's solicitors, Biggart Baillie, Dalmore House, 310 St Vincent Street, Glasgow, G2 5BB.

## Introduction

After his opening remarks, the Chairman will explain in detail the procedures for the conduct of the meeting, particularly for asking questions and voting on resolutions. The resolutions which are set out in the Notice of Annual General Meeting will then be put to the meeting.

## How to ask questions

At the meeting, shareholders will be given the opportunity to ask questions from Question Points which will be clearly indicated.

At each Question Point, a member of staff will be available to help you. Please tell the member of staff the nature of your question and give your name and address. You may be asked to wait until called upon to speak. Please remember to state your name before asking your question.

## How to vote

You should raise above your head your voting card (which you will receive when you register) indicating that you are voting either for or against each resolution as it is put to the vote by the Chairman. Only shareholders, or authorised representatives of corporate shareholders, may vote on a show of hands. If you are attending as a proxy for a shareholder, you will receive an appropriate identification card at registration.

## Time

The doors will open at 9.30 am and the meeting will start promptly at 11.00 am.

## Cameras/tape recorders, etc.

No cameras, video recorders or tape recorders will be allowed into the meeting. Mobile phones must be switched off during the meeting.

## Registration

To ensure your entrance to the meeting is dealt with promptly, please bring your attendance card with you and register at the registration desk inside the hotel.

## Customer enquiries

Company personnel will be available if you have any questions as a customer of the Company.

## Shareholder information

If you have any questions concerning your shareholding, please speak to the staff at the shareholders' enquiry desk.

## Disabled persons

Special arrangements have been made to offer every assistance to people with disabilities. If you have a companion to assist you, they will be admitted to the meeting as a guest. Guide dogs will also be permitted. The auditorium has an induction loop system and headsets are available on request if you are deaf or hard of hearing.

## First aid

First aid facilities are available. Ask any member of staff for assistance.

## Emergency precautions

An announcement will be made if there is a fire warning or other emergency. Emergency exits are marked clearly around the auditorium. In case of a medical emergency, please contact a member of staff.

## Refreshments

Refreshments will be available between 9.30 am and 10.50 am.

## Important

If you have any questions about the meeting, or if you need any assistance, please telephone the Annual General Meeting enquiry line on 020 7763 3156 from Monday 9 June 2003 during normal working hours.