

In accordance with
Section 1046 of the
Companies Act 2006 &
Regulation 4(1) of the
Overseas Companies
Regulations 2009

OS IN01

100001 | 20

Registration of an overseas company opening a UK establishment



Companies House

A fee is payable with this form
Please see 'How to pay' on the last page

☒ **What this form is for**
You may use this form to register a
UK establishment

☐ **What this form is NOT for**
You cannot use this form to
the details of an existing cor
officer or establishment

WEDNESDAY



A2INAB00

A08

09/10/2013

#98

COMPANIES HOUSE

Part 1 Overseas company details (Name)

For official use

A1 Corporate name of overseas company

Corporate name ①

Toumaz Ltd

Do you propose to carry on business in the UK under the corporate name as
incorporated in your home state or country, or under an alternative name?

→ To register using your corporate name, go to **Section A3**

→ To register using an alternative name, go to **Section A2**

→ Filling in this form

Please complete in typescript (10pt
or above), or in bold black capitals

All fields are mandatory unless
specified or indicated by *

① This must be the corporate name in
the home state or country in which
the company is incorporated

A2 Alternative name of overseas company *

Please show the alternative name that the company will use to do business
in the UK

Alternative name
(if applicable) ②

Toumaz Group Ltd

② A company may register an
alternative name under which it
proposes to carry on business in the
United Kingdom under Section 1048
of the Companies Act 2006. Once
registered it is treated as being its
corporate name for the purposes of
law in the UK

A3 Overseas company name restrictions ③

This section does not apply to a European Economic Area (EEA) company
registering its corporate name

Please tick the box only if the proposed company name contains sensitive or
restricted words or expressions that require you to seek comments of a
government department or other specified body

☐ I confirm that the proposed company name contains sensitive or restricted
words or expressions and that approval, where appropriate, has been
sought of a government department or other specified body and I attach a
copy of their response

③ Overseas company name restrictions

A list of sensitive or restricted words
or expressions that require consent
can be found in guidance available
on our website
www.companieshouse.gov.uk

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Part 2 Overseas company details

B1	Particulars previously delivered Have particulars about this company been previously delivered in respect of another UK establishment ❶ → No Go to Section B2 → Yes Please enter the registration number below and then go to Part 5 of the form Please note the original UK establishment particulars must be filed up to date	❶ The particulars are legal form, identity of register, number in registration, director and secretaries details, whether the company is a credit or financial institution, law, governing law, accounting requirements, objects, share capital, constitution, and accounts
UK establishment registration number	B R <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
B2	Credit or financial institution Is the company a credit or financial institution? ❷ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	❷ Please tick one box
B3	Company details If the company is registered in its country of incorporation, please enter the details below Legal form ❸ Public Limited Country of incorporation * Caymans Islands Identity of register in which it is registered ❹ Cayman Islands Registration number in that register 1 4 5 1 2 8 <input type="text"/> <input type="text"/> <input type="text"/>	❸ Please state whether or not the company is limited Please also include whether the company is a private or public company if applicable ❹ This will be the registry where the company is registered in its parent country
B4	EEA or non-EEA member state Was the company formed outside the EEA? → Yes Complete Sections B5 and B6 → No Go to Section B6	
B5	Governing law and accounting requirements Please give the law under which the company is incorporated Governing law ❺ Cayman Islands Is the company required to prepare, audit and disclose accounting documents under parent law? → Yes Complete the details below → No Go to Part 3	❺ This means the relevant rules or legislation which regulates the incorporation of companies in that state

OS IN01**Registration of an overseas company opening a UK establishment**

Please give the period for which the company is required to prepare accounts by parent law

From	^d 0	^d 1	^m 0	^m 1
To	^d 3	^d 1	^m 1	^m 2

Please give the period allowed for the preparation and public disclosure of accounts for the above accounting period

Months

B6**Latest disclosed accounts**

Are copies of the latest disclosed accounts being sent with this form? Please note if accounts have been disclosed, a copy must be sent with the form, and, if applicable, with a certified translation ¹

☒ Yes

Please indicate what documents have been disclosed

☒ Please tick this box if you have enclosed a copy of the accounts

☐ Please tick this box if you have enclosed a certified translation of the accounts

☐ Please tick this box if no accounts have been disclosed

¹ Please tick the appropriate box(es)

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Part 3 Constitution

C1	Constitution of company The following documents must be delivered with this application - Certified copy of the company's constitution and, if applicable, a certified translation Please tick the appropriate box(es) below <input checked="" type="checkbox"/> I have enclosed a certified copy of the company's constitution ^① <input type="checkbox"/> I enclose a certified translation, if applicable ^②	^① A certified copy is defined as a copy certified as correct and authenticated by - the secretary or a director of the company, permanent representative, administrator, administrative receiver, receiver manager, receiver and liquidator ^② A certified translation into English must be authenticated by the secretary or a director of the company, permanent representative, administrator, administrative receiver, receiver manager, receiver and liquidator
C2	EEA or non-EEA member state Was the company formed outside the EEA? → Yes Go to Section C3 → No Go to Part 4 'Officers of the company'	
C3	Constitutional documents Are all of the following details in the copy of the constitutional documents of the company? - Address of principal place of business or registered office in home country of incorporation - Objects of the Company - Amount of issued share capital → Yes Go to Part 4 'Officers of the company' → No If any of the above details are not included in the constitutional documents, please enter them in Section C4 The information is not required if it is contained within the constitutional documents accompanying this registration	
C4	Information not included in the constitutional documents Please give the address of principal place of business or registered office in the country of incorporation ^① Building name/number 190 Street Elgin Avenue Post town Grand Cayman County/Region Cayman Islands Postcode K Y 1 9 0 0 5 Country Cayman Islands Please give the objects of the company and the amount of issued share capital Objects of the company ^② The objects for which the company was formed are unrestricted Amount of issued share capital ^③ 1,198,053,901 Ordinary shares of 0.25p	^① This address will appear on the public record ^② Please give a brief description of the company's business ^③ Please specify the amount of shares issued and the value

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Part 4 Officers of the company

Have particulars about this company been previously delivered in respect of another UK establishment?

- **Yes** Please ensure you entered the registration number in **Section B1** and then go to **Part 5** of this form
- **No** Complete the officer details

For a secretary who is an individual, go to **Section D1**, for a corporate secretary, go to **Section E1**, for a director who is an individual, go to **Section F1**, or for a corporate director, go to **Section G1**

Continuation pages

Please use a continuation page if you need to enter more officer details

Secretary**D1 Secretary details^①**

Use this section to list all the secretaries of the company
Please complete **Sections D1-D3** For a corporate secretary, complete **Sections E1-E5** Please use a continuation page if necessary

Full forename(s)

Surname

Former name(s)^②**① Corporate details**

Please use **Sections E1-E5** to enter corporate secretary details

② Former name(s)

Please provide any previous names which have been used for business purposes during the period of this return. Married women do not need to give former names unless previously used for business purposes.

D2 Secretary's service address^③

Building name/number

Street

Post town

County/Region

Postcode

Country

③ Service address

This is the address that will appear on the public record. This does not have to be your usual residential address.

If you provide your residential address here it will appear on the public record

D3 Secretary's authority

Please enter the extent of your authority as secretary. Please tick one box

Extent of authority

- ☐ Limited ^④
- ☐ Unlimited

Description of limited authority, if applicable

Are you authorised to act alone or jointly? Please tick one box

- ☐ Alone
- ☐ Jointly ^⑤

If applicable, name(s) of person(s) with whom you are acting jointly

^④ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below

^⑤ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below

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Corporate secretary

E1	Corporate secretary details ^① Use this section to list all the corporate secretaries of the company Please complete Sections E1-E5 Please use a continuation page if necessary	① Registered or principal address This is the address that will appear on the public record. This address must be a physical location for the delivery of documents. It cannot be a PO box number (unless contained within a full address), DX number or LP (Legal Post in Scotland) number
Name of corporate body or firm	INTERTRUST	
Building name/number	190	
Street	ELGIN STREET	
Post town	GRAND CAYMANS	
County/Region	CAYMAN ISLANDS	
Postcode	K Y 1 9 0 0 5	
Country	CAYMAN ISLANDS	
E2	Location of the registry of the corporate body or firm Is the corporate secretary registered within the European Economic Area (EEA)? → Yes Complete Section E3 only → No Complete Section E4 only	
E3	EEA companies ^② Please give details of the register where the company file is kept (including the relevant state) and the registration number in that register	② EEA A full list of countries of the EEA can be found in our guidance www.companieshouse.gov.uk ③ This is the register mentioned in Article 3 of the First Company Law Directive (68/151/EEC)
Where the company/firm is registered ^③		
Registration number		
E4	Non-EEA companies Please give details of the legal form of the corporate body or firm and the law by which it is governed. If applicable, please also give details of the register in which it is entered (including the state) and its registration number in that register	④ Non-EEA Where you have provided details of the register (including state) where the company or firm is registered, you must also provide its number in that register
Legal form of the corporate body or firm	LIMITED	
Governing law	CAYMAN ISLANDS	
If applicable, where the company/firm is registered ^④	CAYMAN ISLANDS	
If applicable, the registration number	219376	

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E5

Corporate secretary's authority

	Please enter the extent of your authority as corporate secretary Please tick one box		<p>❶ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below</p> <p>❷ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below</p>
Extent of authority	<input type="checkbox"/> Limited ❶ <input checked="" type="checkbox"/> Unlimited		
Description of limited authority, if applicable			
	Are you authorised to act alone or jointly? Please tick one box		
	<input type="checkbox"/> Alone <input checked="" type="checkbox"/> Jointly ❷		
If applicable, name(s) of person(s) with whom you are acting jointly	ANTHONY SETHILL		
	JONATHAN APPS		
	RICHARD STEEVES		

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Director

F1	Director details ^①	
	Use this section to list all the directors of the company. Please complete Sections F1-F4. For a corporate director, complete Sections G1-G5. Please use a continuation page if necessary.	
Full forename(s)	ANTHONY IAN	
Surname	SETHILL	
Former name(s) ^②		
Country/State of residence ^③	UK	
Nationality	BRITISH	
Date of birth	^a 2 ^d 0 ^m 1 ⁿ 1 ^y 1 ^y 9 ^y 6 ^y 0	
Business occupation (if any) ^④	CEO	
F2	Director's service address ^⑤	
Building name/number	137	
Street	EUSTON ROAD	
Post town	LONDON	
County/Region	LONDON	
Postcode	NW12AA	
Country	UK	

① Corporate details
Please use Sections G1-G5 to enter corporate director details.

② Former name(s)
Please provide any previous names which have been used for business purposes in the last 20 years. Married women do not need to give former names unless previously used for business purposes.

③ Country/State of residence
This is in respect of your usual residential address as stated in Section F3.

④ Business occupation
If you have a business occupation, please enter here. If you do not, please leave blank.

⑤ Service address
This is the address that will appear on the public record. This does not have to be your usual residential address.

If you provide your residential address here it will appear on the public record.

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Registration of an overseas company opening a UK establishment

F4 Director's authority	
Extent of authority	<p>Please enter the extent of your authority as director Please tick one box</p> <p><input type="checkbox"/> Limited ❶</p> <p><input checked="" type="checkbox"/> Unlimited</p>
Description of limited authority, if applicable	<p>Are you authorised to act alone or jointly? Please tick one box</p> <p><input checked="" type="checkbox"/> Alone</p> <p><input type="checkbox"/> Jointly ❷</p>
If applicable, name(s) of person(s) with whom you are acting jointly	<p></p> <p></p> <p></p>

❶ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below

❷ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below

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Registration of an overseas company opening a UK establishment

Director

F1	Director details ^①																	
	Use this section to list all the directors of the company. Please complete Sections F1-F4. For a corporate director, complete Sections G1-G5. Please use a continuation page if necessary.																	
Full forename(s)	JONATHAN MICHAEL CHARLES																	
Surname	APPS																	
Former name(s) ^②																		
Country/State of residence ^③	UK																	
Nationality	BRITISH																	
Date of birth	<table><tr><td>d</td><td>2</td><td>d</td><td>6</td><td>m</td><td>0</td><td>m</td><td>3</td><td>y</td><td>1</td><td>y</td><td>9</td><td>y</td><td>6</td><td>y</td><td>4</td></tr></table>	d	2	d	6	m	0	m	3	y	1	y	9	y	6	y	4	
d	2	d	6	m	0	m	3	y	1	y	9	y	6	y	4			
Business occupation (if any) ^④	CFO																	

① Corporate details
Please use Sections G1-G5 to enter corporate director details.
② Former name(s)
Please provide any previous names which have been used for business purposes in the last 20 years. Married women do not need to give former names unless previously used for business purposes.
③ Country/State of residence
This is in respect of your usual residential address as stated in Section F3.
④ Business occupation
If you have a business occupation, please enter here. If you do not, please leave blank.

F2	Director's service address ^⑤									
Building name/number	137									
Street	EUSTON ROAD									
Post town	LONDON									
County/Region	LONDON									
Postcode	<table><tr><td>N</td><td>W</td><td>1</td><td>2</td><td>A</td><td>A</td><td></td><td></td></tr></table>	N	W	1	2	A	A			
N	W	1	2	A	A					
Country	UK									

⑤ Service address
This is the address that will appear on the public record. This does not have to be your usual residential address.

If you provide your residential address here it will appear on the public record.

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Registration of an overseas company opening a UK establishment

F4

Director's authority

	Please enter the extent of your authority as director Please tick one box		<p>❶ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below</p> <p>❷ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below</p>
Extent of authority	<input type="checkbox"/> Limited ❶ <input checked="" type="checkbox"/> Unlimited		
Description of limited authority, if applicable			
	Are you authorised to act alone or jointly? Please tick one box		
	<input checked="" type="checkbox"/> Alone <input type="checkbox"/> Jointly ❷		
If applicable, name(s) of person(s) with whom you are acting jointly			

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Director

F1	Director details ^①																	
	Use this section to list all the directors of the company. Please complete Sections F1-F4. For a corporate director, complete Sections G1-G5. Please use a continuation page if necessary.																	
Full forename(s)	Martin Peter																	
Surname	Knight																	
Former name(s) ^②																		
Country/State of residence ^③	UK																	
Nationality	BRITISH																	
Date of birth	<table><tr><td>d</td><td>0</td><td>d</td><td>8</td><td>m</td><td>0</td><td>m</td><td>4</td><td>y</td><td>1</td><td>y</td><td>9</td><td>y</td><td>4</td><td>y</td><td>9</td></tr></table>	d	0	d	8	m	0	m	4	y	1	y	9	y	4	y	9	
d	0	d	8	m	0	m	4	y	1	y	9	y	4	y	9			
Business occupation (if any) ^④	CFO																	
F2	Director's service address ^⑤																	
Building name/number	137																	
Street	EUSTON ROAD																	
Post town	LONDON																	
County/Region	LONDON																	
Postcode	<table><tr><td>N</td><td>W</td><td>1</td><td>2</td><td>A</td><td>A</td><td></td><td></td></tr></table>	N	W	1	2	A	A											
N	W	1	2	A	A													
Country	UK																	

① Corporate details
Please use Sections G1-G5 to enter corporate director details.

② Former name(s)
Please provide any previous names which have been used for business purposes in the last 20 years. Married women do not need to give former names unless previously used for business purposes.

③ Country/State of residence
This is in respect of your usual residential address as stated in Section F3.

④ Business occupation
If you have a business occupation, please enter here. If you do not, please leave blank.

⑤ Service address
This is the address that will appear on the public record. This does not have to be your usual residential address.

If you provide your residential address here it will appear on the public record.

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Registration of an overseas company opening a UK establishment

F4	Director's authority	
	Please enter the extent of your authority as director Please tick one box	
Extent of authority	<input type="checkbox"/> Limited ❶ <input checked="" type="checkbox"/> Unlimited	❶ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below ❷ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below
Description of limited authority, if applicable		
	Are you authorised to act alone or jointly? Please tick one box	
	<input checked="" type="checkbox"/> Alone <input type="checkbox"/> Jointly ❷	
If applicable, name(s) of person(s) with whom you are acting jointly		

Registration of an overseas company opening a UK establishment

F1 Director details ¹	
Use this section to list all the directors of the company. Please complete Sections F1-F4. For a corporate director, complete Sections G1-G5. Please use a continuation page if necessary.	
Full forename(s)	Christopher Michael
Surname	Batterham
Former name(s) ²	
Country/State of residence ³	UK
Nationality	BRITISH
Date of birth	<div> <div>^d2</div> <div>^d9</div> <div>^m0</div> <div>^m3</div> <div>^y1</div> <div>^y9</div> <div>^y5</div> <div>^y5</div> </div>
Business occupation (if any) ⁴	Director

1 Corporate details
Please use Sections G1-G5 to enter corporate director details.

2 Former name(s)
Please provide any previous names which have been used for business purposes in the last 20 years. Married women do not need to give former names unless previously used for business purposes.

3 Country/State of residence
This is in respect of your usual residential address as stated in Section F3.

4 Business occupation
If you have a business occupation, please enter here. If you do not, please leave blank.

F2	Director's service address⁵									
Building name/number	137									
Street	EUSTON ROAD									
Post town	LONDON									
County/Region	LONDON									
Postcode	N	W	1	2	A	A				
Country	UK									

5 Service address

This is the address that will appear on the public record. This does not have to be your usual residential address.

If you provide your residential address here it will appear on the public record.

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Registration of an overseas company opening a UK establishment

F4 Director's authority	
	Please enter the extent of your authority as director Please tick one box
Extent of authority	<input type="checkbox"/> Limited ❶ <input checked="" type="checkbox"/> Unlimited
Description of limited authority, if applicable	<div>Are you authorised to act alone or jointly? Please tick one box</div> <div><input checked="" type="checkbox"/> Alone <input type="checkbox"/> Jointly ❷</div>
If applicable, name(s) of person(s) with whom you are acting jointly	<div></div> <div></div> <div></div>

❶ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below

❷ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below

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Registration of an overseas company opening a UK establishment

Director

F1	Director details ^①																	
	Use this section to list all the directors of the company. Please complete Sections F1-F4. For a corporate director, complete Sections G1-G5. Please use a continuation page if necessary.																	
Full forename(s)	Hossein																	
Surname	Yassaie																	
Former name(s) ^②																		
Country/State of residence ^③	UK																	
Nationality	BRITISH																	
Date of birth	<table><tr><td>o</td><td>d</td><td>m</td><td>m</td><td>y</td><td>y</td><td>y</td><td>y</td></tr><tr><td>0</td><td>9</td><td>1</td><td>2</td><td>1</td><td>9</td><td>5</td><td>6</td></tr></table>	o	d	m	m	y	y	y	y	0	9	1	2	1	9	5	6	
o	d	m	m	y	y	y	y											
0	9	1	2	1	9	5	6											
Business occupation (if any) ^④	CEO Director																	

① Corporate details
Please use Sections G1-G5 to enter corporate director details.

② Former name(s)
Please provide any previous names which have been used for business purposes in the last 20 years. Married women do not need to give former names unless previously used for business purposes.

③ Country/State of residence
This is in respect of your usual residential address as stated in Section F3.

④ Business occupation
If you have a business occupation, please enter here. If you do not, please leave blank.

F2	Director's service address ^⑤								
Building name/number	137								
Street	EUSTON ROAD								
Post town	LONDON								
County/Region	LONDON								
Postcode	<table><tr><td>N</td><td>W</td><td>1</td><td>2</td><td>A</td><td>A</td><td></td></tr></table>	N	W	1	2	A	A		
N	W	1	2	A	A				
Country	UK								

⑤ Service address
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If you provide your residential address here it will appear on the public record.

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F4	Director's authority	
	Please enter the extent of your authority as director Please tick one box	
Extent of authority	<input type="checkbox"/> Limited ^❶ <input checked="" type="checkbox"/> Unlimited	^❶ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below ^❷ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below
Description of limited authority, if applicable		
	Are you authorised to act alone or jointly? Please tick one box	
	<input checked="" type="checkbox"/> Alone <input type="checkbox"/> Jointly ^❷	
If applicable, name(s) of person(s) with whom you are acting jointly	<div></div> <div></div> <div></div>	

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Registration of an overseas company opening a UK establishment

Director

F1	Director details ①																	
	Use this section to list all the directors of the company. Please complete Sections F1-F4. For a corporate director, complete Sections G1-G5. Please use a continuation page if necessary.																	
Full forename(s)	CHRISTOFER																	
Surname	TOUMAZOU																	
Former name(s) ②																		
Country/State of residence ③	UK																	
Nationality	BRITISH																	
Date of birth	<table><tr><td>d</td><td>d</td><td>m</td><td>m</td><td>y</td><td>y</td><td>y</td><td>y</td></tr><tr><td>0</td><td>5</td><td>0</td><td>7</td><td>1</td><td>9</td><td>6</td><td>1</td></tr></table>	d	d	m	m	y	y	y	y	0	5	0	7	1	9	6	1	
d	d	m	m	y	y	y	y											
0	5	0	7	1	9	6	1											
Business occupation (if any) ④	Director																	
F2	Director's service address ⑤																	
Building name/number	137																	
Street	EUSTON ROAD																	
Post town	LONDON																	
County/Region	LONDON																	
Postcode	<table><tr><td>N</td><td>W</td><td>1</td><td>2</td><td>A</td><td>A</td><td></td><td></td></tr></table>	N	W	1	2	A	A											
N	W	1	2	A	A													
Country	UK																	

① Corporate details
Please use Sections G1-G5 to enter corporate director details.

② Former name(s)
Please provide any previous names which have been used for business purposes in the last 20 years. Married women do not need to give former names unless previously used for business purposes.

③ Country/State of residence
This is in respect of your usual residential address as stated in Section F3.

④ Business occupation
If you have a business occupation, please enter here. If you do not, please leave blank.

⑤ Service address
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If you provide your residential address here it will appear on the public record.

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F4 Director's authority	
	Please enter the extent of your authority as director Please tick one box
Extent of authority	<input type="checkbox"/> Limited ❶ <input checked="" type="checkbox"/> Unlimited
Description of limited authority, if applicable	
	Are you authorised to act alone or jointly? Please tick one box
	<input checked="" type="checkbox"/> Alone <input type="checkbox"/> Jointly ❷
If applicable, name(s) of person(s) with whom you are acting jointly	

❶ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below

❷ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below

OS IN01

Registration of an overseas company opening a UK establishment

Director

F1	Director details ^①												
	Use this section to list all the directors of the company. Please complete Sections F1-F4. For a corporate director, complete Sections G1-G5. Please use a continuation page if necessary.												
Full forename(s)	RICHARD MARTIN												
Surname	STEEVES												
Former name(s) ^②													
Country/State of residence ^③	UK												
Nationality	CANADIAN												
Date of birth	<table><tr><td>d</td><td>2</td><td>8</td><td>m</td><td>0</td><td>9</td><td>y</td><td>1</td><td>9</td><td>6</td><td>1</td></tr></table>	d	2	8	m	0	9	y	1	9	6	1	
d	2	8	m	0	9	y	1	9	6	1			
Business occupation (if any) ^④	CEO Director												

① Corporate details
Please use Sections G1-G5 to enter corporate director details.

② Former name(s)
Please provide any previous names which have been used for business purposes in the last 20 years. Married women do not need to give former names unless previously used for business purposes.

③ Country/State of residence
This is in respect of your usual residential address as stated in Section F3.

④ Business occupation
If you have a business occupation, please enter here. If you do not, please leave blank.

F2	Director's service address ^⑤									
Building name/number	137									
Street	EUSTON ROAD									
Post town	LONDON									
County/Region	LONDON									
Postcode	<table><tr><td>N</td><td>W</td><td>1</td><td>2</td><td>A</td><td>A</td><td></td><td></td></tr></table>	N	W	1	2	A	A			
N	W	1	2	A	A					
Country	UK									

⑤ Service address
This is the address that will appear on the public record. This does not have to be your usual residential address.

If you provide your residential address here it will appear on the public record.

OS IN01

Registration of an overseas company opening a UK establishment

F4

Director's authority

	Please enter the extent of your authority as director Please tick one box		<p>❶ If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below</p> <p>❷ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below</p>
Extent of authority	<input type="checkbox"/> Limited ❶ <input checked="" type="checkbox"/> Unlimited		
Description of limited authority, if applicable	Are you authorised to act alone or jointly? Please tick one box		
	<input checked="" type="checkbox"/> Alone <input type="checkbox"/> Jointly ❷		
If applicable, name(s) of person(s) with whom you are acting jointly			

OS IN01

Registration of an overseas company opening a UK establishment

Part 5 UK establishment details

H1	Documents previously delivered - constitution Has the company previously registered a certified copy of the company's constitution with material delivered in respect of another UK establishment? → No Go to Section H3 → Yes Please enter the UK establishment number below and then go to Section H2	
UK establishment registration number	B R <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
H2	Documents previously delivered – accounting documents Has the company previously delivered a copy of the company's accounting documents with material delivered in respect of another UK establishment? → No Go to Section H3 → Yes Please enter the UK establishment number below and then go to Section H3	
UK establishment registration number	B R <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
Sections H3 and H4 must be completed in all cases		
H3	Delivery of accounts and reports Please state if the company intends to comply with accounting requirements with respect to this establishment or in respect of another UK establishment ❶ <input checked="" type="checkbox"/> In respect of this establishment Please go to Section H4 <input type="checkbox"/> In respect of another UK establishment Please give the registration number below, then go to Section H4	❶ Please tick the appropriate box
UK establishment registration number	B R <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	

OS IN01

Registration of an overseas company opening a UK establishment

H4**Particulars of UK establishment ①**

	Please enter the name and address of the UK establishment		① Address This is the address that will appear on the public record
Name of establishment	TOUMAZ GROUP LTD		
Building name/number	137		
Street	EUSTON ROAD		
Post town	LONDON		
County/Region	LONDON		
Postcode	N W 1 2 A A		
Country			
	Please give the date the establishment was opened and the business of the establishment		
Date establishment opened	d 0 2 m 0 9 y 2 0 y 1 3		
Business carried on at the UK establishment	HEAD OFFICE		

OS IN01

Registration of an overseas company opening a UK establishment

Part 6 Permanent representative

Please enter the name and address of every person authorised to represent the company as a permanent representative of the company in respect of the UK establishment

J1 Permanent representative's details

Please use this section to list all the permanent representatives of the company
Please complete Sections J1-J4

Continuation pages

Please use a continuation page if you need to enter more details

Full forename(s) JONATHAN MICHEAL CHARLES
Surname APPS

J2 Permanent representative's service address ^①

Building name/number 137
Street EUSTON ROAD
Post town LONDON
County/Region LONDON
Postcode N W 1 2 A A
Country

① Service address

This is the address that will appear on the public record. This does not have to be your usual residential address.

If you provide your residential address here it will appear on the public record.

J3 Permanent representative's authority

Please enter the extent of your authority as permanent representative
Please tick one box

Extent of authority
☐ Limited ^②
☒ Unlimited

Description of limited authority, if applicable
Are you authorised to act alone or jointly? Please tick one box
☒ Alone
☐ Jointly ^③

If applicable, name(s) of person(s) with whom you are acting jointly

② If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below

③ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below

OS IN01

Registration of an overseas company opening a UK establishment

Part 6 Permanent representative

Please enter the name and address of every person authorised to represent the company as a permanent representative of the company in respect of the UK establishment

J1 Permanent representative's details

Please use this section to list all the permanent representatives of the company
Please complete **Sections J1-J4**

Continuation pages

Please use a continuation page if you need to enter more details

Full forename(s) **ANTHONY IAN**Surname **SETHILL****J2 Permanent representative's service address ^①**Building name/number **137**Street **EUSTON ROAD**Post town **LONDON**County/Region **LONDON**Postcode **N W 1 2 A A**

Country

① Service address

This is the address that will appear on the public record. This does not have to be your usual residential address.

If you provide your residential address here it will appear on the public record.

J3 Permanent representative's authority

Please enter the extent of your authority as permanent representative
Please tick one box

Extent of authority

☐ Limited ^②

☒ Unlimited

Description of limited authority, if applicable

Are you authorised to act alone or jointly? Please tick one box

☒ Alone

☐ Jointly ^③

If applicable, name(s) of person(s) with whom you are acting jointly

② If you have indicated that the extent of your authority is limited, please provide a brief description of the limited authority in the box below

③ If you have indicated that you are not authorised to act alone but only jointly, please enter the name(s) of the person(s) with whom you are authorised to act below

OS IN01

Registration of an overseas company opening a UK establishment

Part 7

Person authorised to accept service

Does the company have any person(s) in the UK authorised to accept service of documents on behalf of the company in respect of its UK establishment?

→ **Yes** Please enter the name and service address of every person(s) authorised below

→ **No** Tick the box below then go to **Part 8 'Signature'**

☐ If there is no such person, please tick this box

K1

Details of person authorised to accept service of documents in the UK

Please use this section to list all the persons' authorised to accept service below
Please complete **Sections K1-K2**

Continuation pages

Please use a continuation page if you need to enter more details

Full forename(s)

JONATHAN MICHAEL CHARLES

Surname

APPS

K2

Service address of person authorised to accept service ^①

Building name/number

137

Street

EUSTON ROAD

Post town

LONDON

County/Region

LONDON

Postcode

N W 1 2 A A

Country

UK

① Service address

This is the address that will appear on the public record. This does not have to be your usual residential address. Please note, a DX address would not be acceptable.

OS IN01

Registration of an overseas company opening a UK establishment

Part 8

Signature

This must be completed by all companies

I am signing this form on behalf of the company

Signature

Signature

X



X

This form may be signed by
Director, Secretary, Permanent representative

OS IN01

Registration of an overseas company opening a UK establishment



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **MARIE GRICE**

Company name **TOUMAZ HEALTHCARE**

Address **115 OLYMPIC AVENUE**

MILTON PARK

Post town **ABINGDON**

County/Region **OXON**

Postcode

O	X	1	4	4	S	A
---	---	---	---	---	---	---

Country **OXON**

DX

Telephone **01235 438978**



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☒ The overseas corporate name on the form matches the constitutional documents exactly
- ☒ You have included a copy of the appropriate correspondence in regard to sensitive words, if appropriate
- ☒ You have included certified copies and certified translations of the constitutional documents, if appropriate
- ☒ You have included a copy of the latest disclosed accounts and certified translations, if appropriate
- ☒ You have completed all of the company details in Section B3 if the company has not registered an existing establishment
- ☒ You have complete details for all company secretaries and directors in Part 4 if the company has not registered an existing establishment
- ☒ Any addresses given must be a physical location. They cannot be a PO Box number (unless part of a full service address), DX or LP (Legal Post in Scotland) number
- ☒ You have completed details for all permanent representatives in Part 6 and persons authorised to accept service in Part 7
- ☒ You have signed the form
- ☒ You have enclosed the correct fee



Important information

Please note that all information on this form will appear on the public record, apart from information relating to usual residential addresses



How to pay

A fee of £20 is payable to Companies House in respect of a registration of an overseas company. Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

Higher protection

If you are applying for, or have been granted, higher protection, please post this whole form to the different postal address below:
The Registrar of Companies, PO Box 4082,
Cardiff, CF14 3WE



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

This is a true & correct copy of the constitutional document of Toumaz Ltd


Jonathan Apps
Director
16/9/2013

THE COMPANIES LAW (2004 REVISION)

COMPANY LIMITED BY SHARES

MEMORANDUM & ARTICLES

OF

ASSOCIATION

OF

TOUMAZ HOLDINGS LIMITED

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THE COMPANIES LAW (2004 REVISION)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

TOUMAZ HOLDINGS LIMITED

- 1 The name of the Company is **TOUMAZ HOLDINGS LIMITED¹**
- 2 The Registered Office of the Company will be situated at the offices of **Walkers SPV Limited, Walker House, Mary Street, PO Box 908GT, George Town, Grand Cayman, Cayman Islands** or at such other location as the Directors may from time to time determine
- 3 The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (2004 Revision)
- 4 The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 27(2) of the Companies Law (2004 Revision)
- 5 Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks & Trust Companies Law (2004 Revision), or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Law (2003 Revision), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Law (2003 Revision)
- 6 The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands, provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands
- 7 The liability of the members is limited to the amount, if any, unpaid on the shares respectively held by them
- 8 The capital of the Company is **£10,000,000.00** divided into **4,000,000,000** shares of a nominal or par value of **£0.0025 (one quarter of a penny)** each provided always that subject to the provisions of the Companies Law (2004 Revision) and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise

¹ Name changed from Nanoscience Inc by special resolution dated 26 September 2008

expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided

- 9 The Company may exercise the power contained in Section 226 of the Companies Law (2004 Revision) to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction

THE COMPANIES LAW (2004 REVISION)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

TOUMAZ HOLDINGS LIMITED

TABLE A

The Regulations contained or incorporated in Table 'A' in the First Schedule of the Companies Law (2004 Revision) shall not apply to this Company and the following Articles shall comprise the Articles of Association of the Company

INTERPRETATION

1 In these Articles

"**Auditors**" means the auditors for the time being and from time to time of the Company,

"**Companies Law**" means the Companies Law (2004 Revision) of the Cayman Islands,

"**Depository**" means any person who is a member in the company by virtue of its holding shares in the company as trustee for those individuals who have elected to hold shares in the company in dematerialised form through depository interests,

"**Directors**" and "**Board of Directors**" means the Directors of the Company for the time being, or as the case may be, the Directors assembled as a Board or as a committee thereof,

"**Disclosure Notice**" has the meaning set out in Article 46,

"**London Stock Exchange**" means the London Stock Exchange plc or any successor body carrying on its functions,

"**Member**" means a person whose name is entered in the Register of Members and includes each subscriber to the Memorandum of Association pending the issue to him of the subscriber share or shares,

"**Memorandum of Association**" means the Memorandum of Association of the Company, as amended and re-stated from time to time,

"**Ordinary Resolution**" means a resolution

- (a) passed by a simple majority of such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled, or

- (b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments if more than one, is executed,

"paid up" means paid up as to the par value and any premium payable in respect of the issue of any shares and includes credited as paid up,

"Register of Members" means the register to be kept by the Company in accordance with Section 40 of the Companies Law,

"Seal" means the Common Seal of the Company (if adopted) including any facsimile thereof,

"share" means any share in the capital of the Company, including a fraction of any share,

"signed" includes a signature or representation of a signature affixed by mechanical means;

"Special Resolution" means a resolution passed in accordance with Section 60 of the Companies Law, being a resolution

- (a) passed by a majority of not less than 75 per cent of such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled, or
- (b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the Special Resolution so adopted shall be the date on which the instrument or the last of such instruments if more than one, is executed

2 In these Articles, save where the context requires otherwise

- (a) words importing the singular number shall include the plural number and vice versa,
- (b) words importing the masculine gender only shall include the feminine gender,
- (c) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not,
- (d) "may" shall be construed as permissive and "shall" shall be construed as imperative,
- (e) references to £ is a reference to the lawful currency of the United Kingdom, and
- (f) references to a statutory enactment shall include reference to any amendment or re-enactment thereof for the time being in force

3 Subject to the last two preceding Articles, any words defined in the Companies Law shall, if not inconsistent with the subject or context, bear the same meaning in these Articles

PRELIMINARY

4 The business of the Company may be commenced as soon after incorporation as the Directors see fit

- 5 The registered office of the Company shall be at such address in the Cayman Islands as the Directors shall from time to time determine. The Company may in addition establish and maintain such other offices and places of business and agencies in such places as the Directors may from time to time determine.

SHARES

- 6 Subject as otherwise provided in these Articles, and without prejudice to any special rights previously conferred on the holders of issued shares (including, without limitation, any pre-emptive rights in respect of new share issues), all shares for the time being and from time to time unissued shall be under the control of the Directors, and may be re-designated, allotted or disposed of in such manner, to such persons and on such terms as the Directors in their absolute discretion may think fit.
- 7 The Company may insofar as may be permitted by law, pay a commission to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any shares. Such commissions may be satisfied by the payment of cash or the lodgement of fully or partly paid-up shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

VARIATION OF RIGHTS ATTACHING TO SHARES

- 8 If at any time the share capital is divided into different classes of shares, the rights attaching to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated with the consent in writing of the holders of 75 per cent of the issued shares of that class, or with the sanction of a resolution passed by at least a 75 per cent majority of the holders of shares of the class present in person or by proxy at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Articles relating to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be at least one person holding or representing by proxy at least one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll.
- 9 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied or abrogated by the creation or issue of further shares ranking *pari passu* therewith or the redemption or purchase of shares of any class by the Company.

CERTIFICATES

- 10 Every person whose name is entered as a Member in the Register of Members shall, without payment, be entitled to a certificate in the form determined by the Directors. Such certificate may be under the Seal. All certificates shall specify the share or shares held by that person and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
- 11 If a share certificate is defaced, lost or destroyed it may be renewed on such terms, if any, as to evidence and indemnity as the Directors think fit.

FRACTIONAL SHARES

- 12 The Directors may issue fractions of a share of any class of shares, and, if so issued, a fraction of a share (calculated to three decimal points) shall be subject to and carry the corresponding fraction of liabilities (whether with respect to any unpaid amount thereon, contribution, calls or otherwise), limitations, preferences, privileges, qualifications, restrictions, rights (including, without limitation, voting and participation rights) and other attributes of a whole share of the same class of shares.

LIEN

- 13 The Company shall have a first priority lien and charge on every partly paid share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first priority lien and charge on all partly paid shares standing registered in the name of a Member (whether held solely or jointly with another person) for all moneys presently payable by him or his estate to the Company, but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all distributions payable thereon.
- 14 The Company may sell, in such manner as the Directors in their absolute discretion think fit, any shares on which the Company has a lien, but no sale shall be made unless an amount in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the persons entitled thereto by reason of his death or bankruptcy.
- 15 For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 16 The proceeds of the sale after deduction of expenses, fees and commission incurred by the Company shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale.

PRE-EMPTION

- 17 Unless otherwise approved by Ordinary Resolution the Company shall not allot shares for cash consideration on any terms unless
- (a) the Directors have made an offer to each person who holds shares of the same class to allot to him on the same or more favourable terms such proportion of those shares that is as nearly as practicable (fractions being disregarded) equal to the proportion that the relevant person's existing holding of shares of the same class represents of all the issued shares of that class,
 - (b) the period, which shall not be less than 21 clear days, during which any offer referred to in Article 17a may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer made,
 - (c) the provisions of clauses 17(a) and (b) do not apply to the allotment of securities which would, apart from a renunciation or assignment of the right to their allotment, be held under an employees' share scheme²
- 18 An offer by the Directors referred to in Article 17 shall, subject to Articles 19 and 20, be made to a holder of shares either personally or by sending it by post (that is to say, pre-paying and posting a letter containing the offer) to him or to his registered address or to such other address notified by the relevant holder from time to time. If sent by post, the offer shall be deemed to be made at the time at which the letter would be delivered in the ordinary course of post.

² Article 17 inserted by special resolution dated 2 November 2005

- 19 Where shares are held by two or more persons jointly, the offer may be made to the joint holder first named in the Register of Members in respect of the shares
- 20 In the case of a holder's death or bankruptcy, the offer referred to in Article 17 may be made
- (a) by sending it by post in a pre-paid letter addressed to the persons claiming to be entitled to the shares in consequence of the death or bankruptcy by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address in the United Kingdom supplied by those claiming to do so, or
 - (b) (until such an address referred to in Article 20(a) has been supplied) by giving the notice in any manner in which it might have been if the death or bankruptcy had not occurred

CALLS ON SHARES

- 21 The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their partly paid shares, and each Member shall (subject to receiving at least 14 days notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on such shares
- 22 The joint holders of a share shall be jointly and severally liable to pay calls in respect thereof
- 23 If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of eight per centum per annum from the day appointed for the payment thereof to the time of the actual payment, but the Directors shall be at liberty to waive payment of that interest wholly or in part
- 24 The provisions of these Articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified
- 25 The Directors may make arrangements on the issue of partly paid shares for a difference between the Members, or the particular shares, in the amount of calls to be paid and in the times of payment
- 26 The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any partly paid shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding without the sanction of an Ordinary Resolution, eight per cent per annum) as may be agreed upon between the Member paying the sum in advance and the Directors

FORFEITURE OF SHARES

- 27 If a Member fails to pay any call or instalment of a call in respect of partly paid shares on the day appointed for payment, the Directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued
- 28 The notice shall name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited

- 29 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by notice has been made, be forfeited by a resolution of the Directors to that effect
- 30 A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit
- 31 A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were payable by him to the Company in respect of the shares forfeited, but his liability shall cease if and when the Company receives payment in full of the amount unpaid on the shares forfeited
- 32 A statutory declaration in writing that the declarant is a Director, and that a share has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts in the declaration as against all persons claiming to be entitled to the share
- 33 The Company may receive the consideration, if any, given for a share on any sale or disposition thereof pursuant to the provisions of these Articles as to forfeiture and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and that person shall be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the disposition or sale
- 34 The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes due and payable, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified

TRANSFER OF SHARES

- 35 The instrument of transfer, if any, must be signed by or on behalf of the transferor and, in the case of a partly paid share, by or on behalf of the transferee. The transferor will be deemed to remain the holder of the share until the name of the transferee is entered in the register of Members in respect of it
- 36 The Directors may, in their absolute discretion and without giving any reason, refuse to register any transfer of shares unless
- (a) it is in respect of a fully paid share,
 - (b) it is duly stamped, is deposited at the office or such other place as the Directors may appoint and is accompanied by the certificate, for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,
 - (c) it is in respect of only one class of share,
 - (d) it is in favour of not more than four transferees except in the case of executors or trustees of a deceased Member, and
 - (e) it is in respect of a share on which the Company does not have a lien in respect of which the Company has served a notice pursuant to Article 14

- 37 In exceptional circumstances approved by the London Stock Exchange, the Directors may refuse to register any transfer of shares to which Article 36 would otherwise apply, provided that their refusal does not disturb the market
- 38 If the Directors refuse to register a transfer of any shares, they must, within two months after the date on which the transfer was lodged with the Company, send to the transferor and the transferee notice of the refusal
- 39 The registration of transfers may be suspended at such times and for such periods as the Directors may, in their absolute discretion, from time to time determine, provided always that such registration shall not be suspended for more than 30 days in any year
- 40 All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors decline to register shall (except in any case of fraud) be returned to the person depositing the same
- 41 Nothing in these Articles precludes the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person

TRANSMISSION OF SHARES

- 42 The legal personal representative of a deceased sole holder of a share shall be the only person recognised by the Company as having any title to the share. In the case of a share registered in the name of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only person recognised by the Company as having any title to the share
- 43 The Directors shall, subject always to the Companies Law and any other applicable laws and regulations and the facilities and requirements of any relevant system concerned and these Articles, have power to implement and/or approve any arrangements they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of interests in shares in the capital of the Company in the form of depositary interests or similar interests, instruments or securities, and to the extent such arrangements are so implemented, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer thereof or the shares in the capital of the Company represented thereby. The Directors may from time to time take such actions and do such things as they may, in their absolute discretion, think fit in relation to the operation of any such arrangements
- 44 Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy
- 45 A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company

DISCLOSURE OF INTERESTS IN SHARES

- 46 Disclosure Notice

- (a) The company may by notice in writing (**Disclosure Notice**) require a person whom the company knows or has reasonable cause to believe to be or, at any time during the 3 years immediately preceding the date on which the notice is issued, to have been interested in shares comprised in the company's relevant share capital
 - (i) to confirm that fact or (as the case may be) to indicate whether or not it is the case, and
 - (ii) where he holds or has during that time held an interest in shares so comprised, to give such further information as may be required in accordance with the following paragraph 46(b)
- (b) A Disclosure Notice may require the person to whom it is addressed
 - (i) to give particulars of his own past or present interest in shares comprised in relevant share capital of the company (held by him at any time during the 3-year period immediately preceding the date on which the notice is issued),
 - (ii) where the interest is a present interest and any other interest in the shares subsists or, in any case, where another interest in the shares subsisted during that 3-year period at any time when his own interest subsisted, to give (so far as lies within his knowledge) such particulars with respect to that other interest as may be required by the Disclosure Notice,
 - (iii) where his interest is a past interest, to give (so far as lies within his knowledge) particulars of the identity of the person who held that interest immediately upon his ceasing to hold it
- (c) The particulars referred to in paragraph 46(b) include particulars of the identity of persons interested in the shares in question and of whether persons interested in the same shares are or were parties to any agreement relating to the acquisition of shares in the company or to any agreement or arrangement relating to the exercise of any rights conferred by the holding of the shares
- (d) A Disclosure Notice shall require any information given in response to the notice to be given in writing within such reasonable time as may be specified in the notice
- (e) This Article 46 applies in relation to a person who has or previously had, or is or was entitled to acquire, a right to subscribe for shares in the company which would on issue be comprised in relevant share capital of the company as it applies in relation to a person who is or was interested in shares so comprised, and references above in this Article 46 to an interest in shares so comprised and to shares so comprised are to be read accordingly in any such case as including respectively any such right and shares which would on issue be so comprised

47 If a Disclosure Notice is given to a person appearing to be interested in any shares, a copy will at the same time be given to the holder of those shares but the accidental omission to do so or the non-receipt by the member will not prejudice the operation of Articles 49 to 53, which are without prejudice to the provisions of Article 48

48 Subject to the provisions of Article 54, where a Disclosure Notice is served by the company on a person who is or was interested in shares of the company and that person fails to give the company any information required by the notice within the time specified in it, the company may apply to the court for an order directing that the shares in question be subject to such restrictions as the court believes appropriate in the circumstances

- 49 If a member or any person appearing to be interested in any shares held by a member has been duly served with a Disclosure Notice and fails fully to comply with it after 14 days from the date of service of the Disclosure Notice, the provisions of Articles 51 and 52 will apply. The restrictions imposed by those Articles in relation to any shares will continue until a relevant event occurs in relation to those shares and will cease immediately it does so. For this purpose, a relevant event is either of the following
- (a) the default is remedied to the satisfaction of the company, or
 - (b) the shares are registered in the name of the purchaser or offeror, or that of his nominee, pursuant to an arm's length transfer, as defined in Article 55(a)
- 50 Any dividends withheld pursuant to Article 52(b) will be paid to the member as soon as practicable after the restrictions contained in Article 52 lapse
- 51 Pursuant to Article 49 and subject to Article 53, and unless the directors otherwise determine, a member who has a holding of less than 0.25 per cent of any class of shares, will not be entitled in respect of the shares held by him, whether or not referred to in the Disclosure Notice, to attend and vote at a general meeting either personally or by proxy
- 52 Pursuant to Article 49 and subject to Article 53 and unless the directors otherwise determine, a member who has a holding of at least 0.25 per cent of any class of shares will not be entitled in respect of the shares held by him, whether or not referred to in the Disclosure Notice
- (a) to attend and vote at a general meeting either personally or by proxy,
 - (b) to receive any dividend payable in respect of such shares, or
 - (c) subject to Article 54, to transfer or agree to transfer any of such shares, or any rights in them
- 53 The restrictions in Articles 51 and 52 are without prejudice to the right of either the member holding the shares concerned or, if different, the beneficial owner of those shares, to sell or agree to sell them pursuant to an arm's length transfer
- 54 Where a Disclosure Notice is served on a Depositary, and the Depositary fails, through no fault of its own, to comply for any reason with the Disclosure Notice, the provisions of Articles 48 to 53 will only be implemented by the company in relation to those shares in the company in respect of which there has been a failure, and will not be implemented in relation to any other shares in the company held by the Depositary and
- (a) the company will not apply to any court for an order preventing the shares held by the Depositary in respect of which there has been a failure from being transferred by the Depositary to the relevant beneficial holder or holders of such shares in the company, and
 - (b) the Depositary may transfer or agree to transfer the shares in respect of which there has been a failure, or any rights in them to the relevant beneficial holder or holders of such shares in the company
- 55 For the purposes of Articles 46 to 53
- (a) an arm's length transfer in relation to any shares is a transfer pursuant to
 - (i) a sale of those shares to a bona fide unconnected third party on a recognised investment exchange, or on any stock exchange on which the shares are normally traded, or

- (ii) a takeover offer for the company, being an offer to acquire all the shares, or all the shares of any class or classes in the company (other than the shares which are the date of the offer are already held by the offeror), and
- (b) the company will be entitled to treat any persons as appearing to be interested in any shares if
 - (i) the member holding such shares or any person who is or may be interested in such shares either fails to respond to a Disclosure Notice or has given to the company a notification pursuant to a Disclosure Notice which in the opinion of the directors fails to establish the identities of those interested in the shares and if, after taking into account such notification and any other relevant notification pursuant to a Disclosure Notice, the company knows or has reasonable cause to believe that the person in question is or may be interested in the shares, or
 - (ii) that person, not being the member, is interested in those shares for the purposes of Article 46

ALTERATION OF CAPITAL

- 56 The Company may from time to time by Ordinary Resolution increase the share capital by such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe
- 57 The Company may by Ordinary Resolution
 - (a) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares,
 - (b) convert all or any of its paid up shares into stock and reconvert that stock into paid up shares of any denomination,
 - (c) subdivide its existing shares, or any of them into shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived,
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled
- 58 The Company may by Special Resolution reduce its share capital and any capital redemption reserve in any manner authorised by law

REDEMPTION AND PURCHASE OF OWN SHARES

- 59 Subject to the provisions of the Companies Law, the Company may
 - (a) issue shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as the Directors may, before the issue of such shares, determine,
 - (b) purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine and agree with the Member, and
 - (c) make a payment in respect of the redemption or purchase of its own shares otherwise than out of profits or the proceeds of a fresh issue of shares

- 60 Any share in respect of which notice of redemption has been given shall not be entitled to participate in the profits of the Company in respect of the period after the date specified as the date of redemption in the notice of redemption
- 61 The redemption or purchase of any share shall not be deemed to give rise to the redemption or purchase of any other share
- 62 The Directors may when making payments in respect of redemption or purchase of shares, if authorised by the terms of issue of the shares being redeemed or purchased or with the agreement of the holder of such shares, make such payment either in cash or in specie

FIXING RECORD DATE

- 63 The Directors may fix in advance a date as the record date for any determination of those Members that are entitled to receive notice of, attend or vote at a meeting of the Members and for the purpose of determining those Members that are entitled to receive payment of any dividend the Directors may, at or within 90 days prior to the date of declaration of such dividend fix a subsequent date as the record date for such determination
- 64 If no record date is fixed for the determination of those Members entitled to receive notice of, attend or vote at a meeting of Members or those Members that are entitled to receive payment of a dividend, the date on which notice of the meeting is posted or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of those Members that are entitled to receive notice of, attend or vote at a meeting of Members has been made as provided in this Article, such determination shall apply to any adjournment thereof

GENERAL MEETINGS

- 65 An annual general meeting will be held at such time and place or places as the Directors may determine
- 66 All general meetings other than annual general meetings are called extraordinary general meetings
- 67 The Directors may, whenever they think fit, convene a general meeting of the Company
- 68 General meetings shall also be convened on the written requisition of any Member or Members entitled to attend and vote at general meetings of the Company who hold not less than 10 per cent of the paid up voting share capital of the Company deposited at the registered office of the Company specifying the objects of the meeting for a date no later than 21 days from the date of deposit of the requisition signed by the requisitionists, and if the Directors do not convene such meeting for a date not later than 45 days after the date of such deposit, the requisitionists themselves may convene the general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the Directors, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Directors to convene the general meeting shall be reimbursed to them by the Company
- 69 If at any time there are no Directors, any two Members (or if there is only one Member then that Member) entitled to vote at general meetings of the Company may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors

NOTICE OF GENERAL MEETINGS

- 70 An annual general meeting and an extraordinary general meeting for the passing of a Special Resolution must be called by at least 21 days' notice, and all other general meetings must be called

by at least 14 days' notice. The notice is exclusive of the day on which it is served, or deemed to be served, and of the day for which it is given.

- 71 Every notice must be in writing and specify the principal place, the day and the time of meeting, and, in the case of special business, the general nature of such business, and in the case of an annual general meeting, must specify the meeting as such.
- 72 In the case of any general meeting the Board of Directors may (notwithstanding the specification in the notice of the general meeting) make arrangements for simultaneous attendance and participation at other places by Members and proxies entitled to attend the general meeting but excluded from the principal place. Such arrangements for simultaneous attendance at the meeting may include arrangements regarding the level of attendance at the other places but they must operate so that any Members and proxies excluded from attendance at the principal place are able to attend at one of the other places. For the purpose of all other provisions of these Articles any such meeting will be treated as being held and taking place at the principal place. So as to facilitate the organisation and administration of any general meeting to which such arrangements apply, the Board of Directors may arrange for the issue of tickets, on a basis intended to afford to all Members and proxies entitled to attend the meeting an equal opportunity of being admitted to the principal place, or impose some other random means of selection or otherwise as it, in its absolute discretion, considers appropriate. The Board of Directors may from time to time vary any such arrangements or make new arrangements in their place and the entitlement of any Member or proxy to attend a general meeting at the principal place will be subject to such arrangements as are, for the time being, in force whether stated in the notice of the meeting to apply to that meeting or notified to the Members concerned subsequent to the despatch of the notice of the meeting.
- 73 Notices must be given in the manner stated in these Articles to all the Members, other than those who under the provisions of these Articles or under the rights attached to the shares held by them are not entitled to receive the notice, and to the Auditors.
- 74 Notwithstanding that it is called by shorter notice than that specified in Article 70, a meeting of the Company is deemed to have been duly called if it is so agreed
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote at it, or
 - (b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
- 75 If the Board of Directors, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone the general meeting to another date, time and/or place. In that event notice of the date, time and place of the postponed meeting will be placed in at least two national newspapers in the United Kingdom. Notice of the business to be transacted at such postponed meeting will not be required.
- 76 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any person entitled to receive notice will not invalidate the proceedings at that meeting.
- 77 In every notice calling a meeting of the Company or any class of the Members of the Company, there will appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him, and that a proxy need not also be a Member.

PROCEEDINGS AT GENERAL MEETINGS

- 78 The Board of Directors may direct that Members or proxies wishing to attend any general meeting must submit to such searches or other security arrangements or restrictions as the Board of Directors considers appropriate in the circumstances and may, in its absolute discretion, refuse entry to, or eject from, such general meeting any Member or proxy who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions
- 79 All business transacted at an extraordinary general meeting is deemed special
- 80 All business carried out at a general meeting shall be deemed special with the exception of sanctioning a dividend, the consideration of the accounts, balance sheets, and any report of the Directors or of the Company's auditors, the appointment and removal of Directors and the fixing of the remuneration of the Company's auditors. No special business shall be transacted at any general meeting without the consent of all Members entitled to receive notice of that meeting unless notice of such special business has been given in the notice convening that meeting
- 81 No business may be transacted at any general meeting unless a quorum is present. Except as otherwise provided in these Articles, two persons entitled to vote at the meeting each being a Member or a proxy for a Member or a representative of a corporation which is a Member, duly appointed as such, are a quorum for all purposes
- 82 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Member or Members present and entitled to vote shall be a quorum
- 83 The chairman, if any, of the Board of Directors, or in his absence some other Director nominated by the chairman in writing, will preside as chairman at every general meeting of the Company, but if at any meeting neither the chairman nor such other Director is present within 15 minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present may choose some Director present to be chairman, or if no Director is present, or if all the Directors present decline to take the chair, the Members present may choose some Member present to be chairman
- 84 The chairman may with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn a meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting
- 85 At any general meeting, a resolution put to the vote of the meeting is decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll is demanded
- (a) by the chairman, or
 - (b) by not fewer than five Members present in person or by proxy and entitled to vote at the meeting, or
 - (c) by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting, or
 - (d) by a Member or Members holding shares of the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right

- 86 Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of general meetings of the Company is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution
- 87 The instrument appointing a proxy to vote at a meeting is deemed also to confer authority to demand or join in demanding a poll and to vote on a poll on the election of a chairman and on a motion to adjourn a meeting. For the purposes of Article 85, a demand by a person as proxy for a Member is the same as a demand by the Member
- 88 If any votes are counted which ought not to have been counted or might have been rejected, or if any votes are not counted which ought to have been counted, the error will not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjournment of it, and it is in the opinion of the chairman of the meeting of sufficient magnitude to vitiate the result of the voting
- 89 In the case of a resolution duly proposed as a Special Resolution no amendment, other than an amendment to correct a patent error, may be considered or voted upon. In the case of a resolution duly proposed as an Ordinary Resolution, no amendment, other than an amendment to correct a patent error, may be considered or voted upon unless, either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such Ordinary Resolution is to be proposed notice in writing of the terms of the amendment and intention to move it is lodged at the office, or the chairman, in his absolute discretion, decides that it may be considered or voted upon. If an amendment is proposed to any resolution under consideration but is ruled out of order by the chairman of the meeting the proceedings on the substantive resolution will not be invalidated by any error in such ruling
- 90 Subject to the provisions of Article 91, if a poll is duly demanded, it will be taken in such manner as the chairman may direct, including the use of ballot or voting papers or tickets, and the result of a poll will be deemed to be the resolution of the meeting at which the poll was demanded. The chairman may, in the event of a poll, appoint scrutineers, who need not be Members, and may fix some place and time for the purpose of declaring the result of the poll
- 91 A poll demanded on the election of a chairman or on a question of adjournment must be taken immediately. A poll demanded on any other question must be taken immediately or at such time and place as the chairman directs, not being more than 30 days from the date of the meeting or the adjourned meeting at which the poll was demanded. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken
- 92 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote
- 93 The demand for a poll will not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded
- 94 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman, and a demand so withdrawn will not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn with the consent of the chairman, the meeting will continue as if the demand had not been made
- 95 If the Directors wish to make this facility available to Members for a specific or all general meetings of the Company, a Member may participate in any general meeting of the Company, by means of a

telephone or similar communication equipment by way of which all persons participating in such meeting can hear each other and such participation shall be deemed to constitute presence in person at the meeting

VOTES OF MEMBERS

- 96 Subject to any rights and restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present in person and every person representing a Member by proxy shall at a general meeting of the Company have one vote and on a poll every Member and every person representing a Member by proxy shall have one vote for each share of which he or the person represented by proxy is the holder
- 97 In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members
- 98 A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, or other person in the nature of a committee appointed by that court, and any such committee or other person may vote by proxy
- 99 No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares carrying the right to vote held by him have been paid
- 100 On a poll votes may be given either personally or by proxy
- 101 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a Member
- 102 An instrument appointing a proxy may be in any usual or common form or such other form as the Directors may approve
- 103 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll
- 104 A resolution in writing signed by all the Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

- 105 Any corporation which is a Member or a Director may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members or of the Board of Directors or of a committee of Directors, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member or Director

DIRECTORS

- 106 The name of the first Director(s) shall either be determined in writing by a majority (or in the case of a sole subscriber that subscriber) of, or elected at a meeting of, the subscribers of the Memorandum of Association
- 107 The Company may by Ordinary Resolution appoint any person to be a Director

- 108 Subject to the provisions of these Articles, a Director shall hold office until such time as he is removed from office by the Company by Ordinary Resolution
- 109 The Company may by Ordinary Resolution from time to time fix the maximum and minimum number of Directors to be appointed but unless such number is fixed as aforesaid the number of Directors shall be unlimited
- 110 The remuneration of the Directors may be determined by the Board of Directors or by the Company by Ordinary Resolution
- 111 There shall be no shareholding qualification for Directors unless determined otherwise by the Company by Ordinary Resolution
- 112 The Directors shall have power at any time and from time to time to appoint a person as Director, either as a result of a casual vacancy or as an additional Director, subject to the maximum number (if any) imposed by the Company by Ordinary Resolution

ALTERNATE DIRECTOR

- 113 Any Director may in writing appoint another person to be his alternate to act in his place at any meeting of the Directors at which he is unable to be present. Every such alternate shall be entitled to notice of meetings of the Directors and to attend and vote thereat as a Director when the person appointing him is not personally present and where he is a Director to have a separate vote on behalf of the Director he is representing in addition to his own vote. A Director may at any time in writing revoke the appointment of an alternate appointed by him. Except as otherwise provided in these Articles, an alternate Director is deemed for all purposes to be an officer of the Company and is alone responsible to the Company for his own acts and defaults, and he is not deemed to be the agent of or for the Director appointing him. An alternate Director is not entitled to receive any remuneration from the Company for his services as such but his remuneration is payable out of the remuneration payable to the Director appointing him, and will consist of such part, if any, of the latter's remuneration as is agreed between them.
- 114 Any Director may appoint any person, whether or not a Director, to be the proxy of that Director to attend and vote on his behalf, in accordance with instructions given by that Director, or in the absence of such instructions at the discretion of the proxy, at a meeting or meetings of the Directors which that Director is unable to attend personally. The instrument appointing the proxy shall be in writing under the hand of the appointing Director and shall be in any usual or common form or such other form as the Directors may approve, and must be lodged with the chairman of the meeting of the Directors at which such proxy is to be used, or first used, prior to the commencement of the meeting.

POWERS AND DUTIES OF DIRECTORS

- 115 Subject to the provisions of the Companies Law, these Articles and to any resolutions made in a general meeting, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all powers of the Company. No resolution made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that resolution had not been made.
- 116 The Directors may from time to time appoint any person, whether or not a Director to hold such office in the Company as the Directors may think necessary for the administration of the Company, including but not limited to, the office of president, one or more vice-presidents, treasurer, assistant treasurer, manager or controller, and for such term and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another), and with such powers and duties as the Directors may think fit. Any person so appointed by the Directors may be removed by the Directors. The Directors may also appoint one or more of their number to the office of managing director upon like terms, but any such appointment shall ipso facto determine if

any managing director ceases from any cause to be a Director, or if the Company by Ordinary Resolution resolves that his tenure of office be terminated

- 117 The Directors may appoint a Secretary (and if need be an Assistant Secretary or Assistant Secretaries) who shall hold office for such term, at such remuneration and upon such conditions and with such powers as they think fit. Any Secretary or Assistant Secretary so appointed by the Directors may be removed by the Directors
- 118 The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit, any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors
- 119 The Directors may from time to time and at any time by power of attorney appoint any Company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him
- 120 The Directors may from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the three next following Articles shall not limit the general powers conferred by this Article
- 121 The Directors from time to time and at any time may establish any committees, local boards or agencies for managing any of the affairs of the Company and may appoint any persons to be members of such committees or local boards and may appoint any managers or agents of the Company and may fix the remuneration of any such persons
- 122 The Directors from time to time and at any time may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the Directors and may authorise the members for the time being of any such local board, or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby
- 123 Any such delegates as aforesaid may be authorised by the Directors to subdelegate all or any of the powers, authorities, and discretion for the time being vested in them

BORROWING POWERS OF DIRECTORS

- 124 The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof, to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party
- 125 The Directors may secure or provide for the payment of any money to be borrowed or raised by a mortgage of or charge upon all or any part of the undertaking or property of the Company, both present and future, and upon any capital remaining unpaid upon the shares of the Company whether called up or not, or by any other security. The Directors may confer upon any mortgagees or persons in whom any debenture or security is vested such rights and powers as they think necessary or expedient. They may vest any property of the Company in trustees for the purpose of securing any money so borrowed or raised and confer upon the trustees, or any receiver to be appointed by them,

or by any debenture holder, such rights and powers as the Directors may think necessary or expedient in relation to the undertaking or property of the Company or its management or realisation or the making, receiving, or enforcing of calls upon the Members in respect of unpaid capital, and otherwise. The Directors may make and issue debentures to trustees for the purpose of further security and the Company may remunerate any such trustees

- 126 The Directors may give security for the payment of any money payable by the Company in the same manner as for the payment of money borrowed or raised
- 127 The Directors must keep a register of mortgages and charges in accordance with the provisions of the Companies Law

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 128 Subject to the provisions of these Articles, one third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, must retire from office at the annual general meeting in every year. A Director retiring at a general meeting, if he is not re-appointed, retains office until the meeting appoints someone in his place or, if it does not do so, until the end of that meeting
- 129 Subject to the provisions of these Articles, the Directors to retire in every year include, so far as necessary to obtain the required number, any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire are those who have been longest in office since their last appointment or re-appointment but, as between persons who became or were last re-appointed Directors on the same day, those to retire are determined by lot, unless they otherwise agree among themselves. A retiring Director is eligible for re-appointment, subject as set out in these Articles
- 130 The Company at the meeting at which a Director retires in the manner set out in Article 129 may fill the vacated office and, in default, the retiring Director, if willing to act, is deemed to have been re-appointed, unless at such meeting it is expressly resolved not to fill the vacancy, or a resolution for the re-appointment of such Director is put to the meeting and lost
- 131 No person other than a Director retiring at the meeting, unless recommended by the Directors for appointment, is eligible for appointment to the office of a Director at any general meeting unless, not fewer than seven nor more than 42 clear days before the day appointed for the meeting, there is given to the Company notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for appointment stating the required particulars and, also, notice in writing signed by the person to be proposed of his willingness to be appointed
- 132 At a general meeting, a motion for the appointment of two or more persons as Directors by a single resolution will be void, unless a resolution that it is so made has been first agreed to by the meeting without any vote being given against it and, for the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointment is treated as a motion for his appointment
- 133 The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office. Without prejudice to the provisions of Article 134, the Company may by Ordinary Resolution appoint any person to be a Director, either to fill a casual vacancy or as an additional Director, and remove a Director, including a Director holding executive office, before the expiry of his period of office
- 134 The Directors and the Company in general meeting each have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an additional Director, but so that the total number of Directors does not at any time exceed the maximum number, if any,

fixed by or in accordance with these Articles. Subject to the provisions of these Articles, any Director so appointed by the Directors holds office only until the conclusion of the next following annual general meeting and is eligible for reappointment at that meeting. Any Director who retires under this Article is not taken into account in determining the Directors who are to retire by rotation at such meeting.

- 135 Any contract of employment entered into by a Director with the Company may not include a term that it is to continue or may be continued, otherwise than at the instance of the Company, for a period exceeding five years during which the employment either cannot be terminated by the Company by notice or can be so terminated only in specified circumstances, unless such term is first approved by Ordinary Resolution of the Company.
- 136 No person may be appointed a Director if he has attained the age of 70 and each Director must vacate his office when he attains the age of 70.

DISQUALIFICATION OF DIRECTORS

- 137 The office of Director shall be vacated, if the Director
- (a) becomes bankrupt or makes any arrangement or composition with his creditors,
 - (b) is found to be or becomes of unsound mind,
 - (c) resigns his office by notice in writing to the Company,
 - (d) is removed from office by Ordinary Resolution, or
 - (e) is removed from office by notice addressed to him at his last known address and signed by all his co-Directors (not being less than two in number).
- 138 The company may, by special resolution, remove a Director before the expiry of his period of office and may, by ordinary resolution, appoint another person in his place. Such removal is without prejudice to any claim such Director may have for breach of any contract of service between him and the Company. The person so appointed is subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed or reappointed a Director.

PROCEEDINGS OF DIRECTORS

- 139 The Directors may meet together (either within or without the Cayman Islands) for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting are determined by a majority of votes. In case of an equality of votes, the chairman has a second or casting vote. A Director who is also an alternate Director is entitled, in the absence of the Director whom he is representing, to a separate vote on behalf of such Director in addition to his own vote. A Director may, and the secretary on the requisition of a Director must, at any time call a meeting of the Directors.
- 140 Notice of meetings of the Board of Directors is deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose.
- 141 The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed at any other number, is two. In the event that a meeting of Directors is attended by a Director who is acting as an alternate for one or more other Directors, the Director or Directors for whom he is the alternate will be counted in the quorum despite their absence, and if on this basis there is a quorum the meeting may be held despite the fact that only one Director is

physically present. A meeting of the Directors for the time being at which a quorum is present is competent to exercise all powers and discretions for the time being exercisable by the Directors.

- 142 All or any of the Directors, including alternates, or members of any committee of the Directors may participate in a meeting of the Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating is deemed to be present in person at the meeting and may vote or be counted in a quorum. Accordingly, a meeting of the Directors or committee of the Directors may be held where each of those present or deemed to be present is in communication with the others only by telephone or other communication equipment. A meeting where those present or deemed to be present are in different locations is deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.
- 143 A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors. A general notice given to the Board of Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made. A Director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the Directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.
- 144 A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting of the Directors where he or any other Director is appointed to hold any such office or place of profit under the Company or where the terms of any such appointment are arranged and he may vote on any such appointment or arrangement.
- 145 The continuing Directors may act notwithstanding any vacancy in their body. If the number of the Directors is less than the prescribed minimum, the remaining Director or Directors must immediately appoint an additional Director or additional Directors to make up such minimum or will convene a general meeting of the Company for the purpose of making such appointment. If there is no Director or Directors able or willing to act, any two Members may summon a general meeting for the purpose of appointing Directors. Any additional Director so appointed holds office, subject to the provisions of these Articles, only until the end of the annual general meeting of the Company next following such appointment, unless he is re-elected during such meeting. He is eligible for re-election at such meeting and does not retire by rotation at such meeting nor is taken into account in determining the rotation or retirement of Directors at such meeting.
- 146 The Directors may from time to time elect from their number, and remove, a chairman and one or more deputy chairmen or vice chairmen and determine the period for which he is to hold office. The chairman, or in his absence, the deputy chairman or vice chairman (to be chosen if, in each case, there are more than one by agreement amongst them, or failing agreement, by lot) or in the absence of any of them, some other Director nominated by a majority of the other Directors in writing, presides at all meetings of the Directors. If no such chairman, deputy chairman or vice chairman is elected, or if at any meeting the chairman or the deputy chairman or the vice chairman or such other Director is

not present within five minutes after the time appointed for holding it, or if none of them is willing to act as chairman, the Directors present may choose one of their number to be chairman of the meeting

- 147 A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of Directors or of a committee of Directors, is as effective as a resolution passed at a meeting of the Directors or of a committee of Directors, duly convened and held, and may consist of several documents in the same form, each signed by one or more of the Directors. Any such resolution or document signed by an alternate Director is deemed to have been signed by a Director who has appointed that alternate Director. It need not be signed by the alternate Director in that capacity
- 148 A meeting of the Directors for the time being at which a quorum is present is competent to exercise all powers and discretions for the time being exercisable by the Directors
- 149 All acts done bona fide by any meeting of Directors, or of a committee of Directors, or by any person acting as Director, are as valid as if every such person had been duly appointed, was qualified, had continued to be a Director and had been entitled to vote, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or person acting as a Director, or that they or any of them were disqualified, or had vacated office, or were not entitled to vote
- 150 The Directors must ensure that minutes are made of
- (a) all appointments of officers and committees made by the Directors,
 - (b) the names of the Directors present at each meeting of Directors and of any committee of Directors and all business transacted at such meetings, and
 - (c) all orders, resolutions and proceedings at all meetings of the Company, of the holders of any class of shares in the Company and of the Directors and of committees of Directors
- 151 Any such minute, if purporting to be signed by the chairman of the meeting at which the proceedings were held, or by the chairman of the next succeeding meeting, is prima facie evidence of the matters stated in such minutes without any further proof
- 152 A committee appointed by the Directors may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairman of the meeting
- 153 A committee appointed by the Directors may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the committee members present and in case of an equality of votes the chairman shall have a second or casting vote

SEAL AND AUTHENTICATION OF DOCUMENTS

- 154 The Directors may provide a Seal for the Company and will have power from time to time to destroy any such Seal and to substitute a new Seal for it
- 155 An instrument expressed to be executed and delivered as a deed by the Company signed by two Directors or by one Director and secretary by the authority of the Directors or a committee authorised by the Directors has effect as if executed under Seal
- 156 The Directors must provide for the safe custody of the Seal and the Seal may never be used except by the authority of a resolution of the Directors or of a committee of the Directors authorised for that purpose by the Directors. The Directors may from time to time make such regulations as they think

fit, subject to the provisions of these Articles in relation to share and debenture certificates, determining the persons and the number of such persons who may sign every instrument to which the Seal is affixed and, until otherwise so determined, every such instrument must be signed by one Director and must be countersigned by a second Director or by the secretary

- 157 The Company may have official seals for use abroad. Wherever reference is made in these Articles to the Seal, the reference, when and so far as may be applicable, is deemed to include any such official seal
- 158 Any Director or the secretary or any person appointed by the Directors for the purpose has power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies of them or extracts from them as true copies or extracts. A document purporting to be a copy of a resolution, or a copy of or an extract from the minutes of a meeting of the Company or of the Directors or any committee of the Directors, which is certified as stated, is conclusive evidence in favour of all persons dealing with the Company upon the faith of any such copy that such resolution has been duly passed or, as the case may be, that such copy or extract is a true and accurate record of proceedings at a duly constituted meeting

DIVIDENDS

- 159 Subject to any rights and restrictions for the time being attached to any class or classes of shares, the Directors may from time to time declare dividends (including interim dividends) and other distributions on shares in issue and authorise payment of the same out of the funds of the Company lawfully available therefor
- 160 Subject to any rights and restrictions for the time being attached to any class or classes of shares, the Company by Ordinary Resolution may declare dividends, but no dividend shall exceed the amount recommended by the Directors
- 161 The Directors may, before recommending or declaring any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall, in the absolute discretion of the Directors be applicable for meeting contingencies, or for equalising dividends or for any other purpose to which those funds may be properly applied and pending such application may in the absolute discretion of the Directors, either be employed in the business of the Company or be invested in such investments (other than shares) as the Directors may from time to time think fit
- 162 Any dividend may be paid by cheque sent through the post to the registered address of the Member or person entitled thereto, or in the case of joint holders, to any one of such joint holders at his registered address or to such person and such address as the Member or person entitled, or such joint holders as the case may be, may direct. Every such cheque shall be made payable to the order of the person to whom it is sent or to the order of such other person as the Member or person entitled, or such joint holders as the case may be, may direct
- 163 The Directors when paying dividends to the Members in accordance with the provisions of these Articles may make such payment either in cash or in specie
- 164 Subject to any rights and restrictions for the time being attached to any class or classes of shares, all dividends shall be declared and paid according to the amounts paid on the shares, but if and so long as nothing is paid up on any of the shares dividends may be declared and paid according to the par value of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this Article as paid on the share

- 165 If several persons are registered as joint holders of any share, any of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share
- 166 Any dividend unclaimed after a period of 12 years from the date of its declaration by the Directors will be forfeited and will revert to the Company. All dividends, interest or other sums payable and unclaimed for one year, after having been declared, may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company is not constituted a trustee in respect of them. No dividend will bear interest as against the Company.

ACCOUNTS AND AUDIT

- 167 The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Directors.
- 168 The books of account shall be kept at the registered office of the Company, or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
- 169 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company by Ordinary Resolution.
- 170 The accounts relating to the Company's affairs shall only be audited if the Directors so determine, in which case the financial year end and the accounting principles will be determined by the Directors.

CAPITALISATION OF PROFITS

- 171 Subject to the Companies Law, the Directors may, with the authority of an Ordinary Resolution
- (a) resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution,
 - (b) appropriate the sum resolved to be capitalised to the Members in proportion to the nominal amount of shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards
 - (i) paying up the amounts (if any) for the time being unpaid on shares held by them respectively, or
 - (ii) paying up in full unissued shares or debentures of a nominal amount equal to that sum,and allot the shares or debentures, credited as fully paid, to the Members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to Members credited as fully paid,
 - (c) make any arrangements they think fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where shares or debentures become distributable in fractions the Directors may deal with the fractions as they think fit,
 - (d) authorise a person to enter (on behalf of all the Members concerned) into an agreement with the Company providing for either

- (i) the allotment to the Members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation, or
- (ii) the payment by the Company on behalf of the Members (by the application of their respective proportions of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares,

and any such agreement made under this authority being effective and binding on all those Members, and

- (e) generally do all acts and things required to give effect to the resolution

SHARE PREMIUM ACCOUNT

- 172 The Directors shall in accordance with Section 34 of the Companies Law establish a share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share
- 173 There shall be debited to any share premium account on the redemption or purchase of a share the difference between the nominal value of such share and the redemption or purchase price provided always that at the discretion of the Directors such sum may be paid out of the profits of the Company or, if permitted by Section 37 of the Companies Law, out of capital

NOTICES

- 174 Any notice or document may be served by the Company or by the person entitled to give notice to any Member either personally, by facsimile or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to the Member at his address as appearing in the Register of Members. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders
- 175 Any Member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened
- 176 Any notice or other document, if served by (a) post, shall be deemed to have been served two days after the time when the letter containing the same is posted, or, (b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient or (c) recognised courier service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service. In proving service by post or courier service it shall be sufficient to prove that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier service
- 177 Any notice or document delivered or sent by post to or left at the registered address of any Member in accordance with the terms of these Articles shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder, unless his name shall at the time of the service of the notice or document, have been removed from the Register of Members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share
- 178 Notice of every general meeting of the Company shall be given to

- (a) all Members holding shares with the right to receive notice and who have supplied to the Company an address for the giving of notices to them, and
- (b) every person entitled to a share in consequence of the death or bankruptcy of a Member, who but for his death or bankruptcy would be entitled to receive notice of the meeting

No other person shall be entitled to receive notices of general meetings

INDEMNITY

- 179 Every Director (including for the purposes of this Article any alternate Director appointed pursuant to the provisions of these Articles), Secretary, Assistant Secretary, or other officer for the time being and from time to time of the Company (but not including the Company's auditors) and the personal representatives of the same shall be indemnified and secured harmless out of the assets and funds of the Company against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by him in or about the conduct of the Company's business or affairs or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by him in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in the Cayman Islands or elsewhere
- 180 No such Director, alternate Director, Secretary, Assistant Secretary or other officer of the Company (but not including the Company's auditors) shall be liable (a) for the acts, receipts, neglects, defaults or omissions of any other such Director or officer or agent of the Company or (b) for any loss on account of defect of title to any property of the Company or (c) on account of the insufficiency of any security in or upon which any money of the Company shall be invested or (d) for any loss incurred through any bank, broker or other similar person or (e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on his part or (f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of his office or in relation thereto, unless the same shall happen through his own dishonesty

NON-RECOGNITION OF TRUSTS

- 181 No person shall be recognised by the Company as holding any share upon any trust and the Company shall not, unless required by law, be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent or future interest in any of its shares or any other rights in respect thereof except an absolute right to the entirety thereof in each Member registered in the Register of Members

WINDING UP

- 182 If the Company shall be wound up the liquidator may, with the sanction of an Special Resolution of the Company divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of shares. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability

AMENDMENT OF ARTICLES OF ASSOCIATION

- 183 Subject to the Companies Law and the rights attaching to the various classes of shares, the Company may at any time and from time to time by Special Resolution alter or amend these Articles in whole or in part

REGISTRATION BY WAY OF CONTINUATION

- 184 The Company may by Special Resolution resolve to be registered by way of continuation in a jurisdiction outside the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing. In furtherance of a resolution adopted pursuant to this Article, the Directors may cause an application to be made to the Registrar of Companies to deregister the Company in the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company

This is a true & correct copy of the certificate
of Incorporation on Change of name for Toumaz Ltd.

[Signature]

Jonathan Apps 23/9/2013.

WK-145128

Certificate of Incorporation on Change of Name

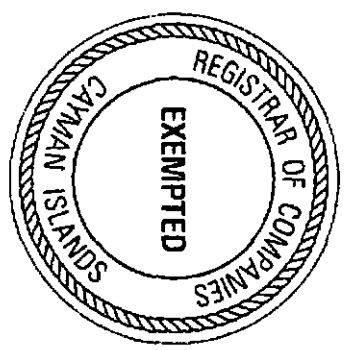
I DO HEREBY CERTIFY that
Toumaz Holdings Limited

having by Special resolution dated 10th day of May Two Thousand Ten changed its name, is now
incorporated under name of


Toumaz Limited

Given under my hand and Seal at George Town in the
Island of Grand Cayman this 14th day of May
Two Thousand Ten

[Signature]
An Authorised Officer,
Registry of Companies,
Cayman Islands.



This is a true and correct copy
of the accounts of Toumaz Ltd year
ending 31st December 2012.



Jonathan Apps
Director & CFO

TOUMAZ LIMITED

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2012

TOUMAZ LIMITED

OFFICERS AND ADVISORS

For the year ended 31 December 2012

Registered office	Intertrust Group 190 Elgin Avenue George Town Grand Cayman Cayman Islands
Directors	Professor C Toumazou FRS (Executive Chairman) Mr A Sethill (CEO) (Appointed 4 May 2012) Mr C Batterham (Non-executive director) (Appointed 3 July 2012) Mr M Knight (Non-executive Director) Sir H Yossaie (Non-executive Director) Mr J Apps (CFO) (Appointed 12 November 2012) Mr S Grisard (Non-executive Director) (resigned 30 March 2012) Mr I McWalter (Non-executive Director) (resigned 30 March 2012) Sir Richard Sykes FRS (Former Executive Chairman) (Resigned 4 May 2012) Mr P Stephansen (Former Chief Financial Officer) (Resigned 28 September 2012) Mr W Wong (Non-executive Director) (Resigned 12 November 2012)
Secretary	Intertrust Group Cayman Islands
Assistant Secretary	Mr J Apps Building 3 115 Olympic Avenue Abingdon OXON OX14 4SA
Nominated adviser and broker	Peel Hunt Moor House, 120 London Wall London EC2Y 5E
Registrars	Capita Registrars (Jersey) Limited 12 Castle Street St Helier, Jersey JE2 3RT Channel Islands
Depository	Capita IRG Trustees Limited The Registry 34 Beckenham Road, Beckenham Kent BR3 4TU
Solicitors	Taylor Wessing 5 New Street Square London EC4A 3TW

TOUMAZ HOLDINGS LIMITED

OFFICERS AND ADVISORS

For the year ended 31 December 2012

Auditor	Grant Thornton UK LLP 3140 Rowan Place Oxford Business Park South Oxford Oxfordshire OX4 2WB
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TOUMAZ LIMITED

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TOUMAZ LIMITED

CHAIRMAN'S STATEMENT

2012 was a transformative year for the Group with the strengthening of the senior management team and the acquisition of Frontier Silicon ('Frontier') in July 2012

The Board recognised early in 2012 that the Group needed to commercialise its considerable R&D talents and to that end appointed Anthony Sethill as Chief Executive in May 2012 with me taking on the Chairman's role. Anthony brings a significant and successful history in the semi-conductor and consumer electronics arena having founded and grown Frontier to a £20m plus turnover business in a little over 8 years.

The combined Group now comprises key skillsets in wireless communication, DAB radio chip design, embedded software, sensor technology and cloud based services and applications. The addition of Frontier also brings expertise in supply chain management and outsourced manufacturing along with cost benefits and efficiencies.

The Group is now able to provide the chips to power its end-to-end solutions and, with the completion of its next generation of chip designs during 2013, the Group should become fully self-sufficient. When this is combined with the ultra-low power that has always been a Toumaz trademark, I believe the Group will have excellent commercial propositions in each of its key markets.

The senior management team and Board have also been strengthened overall with the appointment of Jonathan Apps as CFO in November 2012 and Chris Batterham as a Non-executive Director in July 2012. Jonathan brings a wealth of experience in technology businesses, having previously been CFO of Europe's largest independent WiFi operator The Cloud Networks, which was sold to BskyB in 2011, and CFO of a number of listed companies.

The Group appointed Jim Nicholas as Vice President of marketing in January 2013. Jim has spent over 25 years in the semiconductor industry, including roles as General Manager of the processor division at STM, Europe's largest semiconductor business, and more recently as Vice President of marketing at ARM also within the processor division.

Toumaz Healthcare also appointed Steve Atkinson as Senior Vice President & General Manager of Toumaz in March 2013. Steve has over 20 years' experience in medical devices, particularly focusing on sales and marketing at GE Healthcare, amongst other companies.

Sir Richard Sykes, Serge Grisard, Ian McWalter, Winston Wong and Patrick Stephansen stepped down from the Board during 2012 and I would like to thank them for their contributions to the Group.

I would also like to thank the staff in our locations around the globe for their commitment and energy in making the Group what it is today and in driving it forward to what it can become.

Prof Christopher Toumazou
Chairman
24 April 2013



TOUMAZ LIMITED

CHIEF EXECUTIVE STATEMENT

INTRODUCTION

During 2012, Toumaz commenced its transformation from an R&D led to a market led organisation, with the aim of becoming a global leader in wireless semiconductor solutions. The Group has reviewed its core strengths and developed a focused strategy, exploiting Toumaz's exceptional technology and expertise. The Group's Board and senior management team have also been significantly strengthened.

The Group's strategy is to become fully self-sufficient in providing new chip solutions focused on the needs of its core digital radio, digital audio and healthcare markets. It aims to ensure these solutions are appropriately commercialised and marketed, to exploit existing market opportunities and to realise the full potential within the healthcare division.

To enable it to deliver on its strategy, the Group acquired Frontier Silicon in August 2012. Frontier provides Toumaz with a market leading position in digital radio and connected audio, bringing annual revenues of over £20m and a proven sales, marketing and supply chain infrastructure. It also has incremental technologies and capabilities complementary to those already existing within Toumaz.

The enlarged Group is now organised into two market-focused operating units: Frontier Digital Audio (incorporating Digital Radio and Connected Audio) and Toumaz Healthcare, which share appropriate infrastructure, enhancing operational efficiencies.

The Frontier Digital Audio division is focused on connectivity within consumer electronics, including the 'Internet of Things', where peripheral devices are wirelessly connected to the internet to enable the automated home.

Toumaz Healthcare's focus is on wireless monitoring of patients in the hospital environment and it plans to extend this into the domestic environment over the next few years. As the healthcare industry grapples with the issues of aging populations, increasing costs and risks of infection, treating patients in lower cost environments, using reliable, cheap, disposable wireless monitoring becomes increasingly important.

The key differentiator of Toumaz's SensiumVitals® disposable product is the continuous monitoring of patients' vital signs. The benefits of this include early intervention if a patient's condition deteriorates, and reduced costs to healthcare providers through limiting the need for medication and additional treatment thanks to early intervention.

Toumaz's core technology and IP is common to both divisions' solutions and the enlarged Group now includes all the components to provide complete proprietary platforms, including both hardware and software. Toumaz's radio chip capability is a strong differentiator for its products, as is the Group's ability to provide complete end-to-end solutions, something which many large semiconductor businesses have struggled with.

The Group's transformation will gather pace during 2013 as it begins to sample and launch its new chip platforms, targeting its core markets. Toumaz is confident that it is on the path to delivering sustainable growth in the near future.

DIGITAL RADIO

Overview

Prospects for our digital radio business appear healthy. Over the next three years, market volumes are expected to see significant growth as the adoption of digital radio increases in the UK and internationally. We expect to see some continued erosion of prices due to competitive pressures, this will in turn help to drive volume growth as the cost differential between analogue and digital radio chips narrows.

TOUMAZ LIMITED

CHIEF EXECUTIVE STATEMENT

Investments in new chip developments will enable the Group to maintain margins at current levels. We expect our market share in our core markets of DAB / DAB+ consumer radios and automotive aftermarket (currently ~80%) to remain broadly stable.

Market development (UK and international)

In the UK, our largest market, the Government has indicated that it will make a decision by the end of 2013 whether to proceed with digital switchover. A positive decision, supported by the introduction of a Digital Radio Certification Scheme, would be expected to provide a strong uplift to sales of digital radios in the UK, currently 2m units a year. Significant growth potential exists as, currently, only one third of radios, including clock radios and home audio systems, sold are digital*, the automotive aftermarket sector represents an additional opportunity of up to 20m units between now and an eventual switchover date.

Internationally, digital radio is beginning to make significant advances. Norway and Denmark have set target dates for digital switchover (2017 and 2019 respectively), whilst Switzerland and Australia are now firmly established markets - both territories have cumulative sales of over 1m units. Perhaps of greatest interest has been the progress made in Germany, where DAB+ services were launched in August 2011. With support from public and private broadcasters, 2012 saw the first significant volumes from this market. Strong growth is anticipated over the next three years.

Developments in Germany are helping to build a wider momentum for digital radio across Europe.

- The Netherlands will see the launch of DAB+ in September
- In Italy, the first regional services went on air at the end of 2012
- In France, the regulator is in the process of awarding the first licences for Paris, Nice and Marseille
- In Sweden, the government is to make a decision this year on whether to award licences for DAB+ services
- In Belgium, broadcasters are seeking Government approval to launch DAB+ services

This momentum is supported by the European Broadcasters Union, representing public broadcasters, which has called for the widespread deployment of digital radio across Europe.

Further afield, we see the emergence of additional opportunities in the Americas and Asia. The US has already adopted its version of digital radio - HD radio, in India, the Government has confirmed its support for the DRM standard, and Japan has adopted ISDB-T. The Group's next generation digital radio chip will support all of these standards. The scale of these opportunities has yet to be sized, these additional standards have the potential to create significant upside for the business.

Competitive positioning and product development

The Group's Digital Radio division is the clear market leader in the provision of digital radio solutions with an ~80% market share in its core markets. It has long established relationships with major consumer electronics brands, including Sony, Philips, Pure, Roberts, Bose, Grundig and Panasonic – plus many retailer own-brands.

* Of portable radios, 70% are digital (GfK, 2012)

As the adoption of digital radio accelerates, new competitors are likely to emerge. To date, these players have had limited success, but a high priority for the business is to protect its market share. The Group's investments in chip and software developments are designed to meet this objective – as well as helping to drive the market. The focus of our engineering teams is to integrate as much functionality on a single chip solution as possible, minimise power consumption and introduce new functionality which meets the needs of customers, content providers and end-users[†]

A specific objective for the business is to reduce the price differential between analogue and digital radio chips which will aid digital uptake. The Group's next generation chip, Chorus 4, will narrow this gap substantially.

CONNECTED AUDIO

Overview

Toumaz sees connected audio as a key component of its long term growth strategy.

- The networked audio sector is poised for take-off. by 2016, ~70% of new consumer audio devices are expected to be connected.
- The Group already has significant technology expertise in this sphere – a position strengthened through its partnership with Imagination Technologies.
- Toumaz will seek both to leverage its existing customer base and secure new clients (including major consumer electronics brands not active in digital radio).

Over the next two years, the Group expects to launch a number of network audio solutions. The short-term focus will be on Bluetooth products – especially those targeting the wireless dock market, these will be followed by products which combine both Bluetooth and Wi-Fi – with a particular focus on low cost solutions for the broader connected audio market.

Market development

Connected products are a rapidly emerging segment within consumer audio. A worldwide market in 2012 of ~20m connected audio devices is expected to rise to ~70m units by 2016.

Key drivers of this growth are

- the rapid adoption of smart devices (smartphones and tablets)
- the growing popularity of cloud-based music streaming services
- the falling cost of connected audio solutions

Currently, the connected audio market is mainly Bluetooth-enabled (i.e. music is streamed via Bluetooth from smart devices to wireless speakers). Bluetooth is a low cost, mature technology commonplace in mobile phones.

[†] For example, Bluetooth connectivity between radios and smart devices, which enables smartphones or tablets to act as a remote control for the radio – and to display IP-delivered visual content (e.g. album artwork, news updates) related to the broadcast audio being played.

Over time, we expect Wi-Fi to become more prevalent – becoming the backbone of connected home ecosystems, whilst (compared to Bluetooth) offering superior range and audio quality. The uptake of Wi-Fi in connected audio is expected to rise as the price gap between Wi-Fi and Bluetooth solutions diminishes and the advantages of Wi-Fi are demonstrated.

Competitive positioning and product development

The Group already has significant expertise in connected audio. Frontier Silicon modules are to be found in over 1m internet radios, and the Xenif Wi-Fi chip provides a range of advanced audio applications, including multi-room. The Group's hardware solutions are complemented by a suite of software solutions – for example, for the integration of online music services (e.g. Pandora and Sirius XM), audio processing, wireless streaming and apps for smart devices.

In 2013, Toumaz plans to launch Tuscany – a low-cost module addressing the rapidly expanding wireless dock market. Our primary focus will be on wireless docks with radios (particularly those with digital radios).

In partnership with Imagination Technologies, the Group is already several months into the development of Symphony, its next generation connected audio chip. This chip will be based on Imagination's MIPS interactive core (including DSP extensions) and will include Wi-Fi, Bluetooth, NFC and audio processing and is scheduled for launch in 2015.

Also in partnership with Imagination Technologies, Toumaz is developing Roma, a wireless module based on the Group's Xenif Wi-Fi chip which will be able to provide cloud based content and streaming for multi-room speakers. This is planned for launch in the second half of 2013.

The Internet of Things

Symphony is a keystone of the Group's long term strategy to address the market for the "Internet of Things". As connectivity becomes more pervasive in-home and at work, the market for embedded products is expected to grow exponentially. Toumaz's initial focus is on connected audio and wireless healthcare. Longer term, we expect to explore additional opportunities in adjacent sectors, such as home automation, security, smart metering, toys and in-car infotainment. The development of Symphony and Sensium 2 (see under Healthcare) are the first steps in this journey.

HEALTHCARE

Overview

Sensium® is Toumaz's platform for ultra low-power wireless body area monitoring. The global patient monitoring market is estimated at \$6.1 billion[†] and the Sensium® platform aims to serve this market by incorporating all the components needed for a healthcare monitoring system including

- Unobtrusive, long battery life body nodes with multiple sensor interfaces
- Wireless networking optimised for health & medical data
- Server technology to enable enterprise level deployments
- Efficient algorithms to overcome corruption from motion

[†] Source: GBI Research 2010

CHIEF EXECUTIVE STATEMENT

Sensium® technology is suitable for a wide range of markets from hospital to care homes/nursing homes and further domestic applications. The technology can be packaged into different form factors, including disposable and non-disposable, for each of the markets.

The first product based on Sensium® technology is SensiumVitals® – a wireless vital signs monitoring solution aimed at the general wards of hospitals. Toumaz US, Toumaz's licensee for SensiumVitals®, has launched the product in the USA with a pilot at St John's Health Center. The pilot has progressed extremely well and has clearly demonstrated the patient safety benefits of SensiumVitals®.

SensiumVitals®

General floor or med-surg patients in hospital currently have measurements of their "vital signs" taken and recorded only intermittently, commonly at four to eight hour intervals, unless they have previously been identified as at particular risk of deterioration. Thus deteriorations can occur to a point of serious consequence before it is recognized. A system that automatically measures patient vital signs and can notify a clinician when a patient's condition changes would help to alleviate this situation and increase patient safety. This will also help save costs for hospitals and healthcare trusts since patient deterioration can be treated early on in the general ward and prevent readmission to more costly areas of the hospital such as ICUs/HDUs.

SensiumVitals® is an end to end solution that consists of a disposable wireless plaster with integrated temperature sensor that will be applied to a patient. The disposable plaster is fixed to the patient and captures vital signs (axillary temperature, pulse, and respiratory rate) every 2 minutes. The plaster measures the vital signs using standard techniques that are widely used in patient monitors in hospitals. If any of these vital signs are outside defined upper and lower limits a notification is raised by the server software. The plaster has a five day battery life and can be disposed after use.

SensiumVitals® is currently being piloted at St John's Health Center in Santa Monica, CA. The pilot has proved extremely successful – heart rate, respiratory rate and temperature are the leading indicators of patient deterioration and the plaster has helped detect patient deterioration many hours before routine vital signs rounds in the general ward.

In April 2013, Toumaz published a white paper on the results and health economics study of the first six months of its pilot at St John's. Results from pilot exceeded expectations, with the medical and economic case for the use of SensiumVitals® clearly demonstrated.

There are many case studies of incidents where the plaster has been helpful in early detection of deterioration. Of note is when the plaster helped detect the onset of sepsis which can save the hospital significant cost as well as prevent serious deterioration in the patient. The plaster has also proved useful with non-verbal patients who are unable to vocalise discomfort. Nurse feedback has been very positive – nurses like the fact that the plaster is easy to apply and use and helps highlight the patients that are deteriorating.

SensiumVitals® is a FDA 510(k) cleared product. Regulatory approvals in other regions, including CE marking in Europe, will follow during 2013, and the Group is in advanced planning for a pilot with a private hospital group in the UK.

Competitive positioning and product development

The traditional method of monitoring vital signs in a hospital general ward involves the use of large patient monitors that are wheeled from room to room. Clearly this is not suitable for continuous wireless on-body monitoring. Of the few competitive products in this field SensiumVitals® has the clear advantage – the plaster weighs a mere 15g and is the most unobtrusive and comfortable solution on the

TOUMAZ LIMITED

CHIEF EXECUTIVE STATEMENT

market. It is also the only fully disposable solution on the market. This means that it is easier for caregivers to use and has no chance of infection transmission from one patient to another.

Toumaz's key advantages in this space are underpinned by the Group's semiconductor chip development programmes. The current SensiumVitals® plaster is based on Toumaz's first generation Sensium® chip. This uses a proprietary wireless communications protocol optimised for ultra low-power health monitoring applications.

Toumaz has played an important role with the Institute of Electrical and Electronics Engineers (IEEE) in the development of a new standard for body area networking. The new global standard IEEE 802.15.6 was ratified in February 2012 and is aimed at medical body area networks. Recognising the importance of wireless body area monitoring the Federal Communications Commission (FCC) in the USA has granted approval for the allocation of a Medical Body Area Network (MBAN) spectrum. The new IEEE 802.15.6 standard includes the ability to use the MBAN spectrum.

Toumaz is developing a next generation chip that will implement IEEE 802.15.6 as well as Bluetooth Smart (the new Bluetooth low energy standard). This will position the next generation Sensium® chip for use in the medical monitoring market as well as the consumer sports and fitness market. These new chip developments, together with the addition of new vital signs, improved algorithms, wireless range and user interface to the SensiumVitals® platform will help protect Toumaz's competitive advantage.

FINANCIAL RESULTS

The information provided in this section relates to continuing operations unless indicated otherwise. The results for Frontier Silicon ("Frontier") have been consolidated from 20 August 2012, the effective date of the completion of the acquisition. Where figures are given on a pro-forma basis, this assumes Frontier had been acquired on 1 January 2012 and hence a full year's results have been included.

Group

Group revenue for the year increased from £2.3m to £8.8m due to the acquisition of Frontier Silicon. On a pro-forma basis revenue declined from £24.8m to £22.3m primarily due to one-off non-recurring consulting fees in 2011 of £2m.

Group EBITDA loss (loss from continuing operations less depreciation, amortisation and impairment and share based payment costs) in 2012 was £9.2m, (2011 loss of £5.8m). The increased loss is primarily due to extended investment costs in chip development. During the year an impairment review was carried out on the Group's intangible assets and a charge of £10.2m has been taken to reflect the end of life of certain of the intellectual property previously recognised on the balance sheet due to technological advances in the industry.

Revenue

Revenue was derived from the Digital Radio and Connected Audio sector in 2012 and against a difficult economic background performed well with a 10.3% increase in unit sales year on year.

The Healthcare division has yet to record continuing revenue from product sales being still in a developmental phase. In 2011 it recorded revenue of £1.8m from a non-recurring consulting project.

Gross profit margin for the Group, was 45.6% (2011 35.4%) representing a change in product mix following the acquisition of Frontier.

TOUMAZ LIMITED

CHIEF EXECUTIVE STATEMENT

Costs of acquiring Frontier Silicon

The Group acquired Frontier on 20 August 2012 and incurred £0.6m in professional fees and transaction costs in the process. These costs have been expensed as normal trading costs in the total comprehensive loss for the year.

Pre-tax loss

The Group reports a pre-tax loss of £21.6m for the year (2011: loss of £7.3m) representative of the fact that it is still in a developmental phase which should start to drive further revenues from the end of 2014 onwards.

Taxation

The Group has historically applied for and received tax credits in respect of its research and development expenditure. In 2012 the tax credits amounted to £1.4m (2011: £0.6m). It is expected that similar claims will be made in the future.

As at 31 December 2012 the Group has unutilised tax losses of £39.5m that may be utilised against taxable future profits. These losses are still to be agreed with the UK tax authorities. In the Board's opinion there is uncertainty over the timing and quantum of their use in the foreseeable future and therefore a deferred tax asset has not been recognised.

Retained loss

Full year retained comprehensive losses in 2012 were £20.4m (2011: £6.8m). The increased loss is as a result of both the investment in new chip development discussed above and also a one off charge of £10.2m as a result of an impairment review of the Group's intangible assets. It is the Board's view that certain of the IP held on the balance sheet at the beginning of the year no longer has the future value to support its carrying value for the reasons explained above. During 2012, no R&D expenditure met the Group's capitalisation criteria as set out in the accounting policies and as such the total research and development expenditure of £6.4m has been recognised in the total comprehensive loss. In addition to the chip development costs, the Group is also investing in the German DAB market to stimulate demand and unit sales.

Cash flow

As at the year-end the Group recorded £15.3m of cash and cash equivalents on the balance sheet. On current plans the Group does not see a necessity of seeking further funding in 2013.

CURRENT TRADING AND OUTLOOK

The Group is trading in line with the Board's expectations. With the combination of Toumaz and Frontier, significant operational benefits and design synergies should be gained. Revenue is underpinned by strong recurring revenues in the Digital Radio sector where the Group enjoys a significant market share. The Digital Radio market is expected to expand over the coming years and although there is likely to be some price erosion on sales, the new chip developments should see costs falling at a greater rate. Following the successful pilot in North America, the Group believes that it has a commercial product in SensiumVitals® and will be looking to generate revenues in this sector in 2012. The Group's ongoing strategy is to ensure that the timetables for the chip developments currently underway are adhered to, existing markets are maintained and that the potential in the Healthcare market is realised.

TOUMAZ LIMITED

CHIEF EXECUTIVE STATEMENT

As at 31 December 2012, the Group reported cash and cash equivalents of £15.3m. In the Board's view, this is sufficient to fund the Group's activities, as currently planned, until early 2014. Depending on trading and chip development during 2013, elements of the development plan can be deferred to preserve cash if required. In addition, should further funding be required, the Board are confident that a number of alternative sources of finance could be available and a more detailed examination of their relative merits will be considered at that time.

Anthony Sethill
Chief Executive Officer
24 April 2013

A handwritten signature in black ink, appearing to read 'Anthony Sethill', with a long, sweeping horizontal stroke extending to the right.

TOUMAZ LIMITED

DIRECTORS' REPORT

The Directors present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2012. This report has been prepared voluntarily in order to provide appropriate information for the shareholders.

Principal activity

The principal activity of the Group is that of commercial exploitation of ultra-low power wireless infrastructure technologies with commercial propositions within the Toumaz Healthcare and Digital radio/Connected audio divisions as discussed in the Chief Executive Statement.

Business review

A review of the business in the year and of future developments is given in the Chairman's statement and Chief Executive Officer's report on pages 2 to 10.

The results of the Group are shown within the financial statements. The Directors do not recommend the payment of a dividend.

The key performance indicators the Directors utilise to monitor the performance of the Group are as follows:

Product commercialisation

The Group is currently undertaking a number of major chip developments where sales to end customers is not assured. The Board receive and monitor regular reports on the status of end programme and potential customers.

Sales contracts and licence deals signed and third party development projects undertaken by Group companies are monitored on a regular basis. In 2011 the Group signed a licence agreement with Toumaz US to commercialize the Sensium® technology to hospitals. The commercialisation process of the SensiumVitals® digital plaster system has started in the US with a pilot at St John's Health Center in Santa Monica. The pilot has been overseen by Toumaz US and is progressing well with a clear demonstration of the many patient safety benefits of the technology. The digital radio division has long established relationships with major consumer electronics brands, including Sony, Philips, Pure, Roberts, Bose, Grundig and Panasonic plus during the year there were a significant number of design wins with large retailers.

Funding

During the year the Group concentrated on managing the cash resources of the business in line with internal financial projections. On 13 February 2012 the Group announced the raising of £11.1m from existing and new shareholders to fund its development programme and provide working capital. A further £29.3m was raised in August 2012 to fund the acquisition of the Frontier Silicon Group. The current forecasts assume that no further funds are required in the near term and that should funding be required in future periods then it is believed a number of potential sources may be available and that these be assessed at that time.

Share price

The share price is constantly under scrutiny by the management, and commented upon at Board meetings.

TOUMAZ LIMITED

DIRECTORS' REPORT

Business risks

There are a number of potential risks and uncertainties which could adversely impact the achievement of the Group's corporate aims. The following are the key risks the Board has identified together with the processes and policies the Group has in place to mitigate those risks as far as commercially practical.

The introduction of "disruptive technology" into the market exposes us to risks

The introduction of new and untested "disruptive technology" into the market place exposes the Group to the risk that costly developments will take longer or not achieve acceptable financial returns and put a strain on financial resources. Close relationships with customers, strategic partners and attendance at technology conferences help management keep informed of new technology innovations.

The length of our product design cycle exposes us to risks

The lengthy design cycle makes it difficult to forecast product demand, with the possibility that products will ultimately not be required by our customers or alternatives become available to them, leading to a failure to achieve expected returns. A close relationship with customers and good management of the Integrated Circuit design team will mitigate these risks.

Delays in development and testing may occur

Designing and introducing new and revised products, at the cutting edge of the technology central to the Group, can result in operating failures when first introduced and tested. Delays in this can adversely impact our ability to supply the products our customers might want in a timely manner. Continued improvement of management of the IC design team and software development team will mitigate these risks.

Delay or failure in achieving regulatory authorisation

Any delay or failure in achieving the required accreditation for our products, such as Medical Devices Approval, would lead to an underachievement of the returns expected from our Toumaz Healthcare Division. The Sensium® platform for hospital application (complete system from patient to hospital server and nurse's work stations) was FDA cleared in July 2011. Regulatory approvals in other regions including CE marking in Europe are expected in 2013.

The success of our customer's products is critical to our business

We are dependent, particularly in the Digital Radio and Connected Audio Division, that manufacturers select and design in our products into their own products. Even if this occurs sales of our products are dependent on the commercial success of the end consumer product. With the acquisition of Frontier this risk is reduced as the products within this division have been established within the market for a number of years and are built into a wide range of end brands.

We may be unable to protect properly our intellectual property and may face challenges for infringement by third parties

Whilst we seek to protect our intellectual property by a well structured and controlled process of patent applications, maintenance and other tools, we face the risk that others may seek to copy and/or infringe certain aspects of our intellectual property. Defence of our claims may prove unsuccessful and expensive. In addition we might face challenges to our use of intellectual property that others might claim belongs to them. The consequences of this would be either a complete withdrawal and redesign of the offending product or serious and costly delays in proving our right to exploit the disputed intellectual property. We are not aware of any situation of IP infringement.

We are exposed to risks associated with our suppliers and partners failing and causing a disruption in supply

We are dependent on third parties to manufacture our components and, in some cases, assemble our products. Failure of any of our major suppliers could lead to delays in designing and testing new

TOUMAZ LIMITED

DIRECTORS' REPORT

products and in supplying products on time and at the agreed costs to our existing customers. This risk is reduced by using a number of different suppliers wherever possible.

We are dependent on our senior management and staff for our product development and delivery to customers

If we fail to retain key management and employees our ability to successfully complete on time and to budget both our development programme and commitments to customers will lead to delays in achieving Group strategic results. To protect our position in this regard we constantly monitor the competitive nature of our salary and rewards package, look to the share option scheme to add additional benefits to key employees and regularly update them, through staff meetings and individual briefings, to add "buy in" to our corporate objectives.

Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and cash equivalents. The Group has various other financial instruments such as trade receivables and trade payables, which arise directly from its operations.

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Directors are responsible for co-ordinating the Group's risk management and focus on actively securing the Group's short to medium term cash flows.

The Group does not actively engage in the trading of financial assets and has no financial derivatives. The most significant risks to which the Group is exposed are described below.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of any allowance for doubtful receivables, estimated by the Directors. The majority of the Group's customers are large, established businesses. Credit control checks are carried out on all new customers and credit limits are regularly reviewed.

Cash flow risks

The Group seeks to manage risks to ensure sufficient liquidity is available to meet foreseeable needs by investing cash assets safely and profitably. Short term flexibility is achieved by the use of money markets to deposit excess cash which is not required in the short term. The Directors prepare rolling cash flow forecasts and seek to identify the need and raise additional funding whenever a shortfall in facilities is forecast. £11.1m was raised in February 2012 from a share issue and a further £29.3m in August 2012.

Currency risks

The Group is exposed to foreign exchange risk. Most of its products are priced in US\$ and, whilst the majority of its third party cost base is also denominated in US\$, a large element of its labour cost is borne in sterling. Management aim to keep a reasonable balance of cash in both US\$ and sterling to cover the cost base. The Group does not seek to hedge its foreign exchange risk and the Directors consider that the exposure to movements in foreign currencies is not significant. At the time when the Directors consider that exposure to foreign exchange trading risks becomes significant they will seek to adopt appropriate hedging strategies and products.

TOUMAZ LIMITED

DIRECTORS' REPORT

Directors

The Directors who served during the year are set out below

Professor C Toumazou FRS (Executive Chairman)
Mr A Sethill (CEO) (Appointed 4 May 2012)
Mr C Batterham (Non-executive director) (Appointed 3 July 2012)
Mr M Knight (Non-executive Director)
Sir H Yossai (Non-executive Director)
Mr J Apps (CFO) (Appointed 12 November 2012)
Mr S Grisard (Non-executive Director) (resigned 30 March 2012)
Mr I McWalter (Non-executive Director) (resigned 30 March 2012)
Sir R Sykes FRS (Former Executive Chairman) (Resigned 4 May 2012)
Mr P Stephansen (Former Chief Financial Officer) (Resigned 28 September 2012)
Mr W Wong (Non-executive Director) (Resigned 12 November 2012)

Details of share options held by the Directors are set out in the Report on Remuneration

Substantial shareholdings

The only interests in excess of 3% of the issued share capital of the Group which have been notified as at 18 April 2013 were as follows

	Ordinary shares of 0.25p each Number	Percentage of capital %
M & G Investments	220,932,754	21.80
Herald Investment Management	152,373,325	15.03
AXA Framlington	108,411,234	10.70
Imagination Technologies Limited	92,275,622	9.10
Cazenove Capital Management	335,300,925	3.48
Schroder Investment Management	34,703,423	3.42

TOUMAZ LIMITED

DIRECTORS' REPORT

Payment to suppliers

It is the Group's policy to agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard terms and conditions to individually negotiated contracts and pay suppliers according to agreed terms and conditions, provided that the supplier meets those terms and conditions. The Group does not have a standard or code dealing specifically with the payment of suppliers.

Group trade payables at the year end amounted to 120 days purchases (2011: 72 days)

Employee involvement

The Group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Group.

This is achieved through consultations with employees and regular staff meetings. Employee share option schemes have operated since 2003 and are open to all eligible employees. Details of the various share options outstanding are given in note 22 of these accounts. At 31 December 2012 33,691,945 share options were outstanding with a weighted average exercise price of 5.24p.

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

Directors' responsibilities

The Group was incorporated as a corporation in the Cayman Islands, which does not prescribe the adoption of any particular accounting framework. Accordingly, the Board have resolved that the Group will follow International Financial Reporting Standards as adopted by the European Union (IFRSs) when preparing its annual financial statements.

The Directors prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, 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 financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group transactions and disclose with reasonable accuracy at any time the financial position of the Group, for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the preparation of the Report of the Directors and other information in the annual report.

TOUMAZ LIMITED

DIRECTORS' REPORT

In so far as the Directors are aware

- there is no relevant audit information of which the Group's auditor is unaware, and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Directors confirm that the accounting policies adopted in the preparation of the financial statements are appropriate to the Group, have been consistently applied and are supported by reasonable prudent judgements and estimates. All applicable accounting standards have been followed.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Grant Thornton UK LLP have expressed their willingness to continue in office. A resolution to re-appoint Grant Thornton UK LLP will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD



Jonathan Apps
Assistant Company Secretary

24 April 2013

Basis of preparation

The Board are committed to the principles of good governance and believe it is appropriate to share this with our stakeholders. We therefore set out below the key elements of our governance structure and policies.

Governance structure

The Group supports the concept of an effective Board leading and controlling the Group. The Board is responsible for approving Group policy and strategy. It meets on a regular basis, at least six times a year, 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 professional advice at the Group's expense.

The Board consists of an executive Chairman and two executive directors, who hold the key operational positions in the Group, and three non-executive directors, who bring a breadth of experience and knowledge.

Relations with shareholders

The Group values the views of its shareholders and recognises their interest in the Group's strategy and performance. The Annual General Meeting will be used to communicate with private investors and they are encouraged to participate. The Directors will be available to answer questions. Separate resolutions will be proposed on each issue so that they can be given proper consideration and there will be a resolution to approve the annual report and accounts.

Internal control

The Board is responsible for maintaining a strong system of internal control to safeguard shareholders' investment and the Group's assets and for reviewing its effectiveness. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

An audit committee has been established and comprises three non-executive directors: C Batterham (Chair), M Knight and Sir H Yassaie. The Committee meets at least half yearly and is responsible for ensuring that the financial performance of the Group is properly monitored and reported on, as well as meeting the auditor and reviewing any reports from the auditor regarding accounts and internal control systems.

The Board has considered the need for an internal audit function but has decided the size of the Group does not justify it at present. However, it will keep the decision under annual review.

Going concern

At 31 December 2012 the Group has net assets of £51.9m and net current assets of £14.1m, including £15.3m of cash. However, in order to meet their strategic ambitions the Board remains committed to on-going investment into the development of its products. As such the Group anticipates being cashflow negative in the short term.

In order to assess the appropriateness of the going concern basis the Board have prepared detailed profit and cashflow forecasts through to 31 December 2014 which incorporate the Group and its subsidiary undertakings as at 31 December 2012

The key assumptions in preparing the forecasts are as follows

- Management have used their best efforts to predict revenues and gross margin from the core business for the forecast period based on existing customer relationships and expectations for developing new relationships in existing markets
- Revenues streams for new business lines have been modelled on a conservative basis with growth rates reflecting the risk associated with new lines of business
- The Group's cost base is designed to support existing revenue streams and the development of new chip programmes together with their expected deliverable dates. This has been forecast based on existing costs together with an estimate of forecast costs based on management's experience. Management is currently considering a number of cost saving initiatives which would further reduce the forecast expenditure on research and development, without limiting the quality of its product development

The Board are satisfied that whilst there are risk factors associated with any set of forecasts, due care has been exercised in preparing them. The Board notes that it continues to monitor its product development strategy and that, if a decision was made to enhance the development expenditure or to accelerate the timing of planned development, additional funding may be required. The Board is confident that should further funding be required that the Group would be able to source this and that therefore it is appropriate to prepare these accounts on a going concern basis.

TOUMAZ LIMITED

REPORT ON REMUNERATION

Basis of preparation

The Board is committed to openness and transparency in relation to the remuneration of the Directors. The report below sets out the key elements of the Group's policies in this respect, in order to provide appropriate information to the shareholders.

Directors' remuneration

The Board recognises that Directors' remuneration is of legitimate concern to shareholders. The Group operates within a competitive environment where performance depends on the individual contributions of the Directors and employees and it believes in rewarding vision and innovation.

Policy on executive Directors' remuneration

A separate remuneration committee has been established comprising the three non-executive directors, Sir H Yossaie (chair), C Batterham and Martin Knight.

The Remuneration Committee meets at least twice a year and is responsible for recommending to the Board the policy and structure for the remuneration of the Executive Directors and senior management and approving performance based remuneration. The Remuneration Committee also fulfils the role of an options committee for the Employee Share Option Scheme and its main duty in this context is to approve the grant of options to relevant employees.

The policy of the Board is to provide executive remuneration packages designed to attract, motivate and retain Directors of the calibre necessary to maintain the Group's position and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. The remuneration will also reflect the Director's responsibilities and contain incentives to deliver the Group's objectives.

The remuneration of the Directors for the year ended 31 December 2012 is as follows:

	2012 Fees and Emoluments £'000	2011 Fees and Emoluments £'000
Sir Richard Sykes	17	13
Professor Christofer Toumazou	160	250
P Stephansen	84	77
S Grisard	5	10
M Knight	18	10
I McWalter	5	10
W Wong	9	10
Paid to Imagination Technologies plc on behalf of Sir H Yossaie	18	10
A Sethill	140	-
J Apps	28	-
C Batterham	13	-
Total	497	390

TOUMAZ LIMITED

REPORT ON REMUNERATION

Pensions and benefits in kind

Included in the £160,000 paid to Professor Christofer Toumazou is £2,000 in benefits in kind (2011 £1,000) Included in the salary of £140,000 paid to Anthony Sethill is £7,000 benefit in kind (2011 £Nil) The Directors did not participate in the Group's pension scheme and do not receive any significant benefits in kind

Bonuses

No amounts are payable to directors for bonuses in respect of the year ended 31 December 2012 or 31 December 2011

Notice periods

Professor C Toumazou has a notice period of twelve months on either side Mr A Sethill has a service agreement with a six months notice period on either side Mr J Apps has a service agreement with a 3 month notice period for the first 12 months of appointment and 6 months thereafter on either side

The non executive Directors have letters of appointment which are terminable on three months' notice on either side

Share option incentives

At 31 December 2012 and 31 December 2011, Professor C Toumazou had an interest in options over 1,683,835 Ordinary Shares which were granted to him on 3 November 2005 in replacement of options that he held over shares in Toumaz Technology Limited These options vested on 31 May 2006 and are exercisable at an exercise price of 6.94 pence per share at any time before September 2015 On 18 September 2009 Professor C Toumazou was granted a further 1,622,000 options over Ordinary Shares These latter options are exercisable at a price of 3.70 pence per share from 15 January 2010 and expire on 14 January 2017 Further on 21 January 2010 Professor C Toumazou was granted an additional 5,000,000 options over Ordinary Shares at 6.0 pence per share exercisable after 21 January 2010 which expire on 20 January 2020 25 January Professor C Toumazou was granted 6,000,000 options over Ordinary Shares at £0.0025 each which expire on 10 January 2023 under the Group JSOP scheme The vesting of these options for directors is conditional on the performance of the Group share price relative to the FTSE All Share Index

On 3 May 2005, Mr P Stephansen was granted options over 1,000,000 Ordinary Shares These options vested in April 2007 and are exercisable as to 500,000 at an exercise price of 10.0 pence per share and, in respect of the balance, at an exercise price of 25.0 pence per share at any time before April 2015 These options lapsed on Mr P Stephansen's resignation from the Group On 18 September 2009 Mr P Stephansen was granted a further 648,800 options over Ordinary Shares These latter options are exercisable at a price of 3.70 pence per share from 15 January 2010 and expire on 14 January 2017 These shares were exercised in full during 2012 Further on 21 January 2010 Mr P Stephansen was granted an additional 3,000,000 options over Ordinary Shares at 6.0 pence per share exercisable after 21 January 2010 and expire on 20 January 2020 In addition, Mr P Stephansen who had been a director during the year was awarded 1,000,000 options on 25 January 2013 which had immediate vesting and which must be exercised within 12 months of the date of grant and have an exercise price of £0.0025

TOUMAZ LIMITED

REPORT ON REMUNERATION

On 21 January 2010 Sir R Sykes was granted 5,000,000 options over Ordinary Shares at 60 pence per share exercisable after 21 January 2010 and which expire on 20 January 2020

On 21 January 2010 Mr M Knight was granted 3,000,000 options over Ordinary Shares at 60 pence per share exercisable after 21 January 2010 and which expire on 20 January 2020

On 18 September 2009 Mr I McWalter was granted 243,300 options over Ordinary Shares. These shares were exercised in full during 2012

25 January 2013 Mr J Apps was granted 3,000,000 options over Ordinary Shares at £0.0025 each which expire on 10 January 2023 under the Group JSOP scheme. The vesting of these options for directors is conditional on the performance of the Group share price relative to the FTSE All Share Index

None of the other Directors had any interests in share options of the Group

Shares

At the 18 April 2013 Professor C Toumazou held 13,184,895 shares

TOUMAZ LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUMAZ LIMITED

We have audited the group financial statements of Toumaz Limited for the year ended 31 December 2012, which comprise the principal accounting policies, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of financial position, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body in accordance with paragraph 101 Companies Law (revision 2011) of the Cayman Islands. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 15, the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the group financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report of Toumaz Limited for the year ended 31 December 2012 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the group financial statements give a true and fair view of the state of the group's affairs as at 31 December 2012 and of its loss for the year then ended in accordance with IFRSs as adopted by the European Union.

Grant Thornton UK LLP

Registered auditor

Statutory Auditor, Chartered Accountants

OXFORD

Grant Thornton UK LLP

BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands which do not prescribe the adoption of any particular accounting framework. The Board has therefore adopted and complied with International Financial Reporting Standards as adopted by the European Union (IFRS). The Company's shares are listed on the AIM market of the London Stock Exchange. The principal accounting policies of the Group are set out below.

MEASUREMENT BASIS

The consolidated financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

ADOPTION OF NEW ACCOUNTING POLICIES

New standards and interpretations that are in issue but not yet effective have been considered but have no impact on the Group's financial statements.

GOING CONCERN

At 31 December 2012, the Group had net assets of £51.9m and net current assets of £14.1m, including £15.3m of cash. However, in order to meet their strategic ambitions the Board remains committed to on-going investment into the development of its products. As such the Group anticipates being cashflow negative in the short term.

In order to assess the appropriateness of the going concern basis the Board have prepared detailed profit and cashflow forecasts through to 31 December 2014 which incorporate the Group and its subsidiary undertakings as at 31 December 2012.

The key assumptions in preparing the forecasts are as follows:

- Management have used their best efforts to predict revenues and gross margin from the core business for the forecast period based on existing customer relationships and expectations for developing new relationships in existing markets.
- Revenues streams for new business lines have been modelled on a conservative basis with growth rates reflecting the risk associated with new lines of business.
- The Group's cost base is designed to support existing revenue streams and the development of new chip programmes together with their expected deliverable dates. This has been forecast based on existing costs together with an estimate of forecast costs based on management's experience. Management is currently considering a number of cost saving initiatives which would further reduce the forecast expenditure on research and development, without limiting the quality of its product development.

The Board are satisfied that whilst there are risk factors associated with any set of forecasts, due care has been exercised due care in preparing them. The Board notes that it continues to monitor its product development strategy and that, if a decision was made to enhance the development expenditure or to accelerate the timing of planned development, additional funding may be required. The Board is confident that should further funding be required that the Group would be able to source this and that therefore it is appropriate to prepare these accounts on a going concern basis.

BASIS OF CONSOLIDATION

The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the balance sheet date. Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The Group obtains and exercises control through voting rights.

Unrealised gains on transactions between the Group and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisitions of subsidiaries are accounted for using the acquisition method. The acquisition method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. The acquisition cost is calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the equity interests issued and excludes any transaction costs. The acquisition cost includes the fair value of any assets or liabilities arising from contingent consideration arrangement. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition.

Where the Group's interest in a subsidiary changes, but does not result in a change in control, that change is treated as an equity transaction. Any difference between the carrying value of the non-controlling interest and the fair value of the consideration is recognised directly in equity.

Where the consideration involves a contingent element, consideration is given as to whether this meets the definition of equity or a financial liability.

Contingent consideration initially recognised as a financial liability in accordance with the Group's policy is subsequently remeasured at fair value through profit or loss until settled. Contingent consideration initially recognised as equity is not subsequently remeasured.

NON-CONTROLLING INTERESTS

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests. The non-controlling interest is accounted for using the proportion of net assets method.

Associates are those entities over which the Group is able to exert significant influence but which are neither subsidiaries nor joint ventures. Investments in associates are initially recognised at cost and subsequently accounted for using the equity method. Any goodwill or fair value adjustment attributable to the Group's share in the associate is not recognised separately and is included in the amount recognised as investment in associates.

TOUMAZ LIMITED

PRINCIPAL ACCOUNTING POLICIES

The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group

Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment

REVENUE

Revenue, excluding VAT, comprises revenue arising from development contracts and the sale of products

Development contracts are designed to meet the specific requirements of each customer. Revenue on such contracts is recognised on a percentage to completion basis, calculated on costs incurred to date of total expected costs, over the period from signing the agreement to customer acceptance that the contract deliverables have been fulfilled. However, when development contracts are such that invoices are only raised on the completion of certain milestones, revenue is not recognised until it is certain those milestones have been met

Royalty revenue is generated by the licensing of the Group's technologies to customers. Revenue is only recognised when the Group has performed all of its obligations under the agreement and when the revenues can be reliably measured

Income from licences is recognised based on the substance of the licence arrangement. Where the Group has no on-going obligations under the licence agreement, the transaction is treated as a sale of goods and revenues are recognised at the point at which the customer gains access to the licenced technology. Where the Group has an on-going obligation to fulfil revenue will be recognised as those obligations are met and related invoices will be accrued or deferred accordingly

In some instances the Group will enter into multiple element arrangements. In such instances, the consideration received is allocated to each separately identifiable element, based on relative fair values

Revenue, excluding VAT, in respect of the sale of goods is recognised at the point that goods are despatched to and accepted by customers. It is at this point that the customer assumes ownership of the product and therefore substantially all risks and rewards of ownership are deemed to have transferred

GOODWILL

Goodwill, representing the excess of the fair value of consideration over the fair value of the Group's share of the identifiable net assets acquired, is capitalised and reviewed annually for impairment. Goodwill is carried at cost less accumulated impairment losses. Any excess in the net fair value of an acquirer's identifiable net assets over the cost of acquisition is recognised immediately after acquisition in profit and loss

TAXATION

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable result for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the total comprehensive loss

Deferred taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries, joint ventures and associates is not provided if reversal of these temporary differences can be controlled by the Group and it is probable the reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in profit and loss. Changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is recognised in other comprehensive income are charged or credited in other comprehensive income, current and deferred tax that relates to items that are recognised in equity is recognised directly in equity.

INTANGIBLE ASSETS

Intellectual property rights, licence and development expenditure

The costs of creating and protecting internally generated intellectual property, patents and know-how are written-off to consolidated statement of comprehensive income in the period in which they are incurred if they do not meet all of the following criteria:

- the technical feasibility of completing the asset so that it will be available for use or sale is probable,
- it is the intention of management to complete the asset and use or sell it,
- the Group has the ability to use or sell the asset,
- it is probable the asset will generate future economic benefit for the Group,
- adequate technical, financial and other resources to complete and use or sell the asset are available, and
- the Group has the ability to measure reliably the expenditure attributable to the asset during its development.

The costs of acquiring rights to the use of third party intellectual property are capitalised and, subject to impairment reviews, amortised over the estimated economic life of the intellectual property concerned. Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value on a straight line basis over the useful economic life of the asset as follows:

Intellectual property rights	- 4 to 12 years
Licence and development fees	- over the life of the asset

Prepaid royalties and maintenance agreements

Prepaid royalties and maintenance agreements are recognised in the statement of comprehensive income as the underlying assets are utilised. In respect of royalties this is when the related goods are sold. For maintenance agreements this is rateably over the life of the agreement.

Assets acquired as part of a business combination

An intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group. The fair value is then amortised over the economic life of the asset. Where an intangible asset might be separable, but only together with a related tangible or intangible asset, the Group of assets is recognised as a single asset separately from goodwill where the individual fair values of the assets in the Group are not reliably measurable. Where the individual fair value of the complementary assets are reliably measurable, the Group recognises them as a single asset provided the individual assets have similar useful lives.

IMPAIRMENT TESTING OF GOODWILL, OTHER INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT AND OTHER INVESTMENTS

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Group management have determined that cash-generating units, to which goodwill can be allocated, are equivalent to its operating segments. Goodwill is allocated to those cash-generating units that are expected to benefit from the synergies of the related business combination and represent the lowest level within the Group at which management monitor goodwill.

Goodwill is tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in the statement of comprehensive income for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the assets recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation, if no impairment loss had been recognised.

TOUMAZ LIMITED

PRINCIPAL ACCOUNTING POLICIES

FINANCIAL ASSETS

The Group's financial assets include cash and trade and other receivables, which are classified as loans and receivables

All financial assets are recognised when the Group becomes party to the contractual provisions of the instrument. All financial assets are initially recognised at fair value, plus transaction costs

Trade and other receivables are provided against when objective evidence is received that the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows

Financial assets are derecognised when the contractual rights to the cashflows from the financial assets expire, or when the financial asset and substantially all of the associated risks and rewards have transferred

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and bank demand deposits, together with other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value with original maturities of three months or less from the date of acquisition

EQUITY

The share capital is determined using the nominal value of shares that have been issued

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits

The share based payment reserve represents the cumulative amount which has been expensed in the consolidated statement of comprehensive income in connection with equity settled share based payments, less any amounts transferred to the profit and loss account on the exercise of share options

Retained earnings include all current and prior period results as disclosed in the consolidated statement of comprehensive income

Where, as part of a business combination, the Group enters into an agreement which includes a contingent element that is classified as equity, these amounts are fair valued at the date of the acquisition and held in a separate equity reserve. These amounts are not subsequently remeasured but are transferred to share capital and share premium on settlement of the contingent consideration

The foreign exchange reserve represents the unrealised foreign exchange gains and losses in the Group's overseas subsidiaries

SHARE BASED PAYMENTS

All share based payment arrangements are recognised in the financial statements. The Group operates equity-settled share based remuneration plans for remuneration of its employees.

All services received in exchange for the grant of any share-based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options/warrants awarded. Their fair value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Share based payments are ultimately recognised as an expense in profit or loss in the consolidated statement of comprehensive income with a corresponding credit to the share based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options are expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment is made to the expense or share issue cost recognised in subsequent periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options/warrants, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

FINANCIAL LIABILITIES

The Group's financial liabilities include trade and other payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial liabilities are recognised initially at fair value, net of direct issue costs, and are subsequently recorded at amortised cost using the effective interest method with interest related charges recognised as an expense in consolidated statement of comprehensive income.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Where the Group enters into a contractual arrangement which may be settled either through the issue of equity or a cash payment consideration is given as to whether the arrangement should be classified as equity or as a liability. Such arrangements are treated as equity if and only if the following criteria are met:

- the Group has the ability to avoid settling the obligation in cash,
- the Group can settle the obligation by issuing a fixed number of shares.

Where both criteria are not met the obligation is treated as a financial liability and initially recognised at fair value. Subsequent changes in the fair value are recognised in total comprehensive income for that period. Where the effects of discounting the payments are material, this is taken into consideration in the initial measurement. The subsequent unwinding of this discount is treated as a finance expense in total comprehensive income over the term of the obligation.

PROPERTY, PLANT AND EQUIPMENT

i Measurement bases

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the assets only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance are charged to consolidated statement of comprehensive income during the period in which they are incurred.

When assets are sold, any gain or loss resulting from their disposal, being the difference between the net disposal proceeds and the carrying amount of the assets, is included in the consolidated statement of comprehensive income account.

ii Depreciation

Depreciation is calculated so as to write off the cost of property, plant and equipment, less its estimated residual value, which is revised annually, over its useful economic life as follows:

Leasehold improvements	-	33.3%	straight line
Office equipment	-	33.3%	straight line
Fixtures and fittings	-	25%	straight line
Computer equipment	-	33.3%	straight line

LEASED ASSETS

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is then recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance leasing liability, irrespective of whether some of these lease payments are payable up-front at the date of inception of the lease. Leases of land and buildings are classified separately and are split into a land and a building element, in accordance with the relative fair values of the leasehold interests at the date the asset is recognised initially.

Depreciation methods and useful lives for assets held under finance lease agreements correspond to those applied to comparable assets which are legally owned by the Group. The corresponding finance leasing liability is reduced by lease payments less finance charges, which are expensed as part of finance costs.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to consolidated statement of comprehensive income over the period of the lease. All other leases are treated as operating leases. Payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, which comprises the cost of direct materials and third party charges. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

RETIREMENT BENEFIT SCHEME

The Group operates a defined contribution retirement benefit scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. Entrants into this scheme are entitled to have a percentage of their basic salary paid into the scheme by the Group. These contributions are charged to consolidated statement of comprehensive income as an employee benefit expense in respect of the accounting period in which they become payable.

FOREIGN CURRENCIES

The consolidated financial statements are presented in UK Sterling, which is also the functional currency of the parent company. Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognised in profit or loss in the consolidated statement of comprehensive income.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than UK Sterling are translated into UK Sterling upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into UK Sterling at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period which is deemed to be a reasonable approximation of the actual rate. Exchange differences are charged/credited to other comprehensive income and accumulated in the foreign exchange reserve in equity. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into UK Sterling at the closing rate.

SEGMENTAL REPORTING

In identifying its operating segments, Group management follows the Group reporting structure which represents the development and exploitation of its products and the overall control of operations. The Group currently reports three segments.

Toumaz Healthcare - Toumaz Healthcare Limited is targeting the Healthcare market.

Digital Radio/ Connected Audio – This division includes Toumaz Microsystems Limited and the newly acquired Frontier Silicon Group. Toumaz Microsystems Limited was established to design, develop and sell wireless semiconductor chips and embedded solutions for the growing area of internet and cloud-connected applications. Toumaz Microsystems Limited is tasked with the exploitation of the Group's activities in the wireless connectivity market. Frontier Silicon Group was acquired during the year and the

TOUMAZ LIMITED

PRINCIPAL ACCOUNTING POLICIES

main focus of this division is the development, manufacture and sale of digital radio and internet radio technologies

Group costs - Toumaz Limited's responsibilities are the overall management of the portfolio companies providing finance. Group strategy and corporate governance guidance

Each of the segments are managed separately requiring different management, resources and marketing approaches

The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its management reporting

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

(i) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are discussed below

Business combinations

On initial recognition, the assets and liabilities of the acquired business are included in the consolidated statement of financial position at their fair values. In particular, the fair value of contingent consideration is dependent on the outcome of certain future results. In measuring fair value, management uses estimates about future cash flows and discount rates, however, the actual results may vary. Any measurement changes from initial recognition would affect the measurement of goodwill. Goodwill calculated on business combinations is shown in note 6

In addition, judgement is also required in order to determine whether contingent consideration meets the definition of a financial liability or equity. In the current year management have considered the terms associated with the various tranches of contingent consideration which may be payable as a result of that acquisition. Based on this assignment, management have split the consideration between equity and financial liabilities as can be seen in note 6

Impairment of non-financial assets

The Group conducts annual impairment reviews of assets when events or changes in circumstances indicate that their carrying amounts may not be recoverable, or in accordance with the relevant accounting standards. An impairment loss is recognised when the carrying amount of an asset is higher than the greater of its net selling price or the value in use. In determining the value in use, management assesses the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Estimates and judgments are applied in determining these future cash flows and the discount rate. These assumptions relate to future events and circumstances. The actual results may vary, and may cause adjustments to the Group's assets in future financial years. Details of the estimates and assumptions made in respect of the potential impairment of

TOUMAZ LIMITED

PRINCIPAL ACCOUNTING POLICIES

intellectual property, goodwill on consolidation, interests in joint venture and interests in associate are detailed in notes 6, 7 and 9 to the financial statements

The Directors considered the applicability of the discount rate of 20% for the Healthcare & Microsystems divisions, used in previous years to measure impairment. Toumaz appointed an independent valuer to allocate the purchase price of Frontier Silicon in accordance with IFRS 3 and IAS38. This valuation used a discount factor of 17% for Frontier Silicon.

Valuations of share options granted

The fair value of share options granted is calculated using the Black Scholes option pricing model, which requires the input of subjective assumptions, including the volatility of share price.

Details of the inputs are set out in note 22 to the financial statements.

Internally generated software and research costs

Management monitors progress of internal research and development projects by using a project management system. Significant judgement is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria of IAS 38 are met, whereas research costs are expensed as incurred.

Deferred tax assets

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Adoption of new or amended IFRS

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group. Management anticipates that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below although these are not expected to have a material impact.

The following standards, amendments and interpretations have been issued by the International Accounting Standards Board (IASB) or by the International Financial Reporting Interpretations Committee (IFRIC). The Group's approach to these is as follows:

TOUMAZ LIMITED

PRINCIPAL ACCOUNTING POLICIES

New standards and interpretations currently in issue but **not** effective for accounting periods commencing on **1 January 2012** are

- IFRS 9 Financial Instruments (effective 1 January 2015)
- IFRS 10 Consolidated Financial Statements (effective 1 January 2014)
- IFRS 11 Joint Arrangements (effective 1 January 2014)
- IFRS 12 Disclosure of Interests in Other Entities (effective 1 January 2014)
- IFRS 13 Fair Value Measurement (effective 1 January 2013)
- IAS 19 Employee Benefits (Revised June 2011) (effective 1 January 2014)
- IAS 27 (Revised), Separate Financial Statements (effective 1 January 2013)
- IAS 28 (Revised), Investments in Associates and Joint Ventures (effective 1 January 2013)
- Presentation of Items of Other Comprehensive Income - Amendments to IAS 1 (effective 1 July 2012)
- Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32 (effective 1 January 2014)
- Mandatory Effective Date and Transition Disclosures - Amendments to IFRS 9 and IFRS 7 (effective 1 January 2015)
- Transition Guidance - Amendments to IFRS 10, IFRS 11 and IFRS 12 (effective 1 January 2013)

TOUMAZ LIMITED**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Revenue	1	8,767	2,309
Cost of sales		(4,766)	(1,492)
Gross profit		4,001	817
Amortisation of intangible assets	8	(2,083)	(1,421)
Impairment	2	(10,151)	-
Depreciation	9	(239)	(101)
Share based payment		(51)	(52)
Research & development		(6,448)	(3,230)
Professional fees on acquisition		(569)	-
Sales & administrative expenses - other		(6,211)	(3,363)
Total administrative expenses		(25,752)	(8,167)
Loss from continuing operations		(21,751)	(7,350)
Finance income	3	115	6
Loss before taxation	1	(21,636)	(7,344)
Taxation	4	1,317	617
Loss for the year		(20,319)	(6,727)
Exchange differences on translating foreign operations		(37)	(52)
Other comprehensive income		(37)	(52)
Total comprehensive income for the year		(20,356)	(6,779)
Basic loss per share attributable to owners of the parent	5	(2.19)p	(1.06)p
Diluted loss per share attributable to owners of the parent		(2.19)p	(1.06)p

TOUMAZ LIMITED**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**For the year ended 31 December 2012

	2012 £'000	2011 £'000
Loss for year attributable to :		
Non- controlling interest	-	(125)
Owners of the parent	(20,319)	(6,602)
	<hr/>	<hr/>
	(20,319)	(6,727)

	2012 £'000	2011 £'000
Total comprehensive income for the year attributable to:		
Non- controlling interest	-	(125)
Owners of the parent	(20,356)	(6,654)
	<hr/>	<hr/>
	(20,356)	(6,779)

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

TOUMAZ LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

For the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
ASSETS			
Non-current assets			
Goodwill	7	19,118	16,533
Other intangible assets	8	17,742	6,637
Property, plant and equipment	9	665	152
Interest in associates	10	-	11
		<u>37,525</u>	<u>23,333</u>
Other Non-current assets	11	<u>221</u>	<u>1,434</u>
Current assets			
Inventories	12	1,804	335
Tax receivable		1,598	618
Trade and other receivables	13	3,250	2,017
Cash and cash equivalents	14	15,265	2,174
Total current assets		<u>21,917</u>	<u>5,144</u>
Total assets		<u>59,663</u>	<u>29,911</u>
LIABILITIES			
Current liabilities			
Trade and other payables	15	7,780	1,847
Total current liabilities		<u>7,780</u>	<u>1,847</u>
Total liabilities		<u>7,780</u>	<u>1,847</u>
EQUITY			
Share capital	16	2,838	1,574
Contingent consideration		1,081	-
Share premium		98,034	51,263
Share based payment reserve		1,916	1,857
Foreign exchange reserve		(156)	(119)
Retained earnings		(51,830)	(31,386)
Reserves attributable to owners of the parent		<u>51,883</u>	<u>23,189</u>
Non-controlling interest		-	4,875
Total equity		<u>51,883</u>	<u>28,064</u>
Total equity and liabilities		<u>59,663</u>	<u>29,911</u>

TOUMAZ LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2012

The consolidated financial statements were approved by the Board on 24 April 2013



J Apps
Director

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

TOUMAZ LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2012

	Share capital £'000	Contingent consideration £'000	Share premium £'000	Share based payment reserve £'000	Retained earnings £'000	Foreign exchange reserve £'000	Non- controlling interest £'000	Total equity £'000
At 1 January 2011	1,484	-	48,463	1,805	(24,784)	(67)	-	26,901
Share-based payments	-	-	-	52	-	-	-	52
Issue of share capital	90	-	3,072	-	-	-	-	3,162
Non-controlling interest – investment in subsidiary	-	-	-	-	-	-	5,000	5,000
Cost of share issue	-	-	(272)	-	-	-	-	(272)
Transactions with owners	90		2,800	52	-	-	5,000	7,942
Loss for the year	-	-	-	-	(6,602)	-	(125)	(6,727)
Other comprehensive losses								
Exchange differences on translating foreign operations	-	-	-	-	-	(52)	-	(52)
Total comprehensive loss	-	-	-	-	(6,602)	(52)	(125)	(6,779)
At 1 January 2012	1,574	-	51,263	1,857	(31,386)	(119)	4,875	28,064
Share-based payments	-	-	-	59	-	-	-	59
Issue of share capital	1,121	-	42,213	-	-	-	-	43,334
Non-controlling interest – acquisition of non- controlling interest through issue of equity in parent	143	-	4,857	-	(586)	-	(4,414)	-
Cost of share issue	-	-	(299)	-	-	-	-	(299)
Contingent consideration	-	1,081	-	-	-	-	-	1,081
Transactions with owners	1,264	1,081	46,771	59	(586)	-	(4,414)	44,175
Loss for the year	-	-	-	-	(19,858)	-	(461)	(20,319)
Other comprehensive losses								
Exchange differences on translating foreign operations	-	-	-	-	-	(37)	-	(37)
Total comprehensive loss	-	-	-	-	(19,858)	(37)	(461)	(20,356)
At 31 December 2012	2,838	1,081	98,034	1,916	(51,830)	(156)	-	51,883

TOUMAZ LIMITED

CONSOLIDATED CASHFLOW STATEMENT

For the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Cash flows from operating activities			
Loss before taxation		(21,636)	(7,344)
Amortisation		2,083	1,421
Depreciation		239	101
Goodwill impairment		5,951	-
Impairment of other intangible assets		3,299	-
Impairment of prepayments		901	-
Share based payments		59	52
Net interest receivable		(115)	(6)
Decrease/ (increase) in inventories		925	(214)
Decrease/ (increase) in trade and other receivables		2,041	(1,115)
Decrease in non current debtors		313	-
Debtor - investment in subsidiary		-	500
(Decrease)/increase in trade and other payables		(2,231)	875
Other foreign exchange movements		211	(52)
Tax refund		386	682
Non cash flow movement in respect of associates		11	(11)
Net cash outflow from operating activities		(7,563)	(5,111)
Cash flows from investing activities			
Purchase of property, plant and equipment		(237)	(39)
Purchase of intangible assets		(71)	-
Interest received		115	6
Cash from non-controlling parties- investment in subsidiary		-	1,500
Acquisition of subsidiaries, net of cash	6	(14,026)	-
Net cash used in investing activities		(14,219)	1,467
Cash flows from financing activities			
Proceeds from issue of share capital		40,421	3,162
Share issue costs		(299)	(272)
Loan Notes repaid		(5,249)	-
Net cash inflow from financing activities		34,873	2,890
Net change in cash and cash equivalents		13,091	(754)
Cash and cash equivalents at the beginning of period		2,174	2,928
Cash and cash equivalents at the end of period	14	15,265	2,174

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

TOUMAZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

1 REVENUE, LOSS BEFORE TAXATION AND SEGMENTAL INFORMATION

Revenue and loss before taxation

Revenue and loss before taxation are attributable to the principal activities of the Group

The loss before taxation is stated after charging

	2012 £'000	2011 £'000
Share based payment expense	51	52
Staff costs	5,637	3,855
Research and development costs written off	6,448	3,230
Amortisation of intangible assets	2,083	1,421
Depreciation of owned fixed assets	239	101
Goodwill impairment	5,951	-
Impairment of intangible assets	3,299	-
Impairment of prepayments	900	-
Foreign exchange gains and losses	155	52
Operating leases land and buildings	637	211
Auditor's remuneration		
Fees payable to the Company's auditor for the audit of the Company financial statements	41	32
Fees payable to the Company's auditor for other services		
- audit of the Company's subsidiaries pursuant to the legislation	49	24
- taxation services	16	22

Revenue by geographic location

	2012 £'000	2011 £'000
United States and North America	721	1,061
Europe	175	881
Asia	7,871	367
Total revenue	8,767	2,309

Assets and liabilities by geographic location

	2012 £'000	Assets 2011 £'000	2012 £'000	Liabilities 2011 £'000
Cayman Islands	8,057	406	85	89
Europe	51,303	29,252	7,520	1,454
Asia	303	253	175	304
	59,663	29,911	7,780	1,847

TOUMAZ LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2012

Segmental information

As described under Segmental Reporting in the Principal Accounting Policies. Management currently identifies three divisions as operating segments

For the year ended 31 December 2012	Toumaz Healthcare	Digital Radio/ Connected Audio	Group Costs	Total
	£'000	£'000	£'000	£'000
Revenue	366	8,401	-	8,767
Cost of sales	(213)	(4,553)	-	(4,766)
Gross profit	153	3,848	-	4,001
Amortisation of intellectual property	-	(526)	(1,557)	(2,083)
Depreciation	(82)	(157)	-	(239)
Share based payment	-	-	(51)	(51)
Impairment	-	(10,151)	-	(10,151)
Research & development	(1,540)	(4,908)	-	(6,448)
Professional fees on acquisition	-	-	(569)	(569)
Sales & administrative expenses – other	(2,007)	(3,545)	(659)	(6,211)
Total administrative expenses	<u>(3,629)</u>	<u>(19,287)</u>	<u>(2,836)</u>	<u>(25,752)</u>
Loss from continuing operations	(3,476)	(15,439)	(2,836)	(21,751)
Finance income	-	15	100	115
	<u>-</u>	<u>15</u>	<u>100</u>	<u>115</u>
Loss before taxation	(3,476)	(15,424)	(2,736)	(21,636)
Segment assets	12,078	38,733	8,852	59,663
Segment liabilities	410	4,508	2,862	7,780

Included in revenues in the Digital Radio/ Connected Audio segment for the year ended 31 December 2012 are revenues of £1.7m from the largest customer and £1.2m from its second largest customer and £1.1m from its third largest customer. Together these represent 48% of the reported divisional revenue for the year and 47% of the total Group revenue for the year.

TOUMAZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

For the year ended 31 December 2011	Toumaz Healthcare	Digital Radio/ Connected Audio	Group Costs	Total
	£'000	£'000	£'000	£'000
Revenue	1,831	467	11	2,309
Cost of sales	(1,091)	(401)	-	(1,492)
Gross profit	740	66	11	817
Amortisation of intellectual property	(442)	(88)	(891)	(1,421)
Depreciation	(67)	(34)	-	(101)
Share based payment	-	-	(52)	(52)
Research & development	(2,260)	(970)	-	(3,230)
Administrative expenses – other	(2,451)	(489)	(423)	(3,363)
Total administrative expenses	(5,220)	(1,581)	(1,366)	(8,167)
Loss from continuing operations	(4,480)	(1,515)	(1,355)	(7,350)
Finance income	-	-	6	6
	-	-	6	6
Loss before taxation	(4,480)	(1,515)	(1,349)	(7,344)
Segment assets	12,328	14,665	2,918	29,911
Segment liabilities	1,091	667	89	1,847

Included in revenues in the Toumaz Healthcare segment for the year ended 31 December 2011 are revenues of £0.6m from the largest customer and £0.6m from its second largest customer and £0.4m from its third largest customer. Together these represent 89% of the reported divisional revenue for the year and 70% of the total Group revenue for the year.

TOUMAZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

2 IMPAIRMENT

	2012 £'000	2011 £'000
Impairment of goodwill	5,951	-
Impairment of other intangible assets	3,299	-
Impairment of prepayments	901	-
	<u>10,151</u>	<u>-</u>

During the year the Board has reviewed the carrying value of its intangible assets as required by IAS38. As a result of this review the following actions have been taken in the Digital Radio/ Connected Audio segment

The Group acquired Future Waves Limited on 20 May 2009 and reported goodwill on consolidation of £6m and a further amount of £2.8m in respect of the intellectual property that it owned. Subsequently the group acquired further licences and other Intellectual Property to support this part of the business. Following the review of these assets during the year the Board has written off the remaining unamortised carrying value of these assets. In the Board's view the intellectual property, licences and goodwill relate to design processes and techniques that have been superseded by a combination of technological advances in chip design during the current year and replacement technologies acquired with Frontier Silicon and therefore are no longer of ongoing value to the company.

Toumaz Microsystems Limited has reported assets in respect of licences and prepayments in use on existing chips. In the Board's view these chips are nearing end of life or will be superseded by new development. The Board have decided to impair these licences by £2m and the prepayments by £0.9m to reflect the value of expected future sales. As at 31 December 2012 the balance remaining on the prepayments is £0.4m.

Toumaz Microsystems Limited will continue to trade and will continue development work on new generation chips. However, the uncertainty over the value of these future developments means the carrying value of its intangible assets and associated goodwill cannot be supported for reasons identified above.

3 FINANCE INCOME

	2012 £'000	2011 £'000
Bank interest receivable	115	6
	<u>115</u>	<u>6</u>

TOUMAZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

4 TAXATION

The tax credit for the year is as follows

	2012 £'000	2011 £'000
Current tax		
UK corporation tax at 24.5% (2011: 26.5%)	-	-
UK research and development tax credit – current year	(980)	(618)
UK research and development tax credit in the prior year	(386)	1
Foreign tax paid	49	-
	<u>(1,317)</u>	<u>(617)</u>

The tax assessed for the period differs from the standard rate of corporation tax in the UK as follows

	2012 £'000	2011 £'000
Loss before tax	<u>(21,636)</u>	<u>(7,344)</u>
Loss multiplied by standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	(5,301)	(1,946)
Effect of		
Disallowable expenses	2,672	500
Depreciation in excess of capital allowances	17	27
Research and development tax credit adjustment	(980)	(618)
Under-provision in the prior year	(386)	1
Losses not utilised	2,624	1,419
Research and development enhanced deductions	(1,149)	-
Effect of losses surrendered for R&D credit	1,137	-
Other adjustments/ foreign tax paid	49	-
Current tax credit for year	<u>(1,317)</u>	<u>(617)</u>

The Group has tax losses in the UK of approximately £39.5 million (2011: £24.4 million) available for offset against future operating profits. The Group has not recognised any further deferred tax asset in respect of these or any other of the Group's losses. The losses are still to be agreed with the UK tax authorities. It is anticipated that the losses will be available for offset against future profits. However, there is uncertainty over the foreseeable future and therefore a deferred tax asset has not been recognised in respect of these additional losses.

A deferred tax liability arises on the intangible assets acquired as part of the acquisition of the group headed by Frontier Silicon (Holdings) Limited of approximately £3.9m. At that time the group headed by Frontier Silicon (Holdings) Limited had accumulated trading losses which would have resulted in a deferred tax asset in excess of these amounts. Given that these amounts would be expected to be settled at the same time as the liability, an asset in respect of these losses has been recognised to an equal value of the potential liability. Given the Group has a right and the ability to settle these amounts at the same time, the asset and liability have been offset in these financial statements.

TOUMAZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

5 LOSS PER SHARE

The calculation of the basic loss per share of 2.19p (2011: 1.06p) is based on the loss after tax of £20.3m (2011: £6.7m) divided by the weighted average number of ordinary shares in issue during the year of 927,984,462 (2011: 624,072,722).

Due to the losses incurred the impact of the share options and other potential shares is anti-dilutive. As such the diluted earnings per share equals the ordinary earnings per share.

6 ACQUISITIONS AND DISPOSALS

On 20 August 2012, the Group acquired 100% of the equity instruments of Frontier Silicon (Holdings) Limited ("Frontier"), a UK based business, thereby obtaining control. The acquisition was made to enhance the Group's position in the digital radio market, and to exploit the software systems, commercial expertise and tier one customer access of Frontier.

The details of the business combination are as follows:

Fair value of consideration transferred	£'000
Amount settled in cash	24,657
Amount settled in equity	1,858
Contingent consideration treated as equity	1,081
Contingent consideration treated as a financial liability	2,905
TOTAL	30,501
Recognised amounts of identifiable net assets	£'000
Fixed assets	538
Intangible assets	523
Recognised Intangible assets on acquisition	15,893
Total non-current assets	16,954
Inventories	2,395
Trade and other receivables	2,494
Cash and cash equivalents	10,631
Total current assets	15,520
Trade and other payables	(5,260)
Borrowings	(5,249)
Total current Liabilities	(10,509)
Identifiable net assets	21,965
Goodwill on acquisition (note 7)	8,536
Consideration transferred settled in cash	24,657
Cash and cash equivalents acquired	(10,631)
Net cash outflow on acquisition	14,026
Acquisition costs charged to expenses	569
Net cash paid relating to the acquisition	14,595

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The acquisition of Frontier was settled in cash amounting to £24,657,000, plus £1,858,000 settled in shares. The purchase agreement included contingent consideration with an expected value of £3,986,000. £1,081,000 of the deferred consideration will be settled by a fixed number of shares in Toumaz Limited in 2013, 2014 and 2015 if revenue exceeds set targets. The amount shown in reserves represents the fair value of the shares that are expected to be issued in settlement of the deferred considerations, as assessed at the date of the acquisition. The remainder of the deferred consideration, being £2,905,000, will be settled in cash and therefore is accounted for as a financial liability and is disclosed within other payables.

Acquisition-related costs amounting to £569,000 are not included as part of consideration transferred and have been recognised as part of other expenses in the total comprehensive income for the year.

Goodwill

Goodwill of £8,536,000 is primarily related to growth expectations, expected future profitability, tier one customer access, the substantial skill and expertise of Frontier's workforce and expected cost synergies.

Frontier's contribution to the Group results

Frontier incurred a loss of £307,000 for the 4 months and 10 days from 20 August 2012 to the reporting date, which has been included in the Group result.

If Frontier had been acquired on 1 January 2012, revenue of the Group for 2012 would have been £22m, and loss for the year would have been greater by £2.5m.

7 GOODWILL

	Frontier Silicon £'000	Toumaz Healthcare £'000	Toumaz Microsystems £'000	Total £'000
Cost				
At 1 January 2010	-	10,582	5,951	16,533
Additions	-	-	-	-
At 31 December 2011	-	10,582	5,951	16,533
Acquisition of Frontier Silicon	8,536	-	-	8,536
At 31 December 2012	8,536	10,582	5,951	26,069
Impairment				
At 1 January 2010	-	-	-	-
Charge in the year	-	-	-	-
At 31 December 2011	-	-	-	-
Charge in the year	-	-	-	-
Impairment in the year	-	-	5,951	5,951
At 31 December 2012	-	-	5,951	5,951
Net book amount at 31 December 2012	8,536	10,582	-	19,118
Net book amount at 31 December 2011	-	10,582	5,951	16,533

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For the year ended 31 December 2012

Goodwill relating to Toumaz Healthcare results from the acquisition of Toumaz Healthcare Limited on 3 November 2005. Goodwill relating to Frontier Silicon results from the acquisition of the Frontier Silicon group on 21 August 2012 (note 6)

There is considerable cross over and exchange of knowledge, intellectual property and the application and use of products between the cash generating units. The expertise and know-how of the Group as a whole provides a platform for all of its products. The customer access, supply chain and technical knowhow acquired with Frontier will be used across the Group.

All principal operating divisions incurred losses in the year ended 31 December 2012, which is an indicator of impairment. The Directors have tested the aggregate recoverable value of goodwill, specific intellectual property, and licence & development fees for impairment in accordance with the Group's accounting policy of testing annually for impairment. Recoverable value is assessed by value in use. The Directors have impaired part of the goodwill relating to Digital Radio and Connected audio segment for the reasons set out below. The Directors, in assessing the recoverability of the remaining amount have considered the technical feasibility of the technology and the opportunities for commercial exploitation, including the position with the current commercial relationships.

To determine the value in use, the Directors have produced detailed monthly profit and loss and cash flow forecasts for the two years ended December 2014 and annual profit and loss forecasts for the seven years to December 2018. A seven year forecast period is considered reasonable for the markets that the Company addresses, particularly given the stage of development of the Group's products and expected life of new technologies.

Toumaz Healthcare

The above average growth rates of revenue for Toumaz Healthcare used in the projections are based on the Directors' considered estimates in a developing market and include significant estimates of both the volume and individual value of sales. The introduction of new and untested "disruptive technology" into the market place exposes the Group to the risk that costly developments will take longer than planned or not achieve the forecast financial returns. Should these estimates not be achieved there is a risk these assets will be impaired.

Consistent with 2011, a discount rate of 15% has been applied to the aggregate results of the forecast. The Directors considered the applicability of a discount rate of 20% and are satisfied that even if that rate were to be applied, the carrying value of the Healthcare goodwill is justified.

The key assumptions with regard to the revenues and profitability of the cash generating units used in testing the aggregate recoverable value of goodwill, specific intellectual property, and licence & development fees for impairment are as follows:

- The life cycle of any product introduced into the Healthcare market will be in the order of 7 to 10 years whilst it is first being tested, then gaining adoption and finally being fully rolled out. Revenues are expected to be recorded from 2014 and increase over the remainder of the planning horizon based on expectations of sales volumes and price. The forecast model is built on the Directors' best estimates of addressable market and the Company's resultant share of that market.
- Further products, based on the Sensium® chip and related technology, are forecast. A licence and development agreement has already been signed for sport and fitness related products. Commercial launch is expected during the second half of the year. Other applications based on a rechargeable Sensium® plaster will be developed.

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Digital radio and connected audio - Toumaz Microsystems

Following a review of this part of the business the goodwill has been written off for the reasons set out in note 2

Digital radio and connected audio - Frontier Silicon

The intangible assets of Frontier Silicon have been independently valued and the difference between the fair value of the net assets and the fair value of the consideration is treated as goodwill

Deferred tax has not been provided on the above intangible assets on the basis that the Group has sufficient tax losses available to offset any taxable gain that might arise. The basis for this is set out in note 4

Whilst Frontier has continued to make losses post acquisition this is in line with the forecasts at the time of the acquisition and therefore the directors consider the Goodwill arising on consolidation as still valid and no impairment has occurred since acquisition. The long term performance of Frontier is expected to be in line with the expectations made at the time of acquisition. In accordance with the Group's accounting policy goodwill and intellectual property will be tested annually for impairment

8 OTHER INTANGIBLE ASSETS

	Marketing intellectual property	Customer intellectual property	Other intellectual property	Licence & development fees	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2011	-	-	6,806	4,243	11,049
Additions	-	-	-	1,252	1,252
At 31 December 2011	-	-	6,806	5,495	12,301
Additions	-	-	-	71	71
Recognised on acquisition	4,000	1,690	10,203	8,912	24,805
At 31 December 2012	4,000	1,690	17,009	14,478	37,177
Amortisation					
At 1 January 2011	-	-	3,403	840	4,243
Charge in the year	-	-	891	530	1,421
At 31 December 2011	-	-	4,294	1,370	5,664
Charge in the year	133	47	1,377	526	2,083
Recognised on acquisition	-	-	-	8,389	8,389
Impairment	-	-	1,312	1,987	3,299
At 31 December 2012	133	47	6,983	12,272	19,435
Net book amount at 31 December 2012	3,867	1,643	10,026	2,206	17,742
Net book amount at 31 December 2011	-	-	2,512	4,125	6,637

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Intellectual property

Intellectual property at 1 January 2012 relates to the valuation of beneficial licence agreements, trade names and customer relationships in Toumaz Healthcare and Toumaz Microsystems at the date of their original acquisition. The remaining life of the Toumaz Healthcare asset is approximately one year and for Toumaz Microsystems this has been written down to zero following a review of the likely cash flows generated by this chip. The addition during the year relates to the technology fair value associated with the Frontier Silicon acquisition.

Licence & development fees

At 1 January 2012 licence & development fees related to an agreement, dated 14 May 2009, with Imagination Technologies Group plc to license a next generation communication and digital radio multimedia IP platform. The consideration for the license deal consisted of a number of payments scheduled over the duration of the Group's development projects. The remaining life of this asset is five years. The additions in the year relate to technology on new projects essential to the future development of the new generation digital chips. The licences will be amortised in accordance with the Group accounting policy and will be subject to an annual impairment review.

Marketing

Marketing-related intangible assets are defined as those assets that are primarily used in the marketing or promotion of products and services. The Frontier solutions are well known and preferred by a majority of the consumer electronic brands who specifically instruct their manufacturers to use Frontier modules and solutions in their audio systems.

Customer relationships

Customer-related intangible assets may consist of customer lists, order or production backlogs, customer contracts and relationships, and non-contractual customer relationships. Frontier has developed relationships with both consumer electronic brands and manufacturers. The customer relationship valuation captures the economic benefits of having these trading relationships.

Impairment reviews

The Directors have tested all intangible assets for impairment in conjunction with their testing for Goodwill, in accordance with the Group's accounting policy (see note 7 for details).

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For the year ended 31 December 2012

9 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements £'000	Plant and machinery £'000	Office equipment £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost						
At 1 January 2011	165	-	72	123	253	613
Additions	12	-	-	3	24	39
Disposals	(2)	-	-	(3)	(2)	(7)
At 31 December 2011	175	-	72	123	275	645
Additions	-	22	16	99	100	237
Recognised on acquisition	-	1,595	-	2,120	580	4,295
Disposals	-	-	-	(94)	(76)	(170)
At 31 December 2012	175	1,617	88	2,248	879	5,007
Depreciation						
At 1 January 2011	82	-	56	100	161	399
Charge in the year	32	-	7	19	43	101
Disposals	(2)	-	-	(3)	(2)	(7)
At 31 December 2011	112	-	63	116	202	493
Charge in the year	35	47	9	94	54	239
Recognised on acquisition	-	1,361	-	1,828	567	3,756
Disposals	-	-	-	(94)	(52)	(146)
At 31 December 2012	147	1,408	72	1,944	771	4,342
Net book amount						
At 31 December 2012	28	209	16	304	108	665
At 31 December 2011	63	-	9	7	73	152

All depreciation is included in "Administrative expenses – other" in the Consolidated Statement of Comprehensive Income

10 INTEREST IN ASSOCIATES

	2012 £'000	2011 £'000
Interest in associates	-	11

Interest in associates represented a 10% holding in Cloud Tag Inc (formerly Toumaz Active Inc) a company registered in the Cayman Islands. In 2011 Toumaz Healthcare Limited had signed license and product development agreements covering the development and exploitation, in certain territories.

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of products for the sports and fitness related markets This investment was disposed of in September 2012 for £1

11 OTHER NON-CURRENT ASSETS

	2012 £'000	2011 £'000
Prepaid royalties and maintenance agreements	221	1,434

The prepaid royalties and maintenance agreements reflect the non-current portion of the amounts prepaid greater than one year consequent on the signing of the Shareholders' Agreement between Toumaz Limited and Imagination Technologies Group plc

These amounts will be released to the profit and loss account in line with the rendering of the associated services In respect of the maintenance services this will be on a straight line basis over the service period The pre-paid royalties will be released as the related products are sold to customers

The fair value of non-current assets has not been disclosed as, due to their short duration, management considers the carrying amounts recognised to be a reasonable approximation of their fair value

12 INVENTORIES

	2012 £'000	2011 £'000
	2012 £'000	2011 £'000
Raw materials	493	-
Work in progress	273	-
Finished goods	1,038	335
	1,804	335

13 TRADE AND OTHER RECEIVABLES

	2012 £'000	2011 £'000
Trade receivables	1,107	353
Other debtors	1,146	1,183
Prepayments and accrued income	997	481
	3,250	2,017

All trade receivables are within credit terms of between 30 to 60 days and do not bear any effective interest

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The fair value of these short term financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value

At the balance sheet date, trade receivables are aged as follows. Whilst some of these amounts are past due, none of the amounts are considered to be impaired in management's opinion

	2012 £'000	2011 £'000
0 – 30 days	938	-
31 – 60 days	169	353
	<u>1,107</u>	<u>353</u>

All trade receivables have been reviewed for indicators of impairment based on the age of the balances outstanding and the credit worthiness of the third parties from which these balances are due

During the year £531,000 of accrued income was written off relating to a prior year licence agreement with Cloud Tag Inc to use Sensium® technology for sports and fitness applications in the UK. During the year certain trade receivables were found to be impaired and a provision of £20,000 (2011 £19,000) has been made accordingly. The movement in the provision for impairment during the year is as follows

	£'000
At 1 January 2011	15
Increase in provision for impairment	4
At 31 December 2011	<u>19</u>
Increase in provision for impairment	1
At 31 December 2012	<u>20</u>

14 CASH AND CASH EQUIVALENTS

	2012 £'000	2011 £'000
GBP £	9,133	1,992
USD \$	4,940	139
Euro €	1,078	-
Hong Kong \$	114	-
Taiwanese \$	-	43
	<u>15,265</u>	<u>2,174</u>

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	2012	2011
	£'000	£'000
GBP £	9,133	1,992

15 TRADE AND OTHER PAYABLES

	2012	2011
	£'000	£'000
Trade payables	1,571	960
Other payables	3,219	323
Accruals	2,990	564
	<u>7,780</u>	<u>1,847</u>

All of the above are due within one year. The fair value of trade and other payables has not been disclosed as, due to their short duration, management considers the carrying amounts recognised to be a reasonable approximation of their fair value.

16 SHARE CAPITAL

	2012	2011
	£'000	£'000
Authorised		
4,000,000,000 ordinary shares of 0.25p	<u>10,000</u>	<u>10,000</u>
Allotted, issued and fully paid		
1,135,651,456 (2011: 629,437,868) ordinary shares of 0.25p	<u>2,838</u>	<u>1,574</u>

The movement in the number of shares is as follows:

	Number of ordinary shares
At 1 January 2011	593,624,726
Shares issued	<u>35,813,142</u>
At 31 December 2011	629,437,868
Shares issued	<u>506,213,588</u>
At 31 December 2012	<u>1,135,651,456</u>

All shares are equally eligible to receive dividends and the repayment of capital and represent equal votes at meetings of shareholders.

Allotments during the year

13 February 2012: 128,000,001 ordinary shares of 0.25p were issued to institutional investors each at a price of 8.75p per share. The difference between the total consideration received of £11.2m and the total nominal value of shares issued has been transferred to the share premium account.

24 February 2012: 880,120 ordinary shares of 0.25p were issued in relation to the exercise of options by employees.

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21 March 2012 57,142,857 ordinary Shares of 0.25p were issued at 8.75p in regard to the exchange of Imagination Technologies Group plc's (LSE IMG, 'Imagination') interest in the Company's Toumaz Microsystems subsidiary for ('Exchange Shares') of the Company

17 August 275,365,857 ordinary Shares of 0.25p were issued to institutional investors at a price of 10.25p per share. The difference between the total consideration received of £28.2m and the total nominal value of shares issued has been transferred to the share premium account.

21 August 2012 41,300,925 ordinary Shares of 0.25p were issued at a price of 10.25p per share. The difference between the total consideration received of £42.3m and the total nominal value of shares issued has been transferred to the share premium account.

30 August 2012 issued 385,169 ordinary shares of 0.25p in settlement of deferred consideration due to two former directors of Frontier Silicon (Holdings) Limited ("Frontier") in respect of Frontier's acquisition by Toumaz.

13 November 2012 issued 833,613 new ordinary shares of 0.25p each in settlement of deferred consideration due to a former employee of Frontier Silicon (Holdings) Limited ("Frontier") in respect of Frontier's acquisition by Toumaz.

30 October 2012 2,108,600 ordinary shares of 0.25p were issued in relation to the exercise of options by employees over ordinary shares.

31 December 2012 196,446 ordinary shares of 0.25p were issued in relation to the exercise of options by employees over ordinary shares.

Share options

At 31 December 2012, options over 14,305,385 (2011 24,197,935) ordinary shares were in issue to directors serving at that date as disclosed in the Report on Remuneration. In addition, at that date the Company had in issue 19,386,110 (2011 14,963,652) further options. Details of the fair value of all options in existence is provided in Note 22.

Shares and options allotted between the year end date and the date of approval of the financial statements are included in note 25.

17 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2012 or 31 December 2011.

18 CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2012 or 31 December 2011.

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19 OPERATING LEASE COMMITMENT

	Within 1 year £'000	1 to 5 years £'000	Over 5 years £'000	Total £'000
Rent	387	950	159	1,496
Other	831	1,316	-	2,147
Total	1,218	2,266	159	3,643

20 FINANCIAL INSTRUMENTS

The Group uses financial instruments comprising cash and cash equivalents, other loans and various other short-term instruments such as trade receivables and trade payables which arise from its operations. The main purpose of these financial instruments is to fund the Group's business strategy and the short-term working capital requirements of the business.

Financial assets by category

The IAS 39 categories of financial asset included in the balance sheet and the headings in which they are included are as follows

	2012			2011		
	Loans and receivables £'000	Non financial assets £'000	Balance sheet total £'000	Loans and receivables £'000	Non financial assets £'000	Balance sheet total £'000
Goodwill	-	19,118	19,118	-	16,533	16,533
Other intangibles assets	-	17,742	17,742	-	6,637	6,637
Property, plant and equipment	-	665	665	-	152	152
Interest in associates and available for sale investments	-	-	-	-	11	11
Other non current assets	-	221	221	-	1,434	1,434
Inventories	-	1,804	1,804	-	335	335
Trade receivables	1,107	-	1,107	353	-	353
Other receivables	1,146	-	1,146	1,183	-	1,183
Prepayments and accrued income	-	997	997	-	481	481
Tax receivable	-	1,598	1,598	-	618	618
Cash and cash equivalents	15,265	-	15,265	2,174	-	2,174
Total	17,518	42,145	59,663	3,710	26,201	29,911

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20 FINANCIAL INSTRUMENTS - continued

Financial liabilities by category

The IAS 39 categories of financial liability included in the balance sheet and the headings in which they are included are as follows

	2012				2011		
	Other financial liabilities at amortised cost £'000	Financial liabilities at fair value through profit & loss £'000	Liabilities not within the scope of IAS 39 £'000	Total £'000	Other financial liabilities at amortised cost £'000	Liabilities not within the scope of IAS 39 £'000	Total £'000
Trade payables	1,571	-	-	1,571	960	-	960
Other payables	313	2,906	-	3,219	323	-	323
Accruals and deferred income	2,990	-	-	2,990	564	-	564
Total	4,874	2,906	-	7,780	1,847	-	1,847

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Board is responsible for co-ordinating the Group's risk management and focuses on actively securing the Group's short to medium term cash flows. Long term financial investments are managed to generate lasting returns.

The Group does not actively engage in the trading of financial assets and has no financial derivatives. The most significant risks to which the Group is exposed are described below.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables, recoverable taxation and cash and cash equivalents. The amounts presented in the balance sheet are net of any allowance for doubtful receivables, estimated by the Directors. The Group has a concentration of credit risk due to exposure from a limited number of customers. This is managed at the highest level in the Group and is noted as Business Risk on page 11. The maximum credit risk to which the Group is exposed from its trade receivables is £1.1m. Cash at bank is all held with highly rated banks the suitability of which are periodically reviewed.

Liquidity risks

The Group seeks to manage risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved by the use of money markets to deposit excess cash which is not required in the short term. The Directors prepare rolling cashflow forecasts and seek to raise additional funding whenever a shortfall in facilities is forecast. Details of the funding status of the Group are included in the going concern paragraph in the principal accounting policies.

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All the financial liabilities noted above expected to result in cash outflow within six months of the year end

Currency risks

The Group is exposed to translation foreign exchange risk in connection with its investment in Frontier Silicon (Holdings) Ltd whose subsidiaries are Frontier Silicon (Hong Kong) Ltd incorporated in Hong Kong and Frontier Silicon (Ireland) Ltd incorporated in Ireland and its investment in Toumaz Healthcare Limited whose subsidiary, Toumaz Asia Pte Limited, is Singapore incorporated. the Group does not hedge any transactions. As a result the Group is subject to foreign currency risk in respect of accounting for its investment in the subsidiaries

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are disclosed below. The amounts shown are those reported to the Directors and translated into GBP at the closing rate used in the consolidated financial statements

2012

	Euro £'000	HKS £'000	TWD £'000
Assets	24	298	6
Liabilities	(24)	(137)	(38)
Total exposure	-	161	(32)

21 RELATED PARTY TRANSACTIONS

During the year Frontier Silicon Limited purchased goods, services and assets to the value of £1,764,000 from Imagination Technologies Limited, a company that owns 10.5% of the share capital of Toumaz Limited. At the year end there was an outstanding balance of £311,000 due from Frontier Silicon Limited to Imagination Technologies Limited in respect of these purchases.

During the year Imagination Technologies Limited purchased goods from Frontier Silicon Limited to the value of £36,000. At the year end there was an outstanding balance of £16,000 owing to Frontier Silicon Limited in respect of these sales.

The company paid Imagination Technologies Limited £18,000 during the year in respect of director's services from Sir H Yossaie.

The Group has taken advantage of the exemption under IAS 24 'Related Party Disclosures' from disclosing transactions with other members of the group headed by Toumaz Limited.

During the year £531,000 was written off relating to a prior year licence agreement with Cloud Tag Inc a company in which the Group had a 10% interest.

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22 EMPLOYEE REMUNERATION

(i) Employee benefits expense

The average number of employees during the year was 89 (2011: 78)

Expense recognised for employee benefits, including Directors' emoluments, is analysed below

	2012 £'000	2011 £'000
Wages and salaries	5,463	3,759
Share based payment	51	52
Pensions – defined contribution scheme	123	44
	<u>5,637</u>	<u>3,855</u>

Included within the above, fully disclosed in the Report on Remuneration on page 18, are amounts in respect of Directors, including the non-executive Directors. Key Personnel include the CEO, CFO, VP of Marketing, Sales, Engineering Operations and HR. The compensation of key management personnel is as follows

	2012 £'000	2011 £'000
Fees and emoluments	760	390
Share based payment	11	-
	<u>771</u>	<u>390</u>

(ii) Equity compensation benefits

Prior to 31 December 2008 the Group had adopted an employee Share Option Scheme (the "Employee Share Option Scheme") in order to incentivise key management and staff. Pursuant to the Employee Share Option Scheme, a duly authorised committee of the Board of Directors of the Company may, at its discretion, grant options to eligible employees, including Directors, of the Company or any of its subsidiaries to subscribe for shares in the Company at a price not less than the higher of (i) the closing price of the shares of the Company on the Stock Exchange on the date of grant of the particular option or (ii) the average of the closing prices of the shares of the Company for the five trading days immediately preceding the date of the grant of the options or (iii) the nominal value of the shares. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options and are available for re-use. The fair value of options granted was determined using the Black-Scholes valuation model.

Significant inputs into the calculations were as follows

- 50% volatility based on expected share price (ascertained by reference to historic share prices of both the Company and comparable listed companies)
- a risk free interest rate of between 3.5% and 5.0%
- share prices at date of grant of between 8p and 16.25p
- exercise prices of between 3.6p and 25p
- 0% dividend yield
- estimated option lives of between 24 months and 60 months

On 10 September 2009 the Board of Directors adopted (1) a new Enterprise Management (EMI) option plan (2) to approve the grants of EMI and non EMI options (Unapproved Options) to certain members of the Board and (3) to arrange for the replacement of employee share options in

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Future Waves (UK) Limited (Future Waves) and Future Waves PTE Ltd (Future Waves PTE) with options in the company. Share options granted on 21 January 2010 to directors under (1) and (2) above were granted to Directors at 6p with the share price of the Company at 8.63p on the date of issue. Share options granted on 18 September 2009 under (3) above issued at 3.7p with the share price at 8.63p on the date of issue. In respect of these issues the fair value of options granted was determined using the Black Scholes valuation model. Significant inputs into the calculations were as follows:

- 50% volatility based on expected share price (ascertained by reference to historic share prices of both the Company and comparable listed companies)
- a risk free interest rate of between 3.5% and 5.0%
- share prices at date of grant of 8.63p
- exercise prices of between 3.7p and 6p
- 0% dividend yield
- estimated option lives of 48 months

On 10 March 2010 the Board of Directors approved (1) an Enterprise Management (EMI) option plan under which employees were granted options over 5,789,565 shares (2) a non EMI option (Unapproved Options) plan under which certain non EMI qualifying individuals were granted options over 1,050,000 shares. Share options granted under both schemes were issued at 7p with the share price at 7.12p on the date of issue. In respect of these issues the fair value of options granted was determined using the Black Scholes valuation model. Significant inputs into the calculations were as follows:

- 50% volatility based on expected share price (ascertained by reference to historic share prices of both the Company and comparable listed companies)
- a risk free interest rate of between 3.5% and 5.0%
- share prices at date of grant of 7.12p
- exercise price of 7p
- 0% dividend yield
- estimated option lives of 72 months

At 31 December 2012, the Group had the following options outstanding:

Date of original grant	Dates exercisable and lapse	Exercise price	Share price at date of issue	Number	Fair value
13 January 2003	50% after 13 January 2003 and 50% after 13 January 2006. These options lapse on 12 January 2013.	3.6p	16.25p	1,872,208	12.95p and 13.12p
26 September 2003	50% after 26 September 2003 and 50% after 26 September 2006. These options lapse on 25 September 2013.	3.6p	16.25p	144,016	12.92p and 13.08p
3 March 2005	50% after 3 March 2007 and 50% after 3 March 2008. These options lapse on 2 March 2015.	5.2p	16.25p	2,216,224	12.58p
30 September 2005	After 31 May 2006. These options lapse on 1 June 2013.	6.94p	16.25p	1,683,835	9.54p
24 October 2006	50% after 23 October 2008 and 50% after 23 October 2009 subject to a share price of 25p. These options lapse on 1 October 2016.	8.75p	8.75p	2,000,000	2.72p and 3.35p

TOUMAZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

20 November 2006	50% after 19 November 2008 and 50% after 19 November 2009 subject to a share price of 25p These options lapse on 1 November 2016	8 5p	8 5p	1,000,000	2 66p and 3 28p
13 March 2007	50% after 13 March 2009 and 50% after 13 March 2010 subject to last 12 months revenue being greater than £12 million and the last six months average monthly revenue is greater than £750,000 These options lapse on 1 March 2017	9 75p	9 75p	1,475,000	3 99p
18 September 2009	Conversion of former share options held by employees in Future Waves UK Ltd Exercisable on or after 18 January 2010 Good leaver rules apply These options lapse on 1 September 2017	3 7p	8 63p	829,183	4 93p
18 September 2009	Conversion of former share options held by directors in Future Waves UK Ltd Exercisable on or after 18 September 2009 These options lapse on 1 September 2017	3 7p	8 63p	1,622,000	4 93p
21 January 2010	Directors' options exercisable after 21 January 2010 These options lapse on 20 September 2017	6p	8 63p	16,000,000	2 73p
13 March 2010	Employee share options exercisable after 12 March 2013	7p	6 78	4,849,479	2 23p
Outstanding at 31 December 2011 and 31 December 2010				33,691,945	

The movement on share options and their weighted average exercise price are as follows

	Number	Weighted average exercise price (pence)
Outstanding at 1 January 2012	39,161,587	5 60
Lapsed during the year	(2,309,630)	4 90
Exercised during the year	(3,160,012)	3 67
Outstanding at 31 December 2012	33,691,945	5.24

Of the 33,691,945 (2011 39,161,587) share options in existence at 31 December 2012 24,367,466 (2011 31,888,126) are exercisable

TOUMAZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

The weighted average remaining contractual life of share options outstanding at 31 December 2012 is 4.7 years (2011: 8 years)

Employee share-based expense of £51,000 (2011: £52,000) has been included in the consolidated income statement in accordance with IFRS 2 "Share Based Payments" which gave rise to a share based payment reserve. No liabilities were recognised due to share-based payment transactions. The deferred tax asset amounting to approximately £14,600 (2011: £14,600) has not been provided on the share-based payment expense due to there being insufficient certainty regarding its recovery.

Options issued since the balance sheet date are disclosed in note 25.

23 PRINCIPAL SUBSIDIARY UNDERTAKINGS

Name	Principal activity	Place of incorporation	% Equity
Toumaz Healthcare Limited	Development and exploitation in the healthcare sector	England and Wales	100%
Toumaz Microsystems Limited	Development and exploitation in relation wireless semiconductor chips and embedded solutions	England and Wales	100%
Future Waves UK Limited	Dormant Intermediate holding Company	England and Wales	100%
Nanoscience Limited	Dormant	England and Wales	100%
Frontier Silicon (Holdings) Limited	The company is a holding company and has no trading activity itself	England and Wales	100%
Frontier Silicon Limited ¹	Development, manufacture and sale of digital radio and internet radio technologies	England and Wales	100%
Frontier Silicon (Ireland) Limited ¹	Development of digital radio and internet radio technologies	Republic of Ireland	100%
Frontier Silicon (HK) Limited ²	Company providing support services from Hong Kong and Peoples republic of China	Hong Kong	100%
Toumaz US, LLC ³	Development and exploitation in the healthcare sector	USA	20%

TOUMAZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

¹owned by Frontier Silicon (Holdings) Limited

²owned by Frontier Silicon Limited

³owned by Toumaz Healthcare Limited

24 CAPITAL MANAGEMENT

The Group's capital management objective is to ensure that there is adequate capital within the business to preserve the working capital required for on-going trading and to provide the Group with the necessary resources to develop products that will generate future profitable revenue streams. Whilst management actively seeks to secure funding in the form that is most advantageous to both the business and the shareholders, the nature of the Group's current activities means that this is typically limited to equity funding. As such the Group does not actively manage targets for ratios of debt to equity funding.

25 POST BALANCE SHEET EVENTS

Share Capital

11 January 2013 1,728,192 ordinary shares of 0.25p were issued in relation to the exercise of options by employees over ordinary shares.

Share Options

On 25 January 2013 33,504,887 JSOP Shares were admitted pursuant to a newly approved share option scheme adopted by the Board on 5 October 2012. Awards granted under the JSOP will vest on the third anniversary of their grant and value can be realised in respect of such awards from this date until the tenth anniversary of the date of grant. Participants will receive the full value of the share. The rules allow for options to be granted at an exercise price of £0.0025 being equal to the nominal value of the shares with a three year vesting period and a further seven years in which the options may be exercised. If the options are not exercised by the tenth anniversary of grant, they will lapse. The vesting of these options for directors is conditional on the performance of the Company share price relative to the FTSE All Share Index.

On 25 January 2013 the Company granted options over 10,410,285 ordinary shares under the Toumaz Limited Unapproved Share Option Scheme (2012 Rules) to employees of the Company and other certain individuals.

26 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 24 April 2013.

Notice of Annual General Meeting

Notice is given that the annual general meeting of the members of Toumaz Ltd will be held at College Hill, London on the 14th June 2013 at 9 00am to consider and, if thought fit, to pass the resolutions set out below

Ordinary resolutions

- 1 To receive the report and accounts for the year ended 31 December 2012
- 2 To elect Anthony Sethill retiring as a director due to his appointment having been made since the last annual general meeting in accordance with the Company's articles of association and, being eligible, offering himself for reappointment as a director of the Company
- 3 To elect Jonathan Apps retiring as a director due to his appointment having been made since the last annual general meeting in accordance with the Company's articles of association and, being eligible, offering himself for reappointment as a director of the Company
- 4 To elect Chris Batterham retiring as a director due to his appointment having been made since the last annual general meeting in accordance with the Company's articles of association and, being eligible, offering himself for reappointment as a director of the Company
- 6 To re-elect Hossein Yaissae as a director who is retiring by rotation in accordance with the articles of association of the Company and, being eligible, offering himself for reappointment as a director of the Company
- 7 To re-elect Martin Knight as a director who is retiring by rotation in accordance with the articles of association of the Company and, being eligible, offering himself for reappointment as a director of the Company
- 8 To re-appoint Grant Thornton UK LLP as auditors and to authorise the directors to determine remuneration
- 9 That the directors be authorised to disapply the pre-emption rights set out in article 17 of the articles of association, such power to expire at the conclusion of the Company's next annual general meeting, and that the directors may allot equity securities following an offer or agreement made before the expiry of the authority and provided that the authority is limited to

9 1 the allotment of equity securities pursuant to the exercise of any of the options either granted or to be granted under the company's share option scheme, and

9 2 the allotment of equity securities, otherwise than in accordance with paragraph 6 1 up to an aggregate nominal amount of being fifteen per cent of the company's issued share capital on the date of this notice

By order of the board

Jonathan Apps
Secretary

Registered Office

14th May 2013

TOUMAZ LIMITED

Notes to General Meeting

- 1 A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and on a poll vote in his place. A proxy need not be a member of the company.
- 2 The instrument appointing a proxy and (in the case of an instrument signed by an agent of the member who is not a corporation) the authority under which such instrument is signed or an office copy or duly certified copy must be deposited at the office of Capita Registrars, PXS, 34 Beckenham Road, Kent BR3 4TU, not less than 48 hours before the time appointed for the meeting or any adjourned meeting. A prepaid form of proxy for use in respect of the meeting is enclosed.
- 3 Completion of a form of proxy will not prevent a member from attending and voting in person.
- 4 Members will be entitled to attend and vote at the meeting if they are registered on the Company's register of members 48 hours before the time appointed for the meeting or any adjourned meeting.
- 5 In the case of joint holders of the shares in the Company, the vote of the senior holder shall be accepted to the exclusion of the votes of the other joint holders(s). For this purpose, seniority will be determined by the order in which the names appear in the Company's register of shareholders (or the Company's registrars records).
- 6 In the case of holders of depositary interests representing ordinary shares in the capital of the Company, a form of direction must be completed in order to instruct Capita IRG Trustees Limited to vote on the holders behalf at the meeting, or if the meeting is adjourned, at any adjourned meeting. To be effective, a completed and signed form of direction must be delivered to Capita Registrars, PXS, 34 Beckenham Road, Kent BR3 4TU by no later than 72 hours before the time fixed for the meeting or any adjourned meeting.
- 7 As at 11 30 am on 14th May 2013 the Company's issued share capital comprised (TBC) ordinary shares of 25p each. Each ordinary share carries the right to one vote at a general meeting of the Company. The shares held in the JSOP Employee trust have at present no voting rights. Therefore the total number of voting rights in the Company as at 11 30 14th May 2013 is (TBC).



FILE COPY

**CERTIFICATE OF REGISTRATION
OF AN OVERSEA COMPANY**

(Registration of a UK establishment)

Company No. FC031563

UK Establishment No. BR016631

The Registrar of Companies hereby certifies that

TOUMAZ GROUP LTD

has this day been registered under the Companies Act 2006 as having
established a UK Establishment in the United Kingdom.

Given at Companies House on **15th October 2013**.



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**