

07-04-98

COMPANIES ACT 1985

T.J. Hughes plc

(registered in England and Wales under the Companies Act 1985 Registered No. 224422)

AT AN EXTRAORDINARY GENERAL MEETING of the members of the above-named Company held at Liverpool Town Hall, High Street, Liverpool, L2 on 31 March 1998 at 10.00 a.m., the following Resolutions were passed as special resolutions:

SPECIAL RESOLUTION

1. THAT
 - (a) the directors be generally and unconditionally authorised to exercise all powers of the Company to allot (subject to and conditional upon Admission) (as such expression is defined in the prospectus in respect of the Company dated 5 March 1998 ("the Prospectus")) of which this Notice of Meeting forms part) relevant securities (within the meaning of section 80 of the Companies Act 1985 ("the Act")) up to an aggregate nominal amount of £700,000 provided that this authority is in substitution for any authority to allot relevant securities previously granted to the directors, which is revoked, such revocation not to have retrospective effect;
 - (b) the directors be and they are hereby empowered pursuant to section 95 of the Act to allot (subject to and conditional upon Admission (as such expression is defined in the Prospectus)) equity securities (as defined in section 94 of the Act) pursuant to the authority conferred by paragraph (a) of this resolution as if section 89(1) of the Act did not apply to any such allotment provided that such authority be limited to the allotment of up to 5,297,778 new Ordinary Shares pursuant to the Placing and Open Offer as such expressions are defined, and details of which are contained in the Prospectus;
 - (c) subject to and conditional upon Admission as such term is defined in the Prospectus, the directors be and they 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 by paragraph (a) of this resolution as if section 89(1) of the Act did not apply to any such allotment, provided that such power (which is in substitution for any power (other than the power conferred by paragraph (a) of this resolution) to allot equity securities previously granted to the directors which is revoked, such revocation not to have retrospective effect) shall be limited to:
 - (i) allotments for the purposes of or in connection with an offer (by any person) of equity securities to the holders of the issued Ordinary Shares of 10p each in the capital of the Company where the securities respectively attributable to the interests of such holders are proportionate (as nearly as may be and subject to such exclusions or other arrangements as the directors may consider appropriate, necessary or expedient to deal with laws of any territory or the requirements of any regulatory body or stock exchange or otherwise) to the respective number of Ordinary Shares of 10p each held by such holders; and
 - (ii) the allotment (otherwise than pursuant to paragraphs (b) and (c)(i) of this resolution) of equity securities up to an aggregate nominal amount of £132,444;

and the authorities and empowerments conferred by this special resolution shall expire (unless previously revoked, varied or renewed) at the conclusion of the next following annual general meeting of the Company save that the Company may before such expiry make an offer or agreement which will or may require equity securities to be allotted after such expiry;

- (d) subject to and conditional upon Admission, a second interim dividend be declared for the year ended 31 January 1998 of 2.40p per Ordinary Share to be paid on 4 May 1998 to Shareholders on the register at the close of business on 27 March 1998.

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2. THAT, subject to and conditional upon Admission, the Company be and is hereby authorised in accordance with section 166 of the Companies Act 1985 to make market purchases (within the meaning of section 163 of the said Act) on the London Stock Exchange of Ordinary Shares of 10p each in the capital of the Company provided that:-
- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 1,324,444;
 - (b) the minimum price which may be paid for each Ordinary Share shall be 116p (exclusive of expenses);
 - (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be an amount equal to 105 per cent. of the average of the middle market quotations for an Ordinary Share as derived from the Daily Official List of The London Stock Exchange for the five business days immediately preceding the day on which the Ordinary Share is purchased being days on which The London Stock Exchange is open for the transaction of business; and
 - (d) unless renewed, the authority hereby granted shall expire at the conclusion of the next following Annual General Meeting of the Company provided that a contract of purchase may be made before such expiry which will or may be executed wholly or in part thereafter and the purchase of an Ordinary Share may be made in pursuance of any such contract.

SPECIAL RESOLUTION

3. THAT the Articles of Association of the Company be and are hereby amended as follows:
- (a) by the addition to Article 2.1 of the following definitions:

"operator"	the operator as defined in the Regulations of the relevant system
"relevant system"	a relevant system as defined in the Regulations
"uncertificated share"	a share to which title is recorded in the Company's register of members as being held in uncertificated form and which may be transferred by means of an uncertificated system in accordance with the Regulations
"Regulations"	the Uncertificated Securities Regulations 1995 (SI 1995 No. 95/3272) including any modification thereof or any regulations in substitution therefor made under section 207 of the Companies Act 1989 and for the time being in force
 - (b) by the addition of the following new paragraphs to Article 11:
 - " 11.7 Any uncertificated shares in the capital of the Company may be transferred in accordance with the Regulations and not otherwise.
 - 11.8 Without prejudice to any powers which the Company or the directors may otherwise have, the Company or the directors may issue, allot, dispose of convert or otherwise deal with or make arrangements in relation to uncertificated shares and the transfer of title to such shares by means of a relevant system and the Company may issue uncertificated shares and may convert shares from certificated form to uncertificated form and vice versa.
 - 11.9 No provision of these Articles requiring the issue, production or delivery (howsoever expressed) of a share certificate shall apply to any uncertificated share.

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- 11.10 The register shall be made up, in respect of uncertificated shares, in accordance with and subject to the Regulations, to the exclusion of any requirement of these Articles relating to instruments of transfer. Subject to and in accordance with the Regulations, title to uncertificated shares may be transferred by means of a relevant system.
- 11.11 The provisions of these Articles whereby a person entitled by transmission to a share in the capital of the Company may elect that he or any other person be registered as the holder of it shall not apply to an uncertificated share (registration only being permitted on receipt by the Company of a properly authenticated dematerialised instruction).
- 11.12 The provisions of these Articles with respect to the payment of dividends or other monies payable in respect of a share in the capital of the Company shall, in relation to an uncertificated share, be subject to any properly authenticated dematerialised instruction received by the Company.
- 11.13 In relation to an uncertificated share in the capital of the Company, any provision of these Articles enabling a person to be appointed to execute an instrument of transfer shall have the effect of enabling that person to be appointed to authorise the giving of a relevant properly authenticated dematerialised instruction (not being inconsistent with the provision in question) as may be requisite for the disposal of the share in accordance with the terms of his appointment.
- 11.14 Where the Company has a lien over shares, to give effect to any sale permitted under the Articles in the case of a share in uncertificated form, the directors may take such other steps (including the giving of directions to or on behalf of the holder who shall be bound by them) as they think fit to effect the transfer.
- 11.15 Where the directors have the power to transfer a forfeited share to any person in the case of an uncertificated share, the directors may take such other steps (including the giving of directions to or on behalf of the holder who shall be bound by them) as they think fit to effect the transfer.
- 11.16 The directors may refuse to register a transfer of an uncertificated share in any case where the Company is entitled to refuse (or is excepted from the requirements) under the Regulations to register the transfer, and they may refuse to register any such transfer in favour of more than four transferees.
- 11.17 Where the directors have a power to sell fractions of shares and distribute the net profits in proportion among members, the directors may, in the case of uncertificated shares, take such other steps (including the giving of directions to or on behalf of the holder who shall be bound by them) as they think fit in relation to such fractions of shares.
- 11.18 Where the directors have a power to refuse to register the transfer of a share, they shall, within two months in the case of an uncertificated share from the date on which the operator instruction was received by the Company, send to the transferee the necessary notice of refusal.
- 11.19 Where the directors have a power to give effect to the sale of any share pursuant to provisions regarding untraced members in the case of uncertificated shares, the directors may take such other steps (including the giving of directions to or on behalf of the holder who shall be bound by them) as they think fit to effect the transfer.

11.20 If there is any conflict or inconsistency between this Article 11 and any other Article, the provisions of this Article 11 shall prevail. "

- (c) by the addition of the following new words at the end of Article 34(a):
"provided that in the case of partly paid shares the Board may not refuse to register any share transfer where to do so would prevent dealings in the shares from taking place on an open and proper basis".
- (d) by the deletion of the existing Article 80.1(d) and by the insertion in lieu thereof of the following new Article 80.1(d):
"on expiry of the said period of 12 years the Company has given notice of its intention to sell such share by advertisement in both a national newspaper published in the United Kingdom and a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected in the manner authorised by these Articles is located;"
- (e) by deleting Article 131 in its entirety.


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Company Secretary