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# Report of the Directors

The directors present their report together with the audited financial statements for the year ended 31 December 1999.

### Principal activities

The principal activity of the group is the management and provision of service and repair of electronic equipment, computer components, mobile communications equipment and peripherals.

### Business review

The consolidated profit and loss account for the year is set out on page 18.

A review of developments affecting the group during the year and its prospects for the future appear in the Chairman's Statement. Details of dividends paid and proposed are also included in the Chairman's Statement. The total dividends for the year amount to £337,740 *(1998: £612,000)*.

### Directors

The directors who served during the year were as follows:
M J Peagram (appointed 27 May 1999)
D Ryan (appointed 29 November 1999)
P J Conafray
H R P Thompson
A M D Bird
C Holland
C W Smith (resigned 31 January 2000)
J F C Baker (resigned 27 August 1999)

P J Conafray and C Holland retire by rotation and, being eligible, offer themselves for re-election.

In accordance with the Articles of Association, D Ryan and M J Peagram who were appointed to the board since the last AGM, retire from office at the forthcoming Annual General Meeting and will offer themselves for re-election.

### Year 2000

The group reviewed its computer systems for the impact of the year 2000 date change, prepared an action plan to address the issue and carried out all necessary measures. All systems have continued to operate properly over the year 2000 date change and through any roll-over procedures that occurred at a later date.

The year 2000 issue is complex, and no business can guarantee that there will be no Year 2000 problems. As all businesses are dependent on the compliance of their major customers, suppliers and other trading partners, any impact that has occurred on their systems will affect that the group's business to a greater or lesser extent.

### Supplier payment policy

The group's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction to ensure that suppliers are made aware of the terms of payment and abide by terms of payment. The group's average creditor payment period at 31 December 1999 was 65 days *(1998: 60 days).*

### Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the company may continue.

It is the policy of the company that training, career development and promotion opportunities should be available to all employees.

### Employee involvement

The company keeps its employees informed of matters affecting them as employees through regular team briefings throughout the year.

### Substantial shareholdings

As at 18 February 2000, the company had been notified, in accordance with Sections 198 to 209 of the Companies Act 1985, of the following interests in the ordinary share capital of the company.

| Name of holder | Number | Percentage % |
|---|---|---|
| H R P Thompson | 2,276,225 | 10.11 |
| C Holland | 1,791,064 | 7.95 |
| P J Conafray | 1,680,771 | 7.46 |
| C Holland (as a Trustee of the AID Directors Pension Scheme) | 1,624,453 | 7.21 |
| P M Watson | 1,514,104 | 6.73 |
| D P Taverner | 1,240,771 | 5.51 |
| D M Dale | 1,205,000 | 5.35 |
| R P Shenfield | 1,137,488 | 5.05 |

### Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

John Bowen

**J Bowen**
*Company Secretary*

18 February 2000

# Corporate Governance

### Principles of good governance

As stated in previous years, the board supports the principles of good governance as now contained in the Report of the Committee on Corporate Governance (The Hampel Committee). Those views remain unchanged and procedures have been adopted to institute good governance insofar as it is practical and appropriate for a company of its size.

### Application of principles

### Directors

The company supports the concept of an effective board, leading and controlling the company. The board is responsible for approving company policy and strategy. It meets regularly and has a schedule of matters specifically reserved to it for decision. Management supply the board with appropriate and timely information and the directors are free to seek any further information they consider necessary. All directors have access to advice from the company secretary and independent professionals at the company's expense. Training is available for new directors and other directors as necessary.

The Board members are:

| | |
|---|---|
| M J Peagram | Non-executive chairman |
| D Ryan | Chief Executive |
| P J Conafray | Executive director |
| C Holland | Executive director |
| H R P Thompson | Non-executive director |
| A M D Bird | Non-executive director |

All directors are subject to re-election every three years and at the first AGM after appointment.

### Relations with shareholders

The company hold regular meetings with its institutional shareholders to discuss objectives and to keep them updated on the company's strategy, board membership and management.

### Accountability and audit

The Board is responsible for maintaining a sound system of internal control to safeguard shareholders' investment and company's assets.

The audit committee comprises H R P Thompson (Chairman) and A M D Bird both of whom are non-executive directors.

The terms of reference for the Committee include reviewing the scope and results of the external audits and their effectiveness. The company has decided that the size of the company at this moment, does not justify an internal audit function.

## Internal control

The Board has overall responsibility for ensuring that the Group maintains systems of internal financial control to provide it with reasonable assurance regarding the reliability of financial information used within the business and for publication and that assets are safeguarded. There are inherent limitations in any system of internal financial control and accordingly even the most effective system can provide only reasonable, and not absolute, assurance with respect to the preparation of financial information.

The key features of the group's financial control system that operated throughout the period covered by this report are:

- an organisational structure that has clear lines of responsibility supported by regular communication between the executive board members and senior management
- the preparation of a detailed annual budget
- a financial system that enables progress against budget to be monitored monthly
- a system of detailed financial controls that includes approval limits for all ordering and expenditure
- regular analysis of likely future cash flows to ensure the group has adequate funds and resources over the foreseeable future and daily analysis of cash to ensure that the most effective use is made of available funds.

## Going concern

The directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

## Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and group and of the profit or loss of the group for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Report on Remuneration

## Remuneration committee

The remuneration committee is made up of two non-executive directors, A M D Bird (Chairman) and H R P Thompson. The terms of reference of the committee are to review and make recommendations to the board regarding the terms and conditions of employment of the executive directors. The remuneration of the non-executive directors is fixed by the board as a whole.

## Remuneration policy

The company's policy on executive directors' remuneration is to:

- attract and retain high quality executives by paying competitive remuneration packages relevant to each director's role, experience and the external market. The packages include employment related benefits incorporating contributions to private pension plans, company cars or car allowances and private medical insurance.
- incentivise directors to maximise shareholder value through annual bonus schemes and share options.

The annual bonus scheme applies to all executive directors and is determined by the Remuneration Committee.

## Service agreement

Other than H R P Thompson whose service contract cannot be terminated without penalty before 30 June 2002, no directors have contracts of service with notice periods that exceed 12 months.

## Directors' emoluments

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| Aggregate emoluments | 327 | *364* |
| Compensation for loss of office | 183 | *102* |
| Company pension contributions to money purchase schemes | 41 | *35* |
| Sums paid to third parties for directors' services | 272 | *201* |
| | 823 | *702* |

| | Salaries, Fees & Benefits | Bonus | Sums paid to third parties | Termination | 1999 Total | *1998 Total* | 1999 Pension | *1998 Pension* |
|---|---|---|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | *£'000* | £'000 | *£'000* |
| **Executive** | | | | | | | | |
| C W Smith | 94 | – | 71 | 30 | 195 | *144* | – | – |
| J F C Baker | 64 | – | – | 153 | 217 | *127* | 29 | *10* |
| P J Conafray | 115 | 12 | – | – | 127 | *95* | 10 | *8* |
| C Holland | – | – | 109 | – | 109 | *40* | – | – |
| D Ryan | 15 | – | – | – | 15 | – | 2 | – |
| D M Dale | – | – | – | – | – | *88* | – | *11* |
| P M Watson | – | – | – | – | – | *129* | – | *6* |
| **Non-executive** | | | | | | | | |
| A M D Bird | 2 | – | 63 | – | 65 | *32* | – | – |
| H R P Thompson | 25 | – | – | – | 25 | *12* | – | – |
| M J Peagram | – | – | 29 | – | 29 | – | – | – |
| | 315 | 12 | 272 | 183 | 782 | *667* | 41 | *35* |

The sums paid to third parties for directors' services represents amounts paid for the services of non-executive directors, as follows:

| | Directors' fees 1999 £'000 | Consultancy fees 1999 £'000 | *Directors' fees 1998 £'000* | *Consultancy fees 1998 £'000* |
|---|---|---|---|---|
| C W Smith | – | 71 | *16* | *113* |
| A M D Bird | 13 | 50 | *10* | *19* |
| C Holland | 7 | 102 | *6* | *34* |
| M J Peagram | 8 | 21 | – | – |
| P M Watson | – | – | – | *3* |

Consultancy fees for C W Smith, C Holland and M J Peagram are for their services as consultants in relation to the provision of administrative, organisation, financial and managerial advice and assistance in respect of the business carried on by the group.

Consultancy fees paid to A M D Bird include his involvement in the termination and negotiation of executive contracts in his capacity as Chairman of the Remuneration Committee. He was also engaged in the supervision, on behalf of the Group, of the construction of the extension to the Huntingdon premises and the sale and lease back arrangements.

## Directors' share options

*The interests of the directors in the options over the shares of the company* at 31 December 1999 were:

| | 1 January 1999 | Granted | Lapsed | 31 December 1999 | Exercise price | Exercise period |
|---|---|---|---|---|---|---|
| C W Smith | 638,962 | – | – | 638,962 | 100.0p | 10 November 1997 to 30 August 2001 |
| J F C Baker | 319,481 | – | 319,481 | – | – | |
| D Ryan | – | 250,000 | – | 250,000 | 83.5p | 29 November 2002 to 28 November 2006 |

The share options issued to C W Smith and D Ryan have no performance requirement attached to them.

The market price of the ordinary shares at 31 December 1999 was 121.0p and the range during the year to 31 December 1999 has been 52.5p to 133.5p.

## Directors' interests

The directors who held office at the end of the financial year had the following beneficial interests in the ordinary share capital of CRC Group Plc at 31 December 1999 according to the register of directors' interests:

| Director | Number of ordinary shares of 2p held at end of year | Percentage of issued share capital (%) | Interest at start of year or date of appointment in shares of 2p each |
|---|---|---|---|
| C W Smith | 45,111 | 0.20 | 11,111 |
| P J Conafray | 1,680,771 | 7.46 | 1,730,771 |
| A M D Bird | 51,111 | 0.23 | 11,111 |
| C Holland | 1,791,064 | 7.95 | 1,099,814 |
| H R P Thompson | 2,276,225 | 10.11 | 1,575,579 |
| D Ryan | 50,000 | 0.22 | – |
| M J Peagram | 30,000 | 0.13 | – |

In addition, C Holland has an interest in 1,624,453 ordinary shares (7.21% of issued share capital) as a trustee of the AID Directors Pension Scheme.

# Report of the Auditors

Grant Thornton

**To the Members of CRC Group Plc**

We have audited the financial statements on pages 18 to 32 which have been prepared under the accounting policies set out on pages 16 to 17.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Annual Report. As described on page 10, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the group is not disclosed.

We read the other information contained in the Annual Report, including the corporate governance statement, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. We are not required to consider whether the board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the group's corporation governance procedures or its risk and control procedures.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 31 December 1999 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Grant Thornton**
*Registered Auditors*
*Chartered Accountants*
Oxford

Grant Thornton

18 February 2000

# Principal Accounting Policies

### Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention. The principal accounting policies of the group have remained unchanged during the period under review and are set out below.

### Basis of consolidation

The group financial statements consolidate those of the company and its subsidiary undertakings drawn up to 31 December 1999. The results of subsidiary undertakings acquired during a financial period are included from the date of acquisition. Profits or losses on intra-group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are reflected at their fair values reflecting their condition at that date.

### Goodwill

Goodwill arising on consolidation, representing the excess of the fair value of the consideration given over the fair value of the net identifiable assets acquired, is capitalised and amortised against profit over its estimated economic life of 20 years.

Goodwill arising on consolidation first accounted for in accounting periods ending before 1 January 1998, the implementation date of Financial Reporting Standard 10 by the group, was written off to reserves immediately on acquisition. Such goodwill will be charged or credited to the profit and loss account on the subsequent disposal of the business to which it relates.

### Turnover

Turnover is the total amount receivable by the group for goods supplied and services provided, excluding VAT and trade discounts.

### *Research and development*

Research and development expenditure is written off as incurred.

### Depreciation

Depreciation is calculated to write down the cost less residual values of all tangible fixed assets by equal annual instalments over their expected useful lives.

The lives applicable are:

| | |
|---|---|
| Plant and machinery | 3 to 7 years |
| Leasehold improvements | 5 years |

## Investments

Investments are included at cost less any amounts written off.

## Stocks

Stocks are stated at the lower of cost and net realisable value.

Cost of stocks for resale is purchase price, including transport and handling charges, less trade discounts. Cost in respect of work in progress comprises labour and materials with an appropriate allocation of direct overhead expenses. Net realisable value is the estimated selling price, after trade discounts, less all costs still to be incurred to completion and disposal including costs of marketing, selling and distribution.

## Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

## Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

## Contributions to Pension Funds

The group operates a money purchase scheme for its employees and a separate money purchase scheme for certain directors and senior management. The pension costs charged against profits represent the amount of the contributions payable to the schemes in respect of the accounting period.

## Leased Assets

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements or hire purchase contracts which transfer to the group substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic rate of charge on the remaining balance outstanding at each accounting period. Assets held under finance leases or hire purchase contracts are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

## Deferred Income

Income relating to the group's maintenance contracts is credited to turnover on a straight line basis over the term of the contract.

# FINANCIAL STATEMENTS

**Group Profit and Loss Account** *for the year ended 31 December 1999*

| | Note | Continuing operations Before exceptional items £'000 | Exceptional items (note 2) £'000 | Total 1999 £'000 | *1998 £'000* |
|---|---|---|---|---|---|
| **Turnover** | 1 | 30,220 | – | 30,220 | *22,388* |
| Cost of sales | | (24,455) | – | (24,455) | *(16,020)* |
| **Gross profit** | | 5,765 | – | 5,765 | *6,368* |
| Distribution costs | | (224) | – | (224) | *(165)* |
| Administrative expenses before amortisation of goodwill | | (4,138) | (353) | (4,491) | *(3,878)* |
| Amortisation of goodwill | | (594) | – | (594) | *(230)* |
| Administrative expenses | | (4,732) | (353) | (5,085) | *(4,108)* |
| Other operating income | | – | 389 | 389 | *–* |
| **Operating profit** | | 809 | 36 | 845 | *2,095* |
| Net interest payable | 4 | | | (54) | *(82)* |
| **Profit on ordinary activities before taxation** | | | | 791 | *2,013* |
| Tax on profit on ordinary activities | 5 | | | (447) | *(728)* |
| **Profit for the financial year** | 8 | | | 344 | *1,285* |
| Dividends | 6 | | | (338) | *(612)* |
| **Profit transferred to reserves** | 18 | | | 6 | *673* |
| **Basic earnings per share** | 7 | | | 1.61p | *7.93p* |
| **Diluted earnings per share** | 7 | | | 1.60p | *7.76p* |
| **Adjusted earnings per share** | 7 | | | 4.39p | *9.35p* |

The reconciliation between earnings per share and adjusted earnings per share is set out in note 7.

There were no recognised gains or losses other than the profit for the year.

The accompanying accounting policies and notes form an integral part of these financial statements.

## Group Balance Sheet *as at 31 December 1999*

| | Note | £'000 | 1999 £'000 | *£'000* | *1998 £'000* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 9 | | 12,074 | | *10,838* |
| Tangible assets | 10 | | 1,483 | | *1,238* |
| Investments | 11 | | 84 | | *130* |
| | | | 13,641 | | *12,206* |
| **Current assets** | | | | | |
| Stocks | 12 | 3,152 | | *2,710* | |
| Debtors | 13 | 6,507 | | *6,056* | |
| Cash at bank and in hand | | 1,216 | | *3,908* | |
| | | 10,875 | | *12,674* | |
| **Creditors: amounts falling due within one year** | 14 | (8,871) | | *(10,882)* | |
| **Net current assets** | | | 2,004 | | *1,792* |
| **Total assets less current liabilities** | | | 15,645 | | *13,998* |
| **Creditors: amounts falling due after more than one year** | 15 | | (1,367) | | *(1,977)* |
| **Provisions for liabilities and charges** | 16 | | (28) | | *(28)* |
| **Net assets** | | | 14,250 | | *11,993* |
| **Capital and reserves** | | | | | |
| Called up share capital | 17 | | 450 | | *411* |
| Share premium account | 18 | | 8,370 | | *6,158* |
| Capital redemption reserve | 18 | | 1,196 | | *1,196* |
| Merger reserve | 18 | | 3,547 | | *3,547* |
| Profit and loss account | 18 | | 687 | | *681* |
| **Shareholders' funds** | | | 14,250 | | *11,993* |

These financial statements were approved by the board on 18 February 2000.

M J Peagram
Director

D Ryan
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

## Company Balance Sheet *as at 31 December 1999*

| | Note | 1999 £'000 | 1999 £'000 | *1998 £'000* | *1998 £'000* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 10 | | 18 | | *–* |
| Investments | 11 | | 19,452 | | *17,622* |
| | | | 19,470 | | *17,622* |
| **Current assets** | | | | | |
| Debtors | 13 | 1,982 | | *2,548* | |
| Cash at bank and in hand | | 103 | | *400* | |
| | | 2,085 | | *2,948* | |
| **Creditors: amounts falling due within one year** | 14 | (2,047) | | *(3,924)* | |
| **Net current assets/(liabilities)** | | | 38 | | *(976)* |
| **Total assets less current liabilities** | | | 19,508 | | *16,646* |
| **Creditors: amounts falling due in more than one year** | 15 | | (1,300) | | *(1,750)* |
| **Net assets** | | | 18,208 | | *14,896* |
| **Capital and reserves** | | | | | |
| Called up share capital | 17 | | 450 | | *411* |
| Share premium account | 18 | | 8,370 | | *6,158* |
| Capital redemption reserve | 18 | | 1,196 | | *1,196* |
| Merger reserve | 18 | | 6,755 | | *6,755* |
| Profit and loss account | 18 | | 1,437 | | *376* |
| | | | 18,208 | | *14,896* |

These financial statements were approved by the Board on 18 February 2000.

M J Peagram
Director

D Ryan
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

## **Group Cash Flow Statement** *for the year ended 31 December 1999*

| | Note | 1999 £'000 | *1998 £'000* |
|---|---|---|---|
| **Net cash inflow from operating activities** | 21 | 2,165 | *2,184* |
| **Returns on investments and servicing of finance** | | | |
| Interest paid | | (190) | *(238)* |
| Interest received | | 136 | *156* |
| | | (54) | *(82)* |
| ***Taxation*** | | | |
| Tax paid | | (1,396) | *(285)* |
| **Capital expenditure and financial investment** | | | |
| Purchase of tangible fixed assets | | (638) | *(304)* |
| Sale of tangible fixed assets | | 58 | *19* |
| Sale of investments | | 46 | *–* |
| | | (534) | *(285)* |
| **Acquisitions and disposals** | | | |
| Purchase of subsidiary undertaking | 19 | (1,600) | *(3,300)* |
| Costs of acquisition of subsidiary | 19 | (138) | *(411)* |
| Net cash acquired with subsidiary | 19 | – | *1,974* |
| | | (1,738) | *(1,737)* |
| **Equity dividends paid** | | (521) | *(205)* |
| ***Cash outflow before* management of liquid resources and financing** | | (2,078) | *(410)* |
| **Financing** | | | |
| Issue of share capital | | 9 | *4,350* |
| Repayment of borrowings | | – | *(1,476)* |
| Receipts from borrowings | | 672 | *–* |
| | | 681 | *2,874* |
| Expenses of share issue | | – | *(177)* |
| **Net cash inflow from financing** | | 681 | *2,697* |
| **(Decrease)/increase in cash** | 22,23 | (1,397) | *2,287* |

The accompanying accounting policies and notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit before taxation is wholly attributable to the principal activity of the group which is the management and provision of servicing and repair of electronic equipment for the IT and mobile communications industry.

The company operates within Europe with all of its material revenue generated from this region.

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| **Profit on ordinary activities before taxation** | | |
| This is arrived at after charging: | | |
| Depreciation of tangible fixed assets | 345 | *371* |
| Amortisation of goodwill | 594 | *230* |
| Hire of plant and machinery – operating leases | 517 | *202* |
| Hire of other assets – operating leases | 457 | *334* |
| Auditors' remuneration: | | |
| – audit services | 33 | *23* |
| – non-audit services | 58 | *34* |

In 1999, auditors' remuneration of £15,000 *(1998: £83,500)* for non-audit services in respect of the restructuring of the acquisition agreement of Automated Integrated Diagnosis Limited was paid, forming part of the acquisition costs of that company.

## 2 EXCEPTIONAL ITEMS

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| Costs of changing senior management team and other exceptional costs | (353) | – |
| Profit on sale and leaseback of property | 389 | – |
| | 36 | – |

## 3 DIRECTORS' AND STAFF COSTS

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| Staff costs consist of: | | |
| Wages and salaries | 6,703 | *5,996* |
| Social security costs | 643 | *422* |
| Other pension costs | 145 | *95* |
| | 7,491 | *6,513* |

During the year, the average monthly number of employees, including directors was as follows:

| | Number | *Number* |
|---|---|---|
| Operational staff, engineers and technicians | 312 | *329* |
| Sales and administration | 66 | *68* |
| | 378 | *397* |

Details of emoluments paid to directors are contained in the Report on Remuneration on pages 11 and 12.

## 4 NET INTEREST PAYABLE

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| Bank loans and overdrafts | (190) | *(238)* |
| Interest receivable and similar income | 136 | *156* |
| | (54) | *(82)* |

## 5 TAXATION ON PROFITS ON ORDINARY ACTIVITIES

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| UK corporation tax at 30% *(1998: 31%)* | 447 | *766* |
| Deferred taxation | – | *(21)* |
| Adjustment re prior periods | – | *(17)* |
| | 447 | *728* |

The tax charge has been increased as a result of the amortisation of goodwill of £594,000 *(1998: £230,000)*.

## 6 DIVIDENDS

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| Equity dividends: | | |
| Ordinary shares - interim dividend of 0.5p *(1998: 1.0p)* per share paid October 1999 | 113 | *204* |
| Ordinary shares - proposed final dividend of 1.0p *(1998: 2.0p)* per share *(1998: 2.0p)* | 225 | *408* |
| | 338 | *612* |

## 7 EARNINGS PER ORDINARY SHARE

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares on the assumed conversion of all dilutive options.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

| | 1999 Earnings £'000 | 1999 Weighted average number of shares | 1999 Per share amount pence | *1998 Earnings £'000* | *1998 Weighted average number of shares* | *1998 Per share amount pence* |
|---|---|---|---|---|---|---|
| **Basic earnings per share** | | | | | | |
| Earnings attributable to ordinary shareholders | 344 | 21,375,140 | 1.61 | *1,285* | *16,195,960* | *7.93* |
| **Dilutive effect** | | | | | | |
| Options | – | 151,751 | – | – | *371,886* | – |
| **Diluted earnings per share** | 344 | 21,526,891 | 1.60 | *1,285* | *16,567,846* | *7.76* |

An adjusted earnings per share has also been presented, based on adjustments in respect of the amortisation of goodwill.

## 7 EARNINGS PER ORDINARY SHARE (continued)

The effects of the adjustments are as follows:

| | 1999 Earnings £'000 | 1999 Weighted average number of shares | 1999 Per share amount pence | *1998 Earnings £'000* | *1998 Weighted average number of shares* | *1998 Per share amount pence* |
|---|---|---|---|---|---|---|
| Basic earnings per share | 344 | 21,375,140 | 1.61 | 1,285 | 16,195,960 | 7.93 |
| Adjustments: | | | | | | |
| Amortisation of goodwill | 594 | – | 2.78 | 230 | – | 1.42 |
| Adjusted earnings per share | 938 | 21,375,140 | 4.39 | 1,515 | 16,195,960 | 9.35 |

## 8 PROFIT FOR THE FINANCIAL YEAR

The company has taken advantage of the exemption allowed under section 230(1) of the Companies Act 1985 and has not presented its own profit and loss account in these financial statements. The group profits for the year includes a profit of £1,399,000 *(1998: £794,000)* which is dealt with in the financial statements of the parent company.

## 9 INTANGIBLE ASSETS (GOODWILL)

| | Goodwill on consolidation £'000 |
|---|---|
| **Group** | |
| **Cost** | |
| At 1 January 1999 | 11,068 |
| In respect of restructuring of AIDL acquisition agreement (note 19) | 1,830 |
| At 31 December 1999 | 12,898 |
| **Amortisation** | |
| At 1 January 1999 | 230 |
| Provided in the year | 594 |
| At 31 December 1999 | 824 |
| **Net book amount** | |
| At 31 December 1999 | 12,074 |
| *At 31 December 1998* | *10,838* |

## 10 TANGIBLE ASSETS

| | Leasehold *improvements* £'000 | Plant and *machinery* £'000 | *Total* £'000 |
|---|---|---|---|
| **Group** | | | |
| **Cost** | | | |
| At 1 January 1999 | 146 | 3,726 | 3,872 |
| Additions | – | 638 | 638 |
| Disposals | – | (120) | (120) |
| At 31 December 1999 | 146 | 4,244 | 4,390 |
| **Depreciation** | | | |
| At 1 January 1999 | 103 | 2,531 | 2,634 |
| Provided in the year | 26 | 319 | 345 |
| Disposals | – | (72) | (72) |
| At 31 December 1999 | 129 | 2,778 | 2,907 |
| **Net book amount** | | | |
| At 31 December 1999 | 17 | 1,466 | 1,483 |
| *At 31 December 1998* | *43* | *1,195* | *1,238* |

| | Plant and machinery £'000 |
|---|---|
| **Company** | |
| **Cost** | |
| At 1 January 1999 | – |
| Additions | 20 |
| At 31 December 1999 | 20 |
| **Depreciation** | |
| At 1 January 1999 | – |
| Provided in the year | 2 |
| *At 31 December 1999* | *2* |
| **Net book amount** | |
| At 31 December 1999 | 18 |
| *At 31 December 1998* | – |

The net book amount of tangible fixed assets includes an amount of £121,000 *(1998: £128,000)* in respect of plant and machinery held under hire purchase contracts. The related depreciation charge for the period was £88,000 *(1998: £24,000).*

## 11 FIXED ASSET INVESTMENTS

| | Subsidiary *undertakings* £'000 | Investment in *own shares* £'000 | *Total* £'000 |
|---|---|---|---|
| **Group** | | | |
| At 1 January 1999 | – | 130 | 130 |
| Disposals | – | (46) | (46) |
| At 31 December 1999 | – | 84 | 84 |
| **Company** | | | |
| At 1 January 1999 | 17,622 | – | 17,622 |
| Additions | 1,830 | – | 1,830 |
| *At 31 December 1998* | *19,452* | – | *19,452* |

## 11 FIXED ASSET INVESTMENTS (continued)

Investment in own shares represents 435,181 ordinary shares of 2p each in CRC Group Plc held at cost by an employee share ownership trust, established for the purpose of satisfying obligations for the benefit of the group's employees, which is administered by PDR Corporate Trustee Limited.

The market value of these shares at 31 December 1999 was £527,000 *(1998: £858,000)*.

The trust is an employee share ownership trust and was set up as an incentive for the benefit of the officers and employees of the Group. The trust may distribute these shares at its own discretion. During the year, 237,400 shares were allotted to employees.

The shares held by the trust received dividends during the year ended 31 December 1999.

The following are subsidiary undertakings at the end of the year:

| Name | Country of incorporation or registration | Proportion of voting rights and ordinary share capital held | Nature of business |
|---|---|---|---|
| Computer Repair Centre Limited | England and Wales | 100% ordinary<br>100% preference | Management and provision of service and repair of electronic equipment, computer components and peripherals |
| Automated Integrated Diagnosis Limited | England and Wales | 100% ordinary | Management and provision of service and repair of telecommunication equipment, including mobile phones and electronic equipment |
| Communicaid Limited | England and Wales | 100% ordinary | Service repair management of telecommunications equipment, including mobile phones |
| Crest Peripheral Services Limited | England and Wales | 100% ordinary | Repair of peripheral tape storage devices |
| PDR Corporate Trustee Limited | England and Wales | 100% ordinary | Corporate trustee of employee share ownership trust |

## 12 STOCKS

| | Group | | Company | |
|---|---|---|---|---|
| | 1999<br>£'000 | *1998*<br>*£'000* | 1999<br>£'000 | *1998*<br>*£'000* |
| Stocks for resale | 3,054 | *2,537* | – | – |
| Work in progress | 98 | *173* | – | – |
| | 3,152 | *2,710* | – | – |

The directors consider that the replacement cost of stock is not materially different from that stated above.

## 13 DEBTORS

| | Group | | Company | |
|---|---|---|---|---|
| | 1999 £'000 | *1998 £'000* | 1999 £'000 | *1998 £'000* |
| Due within one year: | | | | |
| Trade debtors | 5,059 | *4,052* | – | – |
| Amounts owed by group undertakings | – | – | 1,912 | *2,212* |
| Other debtors | 1,150 | *1,445* | 68 | *105* |
| Taxation recoverable | 27 | *266* | 2 | *223* |
| Prepayments and accrued income | 271 | *293* | – | *8* |
| | 6,507 | *6,056* | 1,982 | *2,548* |

Other debtors include £990,000 which is receivable from the completion of the extension to the Huntingdon property which has been sold and leased back from the Prudential. *(1998: £1,324,000 comprising costs of construction of the original Huntingdon building which was sold and leased back).*

## 14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Company | |
|---|---|---|---|---|
| | 1999 £'000 | *1998 £'000* | 1999 £'000 | *1998 £'000* |
| Bank loans and overdrafts | 400 | *1,460* | 400 | *901* |
| Trade creditors | 6,175 | *4,033* | 123 | – |
| Amounts owed to subsidiary undertakings | – | – | 1,173 | *1,000* |
| Social security and other taxes | 651 | *467* | – | – |
| Corporation tax | 303 | *1,491* | – | *295* |
| Other creditors | 91 | *825* | – | *5* |
| Obligations under finance leases and hire purchase contracts | 79 | *82* | – | – |
| Dividend payable | 225 | *408* | 225 | *408* |
| Accruals and deferred income | 947 | *1,016* | 126 | *215* |
| Deferred consideration (see note 19) | – | *1,100* | – | *1,100* |
| | 8,871 | *10,882* | 2,047 | *3,924* |

The bank loans and overdrafts are secured by fixed and floating charges over the assets of the group.

## 15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Group | | Company | |
|---|---|---|---|---|
| | 1999 £'000 | *1998 £'000* | 1999 £'000 | *1998 £'000* |
| Loan notes | 700 | *–* | 700 | *–* |
| Bank loans | 600 | *162* | 600 | *–* |
| Obligations under finance leases and hire purchase contracts | 67 | *65* | – | *–* |
| Deferred consideration (see note 19) | – | *1,750* | – | *1,750* |
| | 1,367 | *1,977* | 1,300 | *1,750* |

Borrowings are repayable as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 1999 £'000 | *1998 £'000* | 1999 £'000 | *1998 £'000* |
| Within one year | | | | |
| Bank loan | 400 | *165* | 400 | *–* |
| Hire purchase | 79 | *82* | – | *–* |
| Overdraft | – | *1,295* | – | *901* |
| After one year and within two years | | | | |
| Bank loan | 400 | *162* | 400 | *–* |
| Hire purchase | 67 | *65* | – | *–* |
| After two and within five years | | | | |
| Bank loan | 200 | *–* | 200 | *–* |
| Loan note | 700 | *–* | 700 | *–* |
| | 1,846 | *1,769* | 1,700 | *901* |

***Financial instruments***

The Group uses financial instruments other than derivatives comprising borrowings/cash and various items such as trade debtors, trade creditors etc that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's business.

The main risk arising from the Group's financial instruments is interest rate risk.

The interest rate exposure of the financial liabilities of the Group as at 31 December 1999 was:

| | Fixed £'000 | Floating £'000 | Total £'000 |
|---|---|---|---|
| Financial liabilities | 700 | 1,000 | 1,700 |

The fixed interest liability is for the secured loan notes issued as part of the final consideration payment included in the restructuring of the AIDL earnout agreement. The fixed rate for this transaction is 6% per annum. The loan note will be repaid by group on 30 July 2002, unless it is redeemed earlier at the option of the group.

The floating liability is for a term loan in favour of National Westminster Bank PLC and the relevant rate is Base Rate plus 1.25%.

The company has at the end of the financial year an overdraft facility of £2 million with National Westminster Bank PLC. This facility was unutilised.

Exchange rate risk is insignificant.

## 16 PROVISIONS FOR LIABILITIES AND CHARGES

| | Deferred taxation £'000 |
|---|---|
| **Group** | |
| At 1 January 1999 | 28 |
| Profit and loss account | - |
| At 31 December 1999 | 28 |

Deferred taxation provided in the financial statements and the amount unprovided of the total potential liability, are as follows:

| | Amount provided | | Amount unprovided | |
|---|---|---|---|---|
| | 1999 £'000 | *1998 £'000* | 1999 £'000 | *1998 £'000* |
| Excess of tax allowances over depreciation | 28 | *28* | - | - |

## 17 SHARE CAPITAL

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| *Authorised* | | |
| 50,000,000 *(1998: 50,000,000)* Ordinary shares of 2p each | 1,000 | *1,000* |
| **Allotted, called up and fully paid** | | |
| 22,515,962 *(1998: 20,530,962)* Ordinary shares of 2p each | 450 | *411* |

During the year, 1,985,000 shares were issued by the company. Of these 1,975,000 were for the final consideration and earn-out restructuring of the AIDL Group on 30 July 1999. The balance of 10,000 was in relation to the Executive Share Option Scheme.

At 31 December 1999, options were outstanding over 1,313,773 shares including the options held by C W Smith and D Ryan as set out in the Report on Remuneration on pages 11 to 13.

Options over 424,811 shares are exercisable provided that certain criteria set by the Remuneration Committee, which currently relates to Earnings per share performance, are met.

| Number of shares over which options granted | Exercise price | Exercise period |
|---|---|---|
| 638,962 | 100.0p | 10 November 1997 to 30 August 2001 |
| 250,000 | 83.5p | 29 November 2002 to 28 November 2006 |
| 314,811 | 67.5p | 5 October 2002 to 4 October 2006 |
| 110,000 | 90.0p | 21 November 2000 to 20 November 2004 |

## 18 RESERVES

| | Share premium account £'000 | Capital redemption reserve £'000 | Profit and loss account £'000 | Merger reserve £'000 | Total £'000 |
|---|---|---|---|---|---|
| **Group** | | | | | |
| At 1 January 1999 | 6,158 | 1,196 | 681 | 3,547 | 11,582 |
| Profit for year | – | – | 6 | – | 6 |
| Premium arising on issue of shares | 2,212 | – | – | – | 2,212 |
| At 31 December 1999 | 8,370 | 1,196 | 687 | 3,547 | 13,800 |
| **Company** | | | | | |
| At 1 January 1999 | 6,158 | 1,196 | 376 | 6,755 | 14,485 |
| Profit for year | – | – | 1,061 | – | 1,061 |
| Premium arising on issue of shares | 2,212 | – | – | – | 2,212 |
| At 31 December 1999 | 8,370 | 1,196 | 1,437 | 6,755 | 17,758 |

The cumulative amount of goodwill resulting from acquisitions which has been written off to reserves was £3,208,000 at 31 December 1999 and 1998.

## 19 ACQUISITIONS

***Automated Integrated Diagnosis Limited***

Following an extraordinary General Meeting held on 30 July 1999, the proposed restructuring of the acquisition agreement relating to the AIDL Group was approved.

As a consequence the deferred consideration arrangements in respect of the acquisition of the AIDL Group were terminated in return for an aggregate consideration of approximately £3.44 million which was satisfied by the issue of 1,975,000 new ordinary shares and a payment of £1.2 million in cash and loan stock.

As a consequence the goodwill on the purchase of the AIDL Group has been adjusted as set out below:

| | £'000 |
|---|---|
| As at 1 January 1999 | 11,068 |
| Less unpaid deferred consideration | (1,750) |
| 1,975,000 shares at £1.135 | 2,242 |
| Cash and loan notes | 1,200 |
| Related expenses | 138 |
| As at 31 December 1999 (note 9) | 12,898 |

During the year cash payments of £1.6 million, comprising £1.1 million deferred consideration from prior year and £500,000 as part of the restructuring of the acquisition agreement were paid.

## 20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | Group 1999 £'000 | *Group 1998 £'000* |
|---|---|---|
| Profit for the financial year | 344 | *1,285* |
| Dividends | (338) | *(612)* |
| | 6 | *673* |
| New share capital issued | 2,251 | *4,441* |
| Expenses of share issue | – | *(177)* |
| Merger reserve arising on acquisition | – | *6,509* |
| Net addition to shareholders' funds | 2,257 | *11,446* |
| Opening shareholders' funds | 11,993 | *547* |
| Closing shareholders' funds | 14,250 | *11,993* |

## 21 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | 1999 £'000 | *1998 £'000* |
|---|---|---|
| Operating profit | 845 | *2,095* |
| Depreciation | 345 | *371* |
| Amortisation of goodwill | 594 | *230* |
| Loss/(profit) on sale of fixed assets | (10) | *–* |
| (Increase)/decrease in stocks | (442) | *(1,052)* |
| (Increase)/decrease in debtors | (690) | *716* |
| Increase/(decrease) in creditors | 1,523 | *(176)* |
| Net cash inflow from operating activities | 2,165 | *2,184* |

## 22 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

| | 1999 £'000 | 1998 £'000 |
|---|---|---|
| Increase/(decrease) in cash in the year | (1,397) | 2,287 |
| Cash (inflow)/outflow from increase in debt | (673) | 1,476 |
| Change in net funds resulting from cash flows | (2,070) | 3,763 |
| New loans and finance leases on acquisition of subsidiary | – | (55) |
| Loan notes issued | (700) | – |
| Inception of finance leases | 1 | (40) |
| Movement in net funds in the year | (2,769) | 3,668 |
| Net funds/(debt) at 1 January 1999 | 2,139 | (1,529) |
| Net funds/(debt) at 31 December 1999 | (630) | 2,139 |

## 23 ANALYSIS OF CHANGES IN NET FUNDS

| | At 1 January 1999 £'000 | Cash flow £'000 | Other non cash changes £'000 | At 31 December 1999 £'000 |
|---|---|---|---|---|
| Cash in hand | 3,908 | (2,692) | – | 1,216 |
| Overdrafts | (1,295) | 1,295 | – | – |
| | 2,613 | (1,397) | – | 1,216 |
| Bank loans | (327) | (673) | – | (1,000) |
| Loan note | – | – | (700) | (700) |
| Hire purchase contracts | (147) | 1 | – | (146) |
| Total | 2,139 | (2,069) | (700) | (630) |

24 PENSIONS

Benefits from the group's pension schemes are related to the cash value of the funds at retirement dates and the group is under no obligation to provide any minimum level of benefits. The assets of the schemes are administered by trustees in funds independent from those of the group.

25 CAPITAL COMMITMENTS

Neither the group nor the company had any capital commitments at 31 December 1999 or 31 December 1998.

26 CONTINGENT LIABILITIES

Under a lease effective from 1 October 1991 the group acquired a property rent free for the first two years. Should the group cease trading or assign its interest in this lease before 30 September 2001, total rent of £56,000 will be payable. *There were no other contingent liabilities at 31 December 1999 or 31 December* 1998.

The company is party to a group bank guarantee and debenture between itself and all of its operating subsidiaries in favour of National Westminster Bank PLC. The contingent liability arising from the guarantee amounted to £1 million at 31 December 1999 *(1998: £nil).*

27 COMMITMENTS UNDER OPERATING LEASES

At 31 *December* 1999, *the group had annual commitments under non*-cancellable operating leases as set out below:

| | 1999 | | *1998* | |
|---|---|---|---|---|
| | Land and buildings £'000 | Other £'000 | *Land and buildings £'000* | *Other £'000* |
| Operating leases which expire: | | | | |
| Within one year | – | 61 | – | *61* |
| In two to five years | – | 347 | – | *281* |
| After five years | 502 | – | *386* | – |
| | 502 | 408 | *386* | *342* |

28 TRANSACTIONS WITH RELATED PARTIES

As disclosed in the report on remuneration, sums are paid to certain third parties in respect of services provided as directors and as consultants by directors and a former director. The amounts charged in the consolidated accounts for the year ended 31 December 1999 are disclosed in the report on remuneration. In relation to C W Smith's services, payments are made to a partnership of which he is a partner and in relation to A M D Bird's services, payments are made to a consultancy business of which he is the sole principal. Payments in respect of services provided by C Holland and M J Peagram are paid, respectively, to companies of which they are directors.

# Notice of Annual General Meeting

Notice is hereby given that the 2000 Annual General Meeting of CRC Group plc will be held at 1, Riding House Street, London W1A 3AS on Thursday, 6 April, 2000 at 10.00 a.m. for the conduct of the following business:

## Ordinary Business

1. To receive the Report of the Directors and the audited financial statements of the Company for the year ended 31 December, 1999 and to declare a final dividend of one penny (1.0p) per Ordinary Share in issue payable on the 18th May 2000 to each shareholder shown on the Register of shareholders as at 31st March, 2000.

2. To re-elect as a director Patrick John Conafray, a director retiring by rotation.

3. To elect as a director Michael John Peagram, a director appointed by the board of the Company whose appointment lasts until this meeting.

4. To elect as a director David Ryan, a director appointed by the board of the Company whose appointment lasts until this meeting.

5. To re-appoint Messrs Grant Thornton as auditors and to authorise the directors to fix the remuneration of Messrs Grant Thornton.

## Special Business

To consider and, if thought fit, to pass the following resolution which will be proposed as a Special Resolution:

6. That the directors of the Company be empowered to allot equity securities ( within the meaning of Section 94(2) of the Companies Act 1985) in the capital of the Company for cash as if Section 89(1) of the Companies Act 1985 did not apply to such allotment, provided that such allotment shall be limited to:

   (a) the allotment of equity securities in connection with any issue by way of rights or other offer, where the number of equity securities to be allotted to holders of Ordinary Shares of the Company on a fixed record date is proportionate ( as nearly as maybe) to the number of Ordinary Shares then held by such shareholders, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements, legal or practical problems under the laws of any territory or the requirements of any applicable regulatory body or stock exchange in any jurisdiction, and

   (b) the allotment otherwise than pursuant to paragraph (a) above of equity securities up to an aggregate nominal value of £22,516.

   Provided that this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire fifteen months from the date of passing this resolution or at the conclusion of the next annual general meeting of the Company after the passing of this resolution, whichever shall be the earlier, save that the Company may, before such expiry, make an offer or an agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company 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

**John Bowen**
*Company Secretary*

*Registered Office:*
Parkway House,
Haddenham Aerodrome Estate,
Haddenham, Aylesbury
Bucks, HP17 8LJ,

6 March 2000

Company Number: 2966414

Notes

1. A shareholder entitled to attend and vote is entitled to appoint a proxy to attend, and on a poll, vote in his or her stead. A proxy need not be a shareholder of the Company.

2. Completion of the enclosed proxy form does not preclude a shareholder from attending the meeting and voting in person. Any instrument appointing a proxy with the authority (if any) under which it is signed, must be deposited with the Company's registrars, IRG Plc., Balfour House, 390/398 High Road Ilford, Essex IG1 1NQ no later than forty-eight hours before the time fixed for the meeting or any adjournment thereof.

3. The following documents will be available for inspection at the Registered Office of the Company during normal business hours on any weekday, excluding Saturdays and public holidays, from the date of this Notice until the date of the meeting and at the place of the meeting from 9.15 a.m. until the conclusion of the meeting.

   (a) the Service Contracts of the executive Directors

   (b) the Register of directors' interests in shares in the Company.



City & Financial Printing Services Ltd – 10175