

Letter to Shareholders

7th May 2009

Dear Sir/Madam

Proposed General Meeting to be held on 4th June 2009 (the “General Meeting”)

I would like to explain the background to the agenda for the proposed General Meeting.

Following the resignation of Mr Simon Littlewood from the Board of London Asia Capital plc (“LAC” or “the Company”) immediately prior to the June 2007 AGM and his relocation to Hong Kong, Mr George Allnutt and Mr Jack Wigglesworth, non-executive directors of LAC, were unhappy with the accuracy and completeness of the information with which they were being provided. In April 2008 Mr Allnutt was appointed Managing Director with the aim of investigating the Company’s activities. He was, however, unable to obtain the information he sought and the Company’s shares were suspended from AIM on 5 June 2008. Then, in early September 2008 Huang He Securities Limited (also known as Yellow River Securities Ltd), a company of which Mr Littlewood was a director, sought to call a general meeting to remove both directors and replace them with Mr Littlewood and two of his associates. The discovery that the shares held by Huang He Securities Limited, London Asia Limited, London Asia Capital Land Limited and China Exchange Limited were not fully paid up (dealt with later in this letter), thereby disqualifying each of them from voting at a general meeting, allowed LAC to decline the request to convene the general meeting.

In late September 2008 Mr Allnutt and Mr Wigglesworth invited me to become Chief Executive of LAC. At this time the subsidiaries, which the Company ought to have controlled by virtue of its majority shareholding, were under the de facto control of Mr Littlewood and his associate, Mr Victor Ng, a past director of the Company. The directors of LAC at that time were neither on the boards of the Company’s many direct and indirect subsidiaries (with the sole exception of London Asia Corporate Finance Ltd) nor were they signatories to the subsidiaries’ bank accounts; indeed the location and even existence of many of these bank accounts were unknown to them. In the meantime, although ample funds were held by its subsidiaries, the Company itself held no significant cash with which to fund its essential activities.

On accepting the appointment I took steps to become a controlling signatory of those bank accounts of which the Board of the Company was aware and to have LAC’s directors appointed to the boards of key subsidiaries. At the same time I sought to have the overdue accounts for the year to 31st December 2007 prepared, audited and filed in order to preserve the Company’s AIM listing. To this end Mr Toby Parker ACA was appointed Finance Director of LAC. However, it soon became apparent that it would be impossible to meet the 5th December 2008 deadline and so avoid the Company being delisted. The group’s complex corporate structure included many subsidiaries and associated companies throughout Asia about which little was known at main Board level. Furthermore, the Company held little of the important accounting information on the activities of its subsidiaries or their investments.

Another major challenge in preparing the accounts was the need to ascertain the fair value of the Company’s investments. While Mr Littlewood had provided a schedule of fair values for use in the 2007 accounts, the substantial differences between these and the values used earlier in the preparation of the 2007 interim accounts demanded independent investigation. The Company was fortunate to be able to secure the services of China IPO Group plc (“China IPO”), in particular three of its directors, The Earl of Cromer, Professor Francesco Gardin and Mr Dennis Bailey. China IPO has not only established high level contact with the LAC investee companies but has also made available to the Company its staff and infrastructure in China, specifically Beijing and Xi’an. In addition to being able to

visit and report on the investee companies, China IPO has been able to provide the financial translation and analytical services necessary to value the relevant Chinese and Asian businesses. The Earl of Cromer, Professor Gardin and Mr Bailey accepted an invitation to join your Board on 18th December 2008.

The directors appointed since the start of September 2008 (“the New Directors”) have made substantial progress. We have restored control of all main subsidiaries, traced and taken control of bank accounts, established title to much of the Group’s investment portfolio, visited the main investments held and established the basis of sound corporate governance. We have also commenced steps to achieve the cancellation of the 98 million LAC shares mentioned earlier held by Huang He Securities Limited, London Asia Limited, London Asia Capital Land Limited and China Exchange Limited. The shares were used to subscribe for 40% interests in each of these four newly created companies. In each of the four companies third party investors held the remaining 60% interest. In aggregate, the other investors paid little more than twenty thousand pounds (£20,000) for their investment, which effectively gave them a 30% shareholding in LAC collectively. The effect of the share cancellation will be to reduce the number of shares in issue from 327 million to 229 million, thereby increasing the net assets attributable to remaining shareholders. Announcements issued by the Company to the Stock Exchange in June 2007 stated that these companies had made substantial acquisitions in China and were developing new trading activities. However, although no further announcements were made those acquisitions were all in fact aborted.

Following the work undertaken informally at the end of 2008, China IPO proposed an arrangement whereby it would assist in returning part of the available cash to shareholders and restoring the LAC shares to AIM. The reward to China IPO for this activity is to be success-based. Details of this proposal are attached as Annex 1 to this letter.

In summary, the proposals are for China IPO to receive a percentage fee based on cash returned or assets distributed to shareholders or the market capitalisation of the Company on AIM during the period ending five years from the date of the agreement. The fee payable will be on the basis shown in the table below and satisfied at the option of China IPO in LAC shares or cash with the exception of the first £5 million, which may only be satisfied in shares.

| Cash returned or assets distributed or market capitalisation on relisting £ million | Fee Rate | To be satisfied in |
|--|------------------------------|---|
| The first 0 – 5 | 5% | Shares |
| The excess from 5 – 10 | 10% on such excess over £5m | Cash or shares (at the option of China IPO) |
| The excess from 10 – 15 | 15% on such excess over £10m | |
| The excess over 15 and above | 20% on such excess over £15m | |

As part of this arrangement shareholder approval is being sought to increase the authorised share capital of LAC and to grant the directors of LAC authority to allot shares in the Company (free of pre-emption rights) to be issued to China IPO should these conditions be fulfilled. Subject to the grant of allotment authority an option agreement will be entered into, details of which are attached as Annex 2 to this letter, whereby China IPO will be granted an option to subscribe for 10,000,000 ordinary shares in LAC at an exercise price of 5p per share exercisable at any time until 31st December 2012.

The LAC Board (the three China IPO directors having abstained from voting on this issue), believes these arrangements to be in the best interests of shareholders.

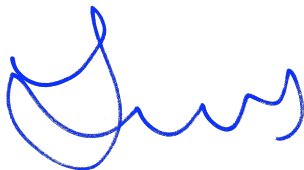
Despite excellent progress much remains to be done. The New Directors have further extensive inquiries to make and as a result have yet to finalise the accounts for 2007. For example, it has come to our attention that certain group companies may have acquired shares in the Company and if so this may need to be remedied before the accounts can be produced. Nevertheless, it is the belief of your Board that the net assets per valid share of LAC are greater than the market price of 2.75p per share, which prevailed when the shares were suspended in June 2008, and a substantial sum is now held in cash. Your Board is planning to return cash to shareholders at the earliest opportunity if a satisfactory mechanism can be found. Our first priority, however, remains to file the 2007 and 2008 audited accounts, in itself a precondition for any cash distribution.

Rather than accept further delay until audited accounts can be placed before shareholders the enlarged Board of LAC has agreed that a General Meeting of shareholders in LAC should be convened. This will afford the Board the opportunity to inform shareholders of progress and allow shareholders the opportunity to question the Board and generally have their views and wishes heard. At the same time, your approval is being sought to ratify the appointment of all the New Directors. Biographical details of the New Directors are attached as Annex 3 to this letter.

The Notice convening the General Meeting is attached as Annex 4 to this letter. In the meantime any further announcements will be made on the Company's web site, www.londonasiacapital.com.

Your Board strongly recommends that you vote in favour of all the resolutions proposed in the attached notice of General Meeting.

Yours sincerely



Keith H A Negal MBA FCMA
Chief Executive

- Annex 1 – Summary of China IPO Agreement
- Annex 2 – Summary of China IPO Share Option Agreement
- Annex 3 – Biographical details of New Directors
- Annex 4 – Notice Convening General Meeting
- Annex 5 – Form of Proxy

Annex 1 – China IPO Agreement

Brief particulars of the proposals are as follows:

1. China IPO will receive a percentage fee payable on the occurrence of one of the following events (each a “Fee Entitlement Event”):
 - (i) the distribution by the Company of its assets to its shareholders whether such assets are cash or non-cash assets distributed in specie and whether distributed by way of dividends or by way of distributions on a liquidation of the Company; and/or
 - (ii) the admission of the entire ordinary share capital of LAC or its successor company to trading on AIM (“Relisting”) (including a Relisting by way of a merger); and/or
 - (iii) the sale of the entire issued share capital of the Company.
2. The term of the agreement will be five years from the date thereof.
3. The fee payable will be on the basis shown in the table below and satisfied at the option of China IPO in LAC shares or cash with the exception of the first £5 million, which may only be satisfied in shares.

| Cash returned, non-cash assets distributed, proceeds of sale of ordinary shares or market capitalisation on Relisting £ million | Fee Rate (stated as a percentage of the value returned to shareholders) | To be satisfied in |
|--|---|---|
| The first 0 – 5 | 5% | LAC shares |
| The excess from 5 – 10 | 10% on such excess over £5m | Cash or LAC shares (at the option of China IPO) |
| The excess from 10 – 15 | 15% on such excess over £10m | |
| The excess over 15 and above | 20% on such excess over £15m | |

4. If cash or non-cash assets are returned prior to a Relisting on the occurrence of a Fee Entitlement Event, China IPO shall be entitled to receive a fee on the occurrence of a subsequent Relisting but thereafter shall not be entitled to receive a fee in respect of any subsequent event which would otherwise be a Fee Entitlement Event.

Please note that the duly executed China IPO agreement will be available for inspection at the General Meeting and prior to that will be available at the Company’s registered office on request.

Annex 2 – China IPO Share Option Agreement

Subject to the grant of allotment authority and dis-application of pre-emption rights pursuant to resolutions 8 and 10 as set out in the Notice an option agreement will be entered into, the brief particulars of which are as follows:

1. China IPO will be granted an option to subscribe for 10,000,000 ordinary shares in LAC (the “Option Shares”);
2. The exercise price will be 5p per share;
3. The option will be exercisable at any time from the date of the option agreement until 31st December 2012;
4. China IPO may choose to subscribe for the Option Shares in whole or in part and in one or more tranches; and
5. The Option Shares shall be identical to and rank pari passu with the other issued ordinary shares in the capital of LAC which includes the right to receive all dividends and distributions declared by LAC.

Please note that the agreed form China IPO share option agreement will be available for inspection at the General Meeting and prior to that will be available at the Company’s registered office on request.

Annex 3 – Biographical details of New Directors

Keith Negal MBA FCMA – aged 60

Keith Negal was appointed Chief Executive of London Asia Capital plc after serving from 2006 to 2008 as Chief Operating Officer of Fayrewood plc, during which time the company successfully implemented a strategy of divestment in order to return cash to shareholders. He qualified as a management accountant having left the army after 10 years' service as a result of injuries received while on bomb disposal duties in Northern Ireland. In 1981 he gained his MBA at the University of Warwick, where he was later a visiting postgraduate lecturer. He has been involved in many business turnaround projects since 1987, generally holding the appointment of Chief Executive or Managing Director.

Toby Parker ACA – aged 54

Toby Parker was appointed Finance Director and Company Secretary of London Asia Capital plc in November 2008 and has subsequently been appointed to the boards of all major group subsidiaries. A graduate of Oenologie at Macon, France, Toby is a qualified chartered accountant and was in articles with Moore Stephens. He has been engaged as both Finance Director and Managing Director in varied and diverse business sectors including shipping, manufacturing, property and finance both in the UK and overseas. Toby has extensive experience in turnaround operations, predominantly in the SME sector. In addition to his role at London Asia Capital plc he is currently the Finance Director and Company Secretary of Wynnstay Properties plc, an AIM listed property company.

The Rt. Hon. The Earl of Cromer – aged 62

Lord Cromer was involved in developing the Inchcape Group's business in China for seventeen years, and negotiated some of the first foreign investments in China. Appointed to the board of Inchcape Pacific in 1988 he was also deputy chairman or on the boards of most of Inchcape's fifteen investments in China. Inchcape's business in China expanded from a turnover of US\$18m in 1979 to over \$2 billion in 1995 when he left Inchcape. Lord Cromer serves on many boards of investment companies with a primary investment concentration on Asian countries. He is currently Chairman of JF China Region Fund (which invests circa US\$170m in Greater China), Japan High Yield Property Fund and Pedder Street Asia Absolute Return Fund and is on the boards of Schroder Asia Pacific Fund and other companies. He has served on the boards of many Asia-based companies including China & Eastern Investments, Cambridge Asia Fund and Pacific Basin Shipping. He is also Chairman of Cromer Associates Limited, a company which advises foreign companies investing in China and Chinese companies investing overseas.

Professor Francesco Gardin – aged 54

Professor Gardin graduated in Theoretical Physics at Padova University (Italy) in 1979, before undertaking a UK Government Artificial Intelligence research project at Exeter University (UK) from 1980 to 1982. Professor Gardin has taught at Milan, Udine and Siena Universities since 1983. In the same year he founded AISoftw@re SpA, a leading advanced software company which went public on NASDAQ Europe in 1999 and on Milan Stock Exchange in 2000. For 25 years he has been CEO and subsequently Chairman of AISoftw@re SpA. He sold the company in 2005 through a merger and agreed to remain as non executive Chairman until March 2008. In 2002 Professor Gardin became Chairman of Brainspark plc, an AIM listed investment company of which he is at present the largest shareholder. Since 2006 he has worked extensively in China, and in 2007 became CEO of China IPO Group plc, wholly owned by Brainspark plc, focusing on investments in China. In March 2008 he became a Board Member of IPO Beijing Investment Consulting Company Ltd., the China IPO Group plc Chinese subsidiary, with offices in Beijing and Xi'an.

Dennis Bryan Bailey MSI – aged 68

Dennis Bailey is a non-executive director of Brainspark plc. Mr Bailey became a member of the London Stock Exchange in 1968, a Partner in Hichens Harrison & Co, one of the oldest firms of stockbrokers having been established in 1803, and later a joint owner of the business, which was sold to Sanlam of South Africa in May 2001. In his 35 years with Hichens, Harrison & Co, Mr Bailey was engaged in discretionary investment management and later Head of Corporate Finance involved

in new issues and takeovers. Mr Bailey resigned as Managing Director of Hichens, Harrison & Co plc in May 2004. He is now Chairman of Financial Fun Limited, a company engaged in investment management support and company research for takeovers.

Annex 4 Notice of General Meeting 4th June 2009

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 financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your shares in London Asia Capital plc, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Notice of General Meeting

Notice is hereby given that a General Meeting (the “**Meeting**”) of London Asia Capital plc (the “**Company**”) will be held at Hall of Remembrance, Flood Street, Chelsea, London SW3 6NH on 4th June 2009 at 11am.

You will be asked to consider and vote on the resolutions below of which resolutions 1 to 8 will be proposed as ordinary resolutions and resolutions 9 to 10 will be proposed as special resolutions.

THAT:

ORDINARY RESOLUTIONS

1. the authorised share capital of the Company be and is hereby increased from £17,000,000 to £21,000,000 by the creation of a further 80,000,000 new ordinary shares of 5 pence each ranking in all respects pari passu with the existing shares of 5 pence each in the capital of the Company.
2. the appointment of Mr Keith Negal as director of the Company that took effect on 23 September 2008 be and is hereby ratified with immediate effect.
3. the appointment of Mr Toby Parker as director of the Company that took effect on 27 November 2008 be and is hereby ratified with immediate effect.
4. the appointment of the Earl of Cromer as director of the Company that took effect on 18 December 2008 be and is hereby ratified with immediate effect.
5. the appointment of Mr Dennis Bailey as director of the Company that took effect on 18 December 2008 be and is hereby ratified with immediate effect.
6. the appointment of Professor Francesco Gardin as director of the Company that took effect on 18 December 2008 be and is hereby ratified with immediate effect.
7. for the purposes of section 80 of the Companies Act 1985 (the “Act”) and pursuant to an agreement for the provision of advisory services between the Company (1) and China IPO Group Plc (2) the directors be and are hereby generally and unconditionally authorised (in substitution for any existing authorities held by the directors prior to the date of this notice) to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80 of the Act) up to a maximum nominal amount of £3,500,000 of the authorised but unissued ordinary share capital provided that this authority shall expire five years from the date of the passing of this resolution (unless and to the extent that such authority is renewed or extended prior to such date) except that the Company may before the expiry of such period make an offer or agreement which would, or might, require relevant securities to be allotted after the expiry of such period and the directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired and that this authority shall replace any existing like authority which is hereby revoked with immediate effect.
8. for the purposes of section 80 of the Act and pursuant to a transferable option agreement to be entered into between the Company (1) and China IPO Group Plc (2) immediately following the passing of this resolution 8 and resolution 10 below the directors be and are hereby generally

and unconditionally authorised (in substitution for any existing authorities held by the directors prior to the date of this notice) to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80 of the Act) up to a maximum nominal amount of £500,000 of the authorised but unissued ordinary share capital provided that this authority shall expire on 31 December 2012 (unless and to the extent that such authority is renewed or extended prior to such date) except that the Company may before the expiry of such period make an offer or agreement which would, or might, require relevant securities to be allotted after the expiry of such period and the directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired and that this authority shall replace any existing like authority which is hereby revoked with immediate effect.

SPECIAL RESOLUTIONS

9. the directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (as defined in section 94 of the Act) pursuant to the authority conferred upon them by resolution 7 above as if section 89(1) of the Act did not apply to any such allotment provided that such power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £3,500,000 and shall expire five years from the date of the passing of this resolution (unless and to the extent that such authority is renewed or extended prior to such date) except that the Company may, before the expiry of any power contained in this resolution, 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 offer or agreement as if the power conferred hereby had not expired.
10. the directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (as defined in section 94 of the Act) pursuant to the authority conferred upon them by resolution 8 above as if section 89(1) of the Act did not apply to any such allotment provided that such power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £500,000 and shall expire on 31 December 2012 (unless and to the extent that such authority is renewed or extended prior to such date) except that the Company may, before the expiry of any power contained in this resolution, 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 offer or agreement as if the power conferred hereby had not expired.

In the covering letter to shareholders from Keith Negal, the Chief Executive of the Company, the reasons for the proposal of the above resolutions have been explained.

By order of the Board

Toby Parker
Company secretary
London Asia Capital plc
35 Piccadilly
London
W1J 0DW

7 May 2009

NOTES TO THE NOTICE OF GENERAL MEETING

1. A member entitled to attend and vote at the Meeting convened by the Notice set out above is entitled to appoint a proxy to attend, speak and vote in his place. A proxy need not be a member of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes set out in the form of proxy enclosed with this Notice.
2. A form of proxy is enclosed. To be effective it must be deposited at the office of the Company's registrars so as to be received not later than 48 hours before the time appointed

for holding the Meeting or any adjournment thereof. Completion of the form of proxy does not preclude a member from subsequently attending and voting at the meeting in person if he or she wishes.

3. Pursuant to Regulation 41 of the Uncertificated Securities regulations 2001, the Company specifies that only those shareholders of the Company on the register at 6.00pm on the day two days prior to the Meeting shall be entitled to attend or vote at the Meeting in respect of shares registered in their name at the time. Changes to the register after that time will be disregarded in determining the rights of any person to attend or vote at the Meeting.

Annex 5 FORM OF PROXY

for use at a General Meeting (the “Meeting”) of London Asia Capital Plc

to be held at Hall of Remembrance, Flood Street, Chelsea, London SW3 6NH on 4th June 2009 at 11am

I/We, the undersigned, being (a) member/member(s) of London Asia Capital Plc (the “Company”), hereby appoint the Chairman of the Meeting or,

Name of Proxy..... Number of shares.....

as my/our proxy to vote for me/us and on my/our behalf at the Meeting of the Company to be held at Hall of Remembrance, Flood Street, Chelsea, London SW3 6NH on 4th June 2009 and at any adjournment thereof. I/ We wish my/our proxy to vote as shown below in respect of the resolutions set out in the Notice of the Meeting.

Please indicate by ticking the box if this proxy appointment is one of multiple appointments being made.

For the appointment of one or more proxy, please refer to explanatory note 4 (below).

| Resolution | For | Against | Vote Withheld* |
|--|-----|---------|----------------|
| 1. To increase the authorised share capital of the Company from £17,000,000 to £21,000,000 | | | |
| 2. To ratify the appointment of Keith Negal as director of the Company | | | |
| 3. To ratify the appointment of Toby Parker as director of the Company | | | |
| 4. To ratify the appointment of the Earl of Cromer as director of the Company | | | |
| 5. To ratify the appointment of Mr Dennis Bailey as director of the Company | | | |
| 6. To ratify the appointment of Professor Francesco Gardin as director of the Company | | | |
| 7. To authorise the directors to allot relevant securities up to a maximum nominal amount of £3,500,000 | | | |
| 8. To authorise the directors to allot relevant securities up to a maximum nominal amount of £500,000 | | | |
| 9. To empower the directors to allot securities up to a maximum nominal amount of £3,500,000 for cash as if s.89(1) Companies Act 1985 did not apply | | | |
| 10. To empower the directors to allot securities up to a maximum nominal amount of £500,000 for cash as if s.89(1) Companies Act 1985 did not apply | | | |

If you want your proxy to vote in a certain way on the resolutions specified, please place an “X” in the appropriate box. If you fail to select any of the given options your proxy can vote as he/she chooses or can decide not to vote at all. The proxy can also do this on any other resolution that is put to the Meeting.

* The “Vote Withheld” option is to enable you to abstain on any particular resolution. However, it should be noted that a “vote withheld” is not a vote in law and will not be counted in the calculation of the proportion of the votes “For” and “Against” a resolution.

Signed.....

Name

.....

Date Address.....
.....

Notes:

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:

- 6.00 pm on the day two days prior to the Meeting; or
- if this Meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting,

shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of the Meeting. You can only appoint a proxy using the procedures set out in these notes.

3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy please contact Capita Registrars, the Company's registrars.

5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy, how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Capita Registrars at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
- received by Capita Registrars no later than 48 hours before the time of the Meeting.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxies through CREST

7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. 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.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID number RA10) no later than 48 hours before the time of the 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.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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 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 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.

Appointment of proxy by joint members

8. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, 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).

Changing proxy instructions

9. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Registrars.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

10. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Registrars no later than 48 hours before the time of the Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

11. In order to facilitate voting by corporate representatives at the Meeting, arrangements will be put in place at the Meeting so that:

(i) if a corporate member has appointed the Chairman of the Meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all the other corporate representatives for that member at the Meeting, then, on a poll, those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and

(ii) if more than one corporate representative for the same corporate member attends the Meeting but the corporate member has not appointed the Chairman of the Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative.

Corporate members are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives – www.icsa.org.uk – for further details of this

procedure. The guidance includes a sample form of representation letter to appoint the Chairman as a corporate representative as described in (i) above.

Voting

12. Voting on all resolutions will be conducted on a show of hands unless a poll is demanded in accordance with the articles of association of the Company.

Communication

13. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

- calling our shareholder helpline on 0871 664 0300;
- by email to ssd@capitaregistrars.com;
- by fax to 020 8639 2220; or
- by post to Shareholder Services, Capita Registrars, PO Box 1269, Huddersfield HD1 9UT.

You may not use any electronic address provided either:

- in this notice of general meeting; or
- any related documents (including the chief executive's letter and proxy form),

to communicate with the Company for any purposes other than those expressly stated.