

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended immediately to consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or otherwise transferred all of your Ordinary Shares of 10 pence each in Renovo Group plc, please forward this document and the accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

The release, publication or distribution of this document into certain jurisdictions may be restricted by law, and any persons into whose possession this document comes should therefore inform themselves about and observe any applicable restrictions or requirements. No action has been taken by the Company or by Panmure Gordon that would permit possession or distribution of this document in any jurisdiction where action for that purpose is required. Any failure to comply with any such restrictions or requirements may constitute a violation of the securities laws of any such jurisdiction.

In accordance with Rule 9 of the Takeover Code, this document together with a Form of Proxy for use at the General Meeting must be and is being sent to all Shareholders and persons with information rights, both in UK and overseas. All Shareholders are requested to read this document, and in particular paragraph 8 of the Chairman's letter in Part I of this document which relates to the Rule 9 waiver and to complete and return a Form of Proxy in accordance with the instructions set out on page 15 below, as soon as possible and in any event no later than 10.00 a.m. on 8 September 2011.

RENOVO GROUP PLC

(Incorporated and registered in England and Wales with number 05427608)

PROPOSED DELISTING AND ADMISSION TO AIM,
ADOPTION OF NEW ARTICLES OF ASSOCIATION,
CAPITAL REDUCTION AND CANCELLATION OF CERTAIN RESERVES,
APPROVAL OF A BUYBACK OF SHARES BY THE COMPANY,
APPROVAL OF A WAIVER OF OBLIGATIONS
UNDER RULE 9 OF TAKEOVER CODE
AND
NOTICE OF GENERAL MEETING

Panmure Gordon, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for Renovo Group plc and no-one else in connection with the Proposals described in this document and accordingly will not be responsible to any person other than Renovo Group plc for providing the protections afforded to clients of Panmure Gordon or for providing advice in relation to such Proposals.

Notice of a General Meeting of the Company to be held at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London, EC2Y 9AW on 12 September 2011 at 10.00 a.m., is set out at the end of this document.

A Form of Proxy for use at the General Meeting is enclosed and, to be valid, should be completed and returned in accordance with the instructions printed on it, or submitted electronically, as soon as possible but in any event so as to be received by Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU or submitted electronically to renovo@mof.com, as soon as possible but in any event no later than 10.00 a.m. on 8 September 2011. The return, or submission electronically, of a completed Form of Proxy will not preclude a Shareholder from attending and voting in person at the General Meeting.

CONTENTS

	Page
Expected Timetable of Principal Events.....	3
Directors, Secretary and Advisers	4
PART I Letter from the Chairman of the Company	5
PART II Information on Henderson Global Investors.....	17
PART III A. Summary of the New Articles of Association.....	29
PART III B. Summary of Principal Changes.....	34
PART IV Additional Information	36
Information required pursuant to the rules of the Takeover Code	39
Definitions	42
Notice of General Meeting.....	45

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	18 August 2011
Latest time and date for receipt of Forms of Proxy or submission of proxy votes electronically	10.00 a.m. on 8 September 2011
General Meeting	10.00 a.m. on 12 September 2011
Last day of dealings in Ordinary Shares on the Main Market and cancellation of listing of Ordinary Shares on the Official List	8 a.m. 24 October 2011
Admission and commencement of dealings in Ordinary Shares on AIM	8.00 a.m. on 24 October 2011
Expected date for first hearing of the Capital Reduction by the Court*	19 October 2011
Expected Effective Date of the Capital Reduction*	1 December 2011
Earliest possible date for commencement of the Share Buy Back by the Company*	2 December 2011

* These times and dates are indicative only and will depend, amongst other things, on the date upon which the Court confirms the Capital Reduction.

All references to time in this document are to London time.

DIRECTORS, SECRETARY AND ADVISERS

Directors

Professor Mark Ferguson
David Blain
Jamie Brooke
Max Royde

Non-Executive Chairman
Chief Financial Officer/Company Secretary
Non-Executive Director
Non-Executive Director

Company Secretary

David Blain

Registered Office

The Manchester Incubator Building
48 Grafton Street
Manchester
Lancashire M13 9XX

Sponsor and Broker

Panmure Gordon (UK) Limited
Moorgate Hall
155 Moorgate
London EC2M 6XB

Legal Advisers to the Company

Morrison & Foerster (UK) LLP
CityPoint
One Ropemaker Street
London EC2Y 9AW

Auditors

Deloitte LLP
2 Hardman Square
Manchester M60 2AT

Registrars

Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

PART I

LETTER FROM THE CHAIRMAN OF THE COMPANY

Renovo Group plc

(Incorporated and registered in England and Wales under the Companies Acts 1985)
(Registered No. 05427608)

Directors:

Professor Mark Ferguson (*Non-Executive Chairman*)
David Blain (*Chief Financial Officer and Company Secretary*)
Jamie Brooke (*Non-Executive Director*)
Max Royde (*Non-Executive Director*)

Registered Office:
Manchester Incubator Building
48 Grafton Street
Manchester
M13 9XX

18 August 2011

To Shareholders and, for information purposes only, to the holders of options under the Renovo share option schemes

Dear Sir or Madam

Proposed Delisting and Admission to AIM, adoption of New Articles of Association, Capital Reduction and cancellation of certain reserves, Share Buy Back by the Company and Rule 9 Waiver

1. Introduction

On 3 March 2011, the Board announced that following the Phase III trial for Juvista® failing to meet its primary or secondary end points the Board was actively exploring all options to maximise shareholder value of the Company's cash and assets, including the possible sale of its clinical and preclinical programmes.

In light of the above strategy, the Board is proposing to:

- cancel the listing of the Ordinary Shares on the Official List of the UKLA and to trading on the London Stock Exchange's Main Market for listed securities (the "**Delisting**") and to seek admission to trading on AIM;
- adopt New Articles of Association that are more appropriate for a company admitted to trading on AIM;
- reduce the Company's capital by cancelling the amount standing to the credit of the share premium account and capitalising the amount standing to the credit of the merger reserve account by way of the issue of Capital Reduction Shares, and to cancel the Capital Reduction Shares, so as to create distributable reserves ("**Capital Reduction**"); and
- approve the buyback of Ordinary Shares by the Company in the market ("**Share Buy Back**").

The board intends to propose the Resolutions, set out in the Notice of General Meeting attached to this document, to give effect to the above, and asks you to vote in favour of such Resolutions for the following reasons:

Resolution 1 – Delisting Resolution

The Directors believe that there will be significant benefits to the Company Delisting and seeking admission to trading on AIM as set out in further detail in Section 2 below. The Listing Rules require that if a Company

wishes to cancel its listing on the Official List then it must seek the approval of not less than 75% of its shareholders in a general meeting (Listing Rule 5.2.5(2)). Accordingly, this special resolution is being sought to authorise the Board to cancel the Company's listing of Ordinary Shares on the Official List of the UKLA, remove such Ordinary Shares from trading on the London Stock Exchange's Main Market and to apply for admission of the Company's issued share capital to trading on AIM.

Resolution 2 – Capital Reduction Resolution

In order to facilitate the Share Buy Back by the Company, the Board is proposing that the Company create sufficient distributable reserves by means of the Capital Reduction. Chapter 10 of the Companies Act 2006 deals with reductions of share capital, and provides that a company that wishes to reduce its share capital, may do so if it obtains a special resolution of its shareholders, confirmed by the court (S.641(1)(b) Companies Act 2006). Accordingly, this special resolution seeks the approval of the Company's Shareholders to capitalise the amount standing to the credit of the merger reserve account by way of the issue of Capital Reduction Shares, and to cancel and reduce the amount standing to the credit of the share premium account and the Capital Reduction Shares to create distributable reserves. The Capital Reduction must take place in a series of sequential steps (and court hearings) in order to enable the Company to successfully eliminate its profit and loss deficit and create the necessary distributable reserves. This resolution is conditional upon the passing of Resolution 1 upon the Company being admitted to trading on AIM.

Resolution 3 – New Articles of Association

The Board is proposing to adopt New Articles of Association to take account the amendments allowed by the Companies Act 2006 and the Company's move to AIM. Section 21 of the Companies Act 2006, provides that a company may amend its articles of association by way of special resolution. Accordingly, this special resolution will adopt the New Articles of Association and replace the Current Articles of Association. This resolution is conditional upon the passing of Resolution 1 and Resolution 2 and upon the Company being admitted to trading on AIM.

Resolution 4 – BuyBack Resolution

The Company is proposing to seek Shareholders' authority for the Company to purchase up to 25 per cent. of the Ordinary Shares in issue as at the date of this document. Section 701 of the Companies Act 2006 requires that the approval of a company's shareholders is required in order for a company to be able to buy back its shares. At the time the Share Buy Back is conducted the Company will have its Ordinary Shares admitted to trading on AIM rather than the Official List and so the Listing Rules will not apply. The ABI Guidelines titled "Own Share Purchase" request that companies pose this resolution as a special resolution. Accordingly, this special resolution will permit the Company to purchase up to 25 per cent. of the Ordinary Shares in the market. This resolution is conditional upon the passing of Resolutions 1, 2, 3 and 5 and upon the Company being admitted to trading on AIM.

Resolution 5 – Whitewash Resolution

The buyback of Ordinary Shares pursuant to the authority being sought in the BuyBack Resolution, may result in Henderson's shareholding increasing above 30 per cent. which would result in Henderson being obliged to make an offer for the Company, pursuant to Rules 9 and 37 of the Takeover Code unless the Independent Shareholders vote in favour of waiving this requirement (the "Rule 9 Waiver"). This ordinary resolution is to approve the Rule 9 Waiver, which will be taken on a poll and in respect of which only Independent Shareholders will be entitled to vote.

As at the date of this document, Henderson Global Investors holds 53,414,860 Ordinary Shares representing approximately 28.05 per cent of the existing issued share capital of the Company.

Following completion of the proposed Share Buy Back, Henderson Global Investors interest in the issued share capital of the Company may increase to above 30 per cent. Accordingly, the Directors have sought and obtained from the Takeover Panel, subject to Shareholder approval, a dispensation from the obligation arising under Rule 9 of the Takeover Code ("**Rule 9 Waiver**") described in more detail in paragraph 8 below.

The Delisting and approval of the New Articles, Capital Reduction, Share Buy Back and the Rule 9 Waiver are conditional, *inter alia*, on the passing by Shareholders of the Resolutions at the General Meeting, which is being convened for 10.00 a.m. on 12 September 2011.

The purpose of this document is to:

- (a) provide you with information about the Delisting and approval of New Articles, Capital Reduction, Share Buy Back and the Rule 9 Waiver;
- (b) explain why the Board considers that the Delisting and approval of New Articles, Capital Reduction, Share Buy Back, the Rule 9 Waiver and the Resolutions are fair and reasonable and are in the best interests of the Company, the Independent Shareholders and the Shareholders as a whole; and
- (c) explain why the Board unanimously recommends that Shareholders vote in favour of Resolutions 1 to 4 and that the Independent Shareholders vote in favour of Resolution 5 to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings.

All of the Resolutions are inter-conditional so that if any of the Resolutions are not passed, the Delisting and adoption of New Articles, Capital Reduction, Share Buy Back and Rule 9 Waiver will not proceed. The Capital Reduction is conditional on the Order of the High Court confirming the Capital Reduction and a statement of capital approved by the High Court having been registered with the Registrar of Companies. The Rule 9 Waiver is conditional on the prior approval of the Independent Shareholders. In the event that the Resolutions relating to the Capital Reduction, Share Buy Back and Rule 9 Waiver are not passed, then the Delisting Resolution will not be effective and the Delisting will not occur.

You will find definitions for capitalised terms used in this letter and the rest of this document on page 41 of this document.

The Board does not envisage that there will be any significant alteration to the standards of reporting and governance which the Company currently maintains. The Company will maintain its Audit Committee and the Nominations and Remuneration Committee which will be subject to the same terms and conditions, although the membership of those committees is now comprised of Mark Ferguson, Max Royde and Jamie Brooke.

2. Background to and reasons for the move to AIM

The Directors believe that there will be significant benefits to the Company Delisting and seeking admission to trading on AIM. The Board appreciates that AIM has the benefit of lower transactional costs, similar ongoing costs and simpler administration and regulatory requirements more appropriate to the Company's size.

Admission to AIM will not affect the way in which Shareholders buy or sell Ordinary Shares and, following Admission to AIM, existing share certificates in issue in respect of Ordinary Shares will remain valid.

The AIM Rules require that AIM companies retain a nominated adviser and broker at all times. Panmure Gordon has agreed to act as nominated adviser and broker to the Company, conditional on Admission to AIM being effected.

Because the Company's shares are currently listed on the premium segment of the Official List, the AIM Rules do not require an admission document to be published by the Company in connection with the Company's Admission to AIM. However, subject to the passing of the Resolutions, the Company will publish an announcement which complies with the requirements of Schedule One of the AIM Rules comprising information required to be disclosed by companies transferring their securities from the Official List to AIM.

Following the Delisting and subsequent Admission to AIM, Ordinary Shares that are held in uncertificated form will continue to be held and dealt through CREST. Share certificates representing those Ordinary Shares held in certificated form will continue to be valid and no new share certificates will be issued.

It is emphasised that the Delisting and subsequent Admission to AIM will have no impact on the assets and liabilities of the Company, and it will continue to have the same business and operations following Admission to AIM.

Obligations of an AIM company and key differences to those of Official List companies

Following Admission to AIM, the Company will be subject to the regulatory and disciplinary controls of the AIM Rules. Shareholders should note that the protections afforded to investors in AIM companies are less rigorous than those afforded to investors in companies listed on the premium segment of the Official List. AIM has less stringent rules than the Official List and is self regulated.

While for the most part the obligations of a company whose shares are traded on AIM are similar to those of companies whose shares are listed on the premium segment of the Official List, there are certain exceptions, including those referred to below:

- under the AIM Rules, prior shareholder approval is required only for (i) reverse takeovers (being an acquisition or acquisitions in a twelve month period which either (a) exceed 100 per cent. on various class tests; or (b) result in a fundamental change of business (being disposals that exceed 75 per cent. of various class tests). Under the Listing Rules, a more extensive range of transactions are conditional on shareholder approval and require a detailed circular.
- there is no requirement under the AIM Rules for a prospectus or an admission document to be published for further issues of securities to institutional investors, except when seeking admission for a new class of securities or as otherwise required by law.
- unlike the Listing Rules, the AIM Rules do not specify any required structures or discount limits in relation to further issues of securities.
- the Corporate Governance Code does not apply directly to companies who are admitted to trading on AIM. The Directors recognise, however, the importance of high standards of corporate governance and intend that the Company should observe the requirements of the QCA Corporate Governance Guidelines for AIM companies and the Corporate Governance Code to the extent Directors consider appropriate having regard to the size, nature and resources of the Company.
- the ABI Guidelines, which give guidance on issues such as executive compensation and share based remuneration, corporate governance, share capital management and the issue and allotment of shares on a pre-emptive or non pre-emptive basis, do not apply directly to companies whose shares are traded on AIM. The Directors recognise, however, the importance of high standards of corporate governance and intend that the Company should observe the requirements of the ABI Guidelines to the extent the Directors consider appropriate having regard to the size, nature and resources of the Company.
- under the Listing Rules, a company is required to appoint a ‘sponsor’ for the purposes of certain corporate transactions, such as when undertaking a large transaction or capital raising. The responsibilities of the sponsor include providing assurance to the FSA when required that the responsibilities of the listed company have been met. Corporate transactions on the Official List often require approval of shareholders and the engagement of a sponsor to oversee the process and liaise with the UK Listing Authority. In particular, on a proposed acquisition, where the size of the target represents 25 per cent. or greater of the listed company as determined by the class tests set out in Annex 1 of Chapter 10 of the Listing Rules a circular to shareholders is required explaining the transaction and seeking the consent of shareholders. As a result, a transaction of this nature may incur higher transaction costs to meet the requirements of the Listing Rules and, therefore, prove prohibitive.

Under the AIM Rules a ‘nominated adviser’ is required to be engaged by an AIM listed company at all times and has ongoing obligations to the company and responsibilities to the London Stock Exchange. On Admission to AIM, the Company has agreed to appoint Panmure Gordon as its nominated adviser.

- there is a lower requirement for the minimum number of shares in an AIM quoted company to be held in public hands, where on the Official List, a minimum of 25 per cent. of a company’s issued ordinary share capital normally has to be maintained in public hands at all times under the Listing Rules.
- certain securities laws will no longer apply to the Company following Admission to AIM, for example, the Disclosure and Transparency Rules (“**DTR**”) (save that DTR Chapter 5 in respect of significant shareholder notifications will continue to apply to the Company) and the Prospectus Rules. This is because AIM is not a regulated market for the purposes of the European Union’s directives relating to securities. Additionally, the Listing Rules for premium listed companies, the Corporate Governance Code and the ABI Guidelines do not apply directly to companies whose shares are admitted to trading on AIM.

Risks associated with trading on AIM.

Subject to (i) the Resolutions being passed; and (ii) Admission to AIM, the Company’s shares will be traded on AIM rather than on the Official List. By virtue of AIM being less regulated than the Official List, an investment in securities traded on AIM carries a higher risk than those listed on the Official List. AIM is a market for

emerging or smaller growing companies and may not provide the liquidity normally associated with the Official List or other exchanges. Further, it may be more difficult for an investor to realise its investment in an AIM-traded company than a company whose securities are listed on the Official List.

The future success of AIM and liquidity in the market for the Company's shares cannot be guaranteed. In particular, the market for the Company's shares may be, or may become, relatively illiquid and therefore the Company's shares may be or may become more difficult to sell. Potential investors and Shareholders should be aware that the value and any income from the Ordinary Shares can go down as well as up and that investment in securities which are traded on AIM might be less realisable and might carry a higher risk than a security listed on the Official List. Liquidity on AIM is currently provided by market makers who are member firms of the London Stock Exchange and are obliged to quote a share price for each company for which they make a market between 8.00am and 4.30pm on business days. The Directors believe that AIM has demonstrated that it can provide a liquid trading platform for shares.

In order to effect the move to AIM, the Company will require the approval of Shareholders at the General Meeting. The Delisting Resolution, Resolution 1 in the Notice of General Meeting, will authorise the Board to cancel the listing of Ordinary Shares on the Official List, remove such Ordinary Shares from trading on the London Stock Exchange's Main Market for listed securities and facilitate the admission of the Company's issued share capital to trading on AIM.

Following passing of the Resolutions, the Company will inform the FSA and give 20 business days' notice of its intention to seek admission on AIM under AIM's streamlined process for companies that have had their securities traded on an AIM Designated Market. It is the Company's understanding that the FSA would not seek to suspend or cancel the listing of the Company's shares on the Official List during the period of approximately 20 business days, unless there exists a disorderly market in the Ordinary Shares.

It is anticipated that the last day of dealings of the Ordinary Shares on the Main Market will be 23 October 2011. Cancellation of the listing of Ordinary Shares on the Official List will take effect at 8.00am on 24 October 2011, being not less than 20 business days from the passing of the Resolutions. Admission to AIM is expected to take place and dealings in Ordinary Shares are expected to commence on AIM at 8.00am on 24 October 2011.

There is no guarantee that the Directors will be successful in achieving admission on AIM or that there will not be a period during which the Company's Ordinary Shares will not be admitted to trading on an exchange. If the Company's issued Ordinary Shares are not admitted to trading on an exchange, the ability to buy and sell shares in the Company could be materially restricted.

Shareholders should consult their own tax advisers in relation to the implications of the Delisting and the Admission of the Company's shares to AIM.

3. Adoption of New Articles of Association

The Board is proposing to adopt New Articles of Association to take account of the Company's move to AIM. The content of the New Articles of Association are summarised in Part III of this document together with a summary of the main differences between the Current Articles of Association and the New Articles of Association. The New Articles of Association are available for inspection, as noted in paragraph 5 of Part IV of this document. The New Articles of Association also reflect changes introduced by the Act. The principal changes are as follows:

(a) The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's Memorandum and Current Articles of Association. The Company's Memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake.

The Act has reduced the constitutional significance of a company's Memorandum. The Memorandum will now only record the names of, subscribers and the number of shares each subscriber has agreed to take in the Company. The objects clause and all other provisions which are currently contained in the Company's Memorandum are deemed to be contained in the Company's Articles of Association but the Company can remove these provisions by special resolution.

Further, the Act states that unless a company's Articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its Memorandum which, by virtue of the Act, are treated as forming part of the Company's Articles of Association as of 1 October 2009. As the effect of this resolution will be to remove the statement currently in the Company's Memorandum regarding limited liability, the new Articles of Association also contain an express statement regarding the limited liability of Shareholders.

(b) Authorised share capital and unissued shares

The Act has abolished the requirement for a company to have an authorised share capital. The proposed New Articles of Association reflect this by having no reference to an authorised share capital. Authority to allot shares continues to be required and as such the Directors will be limited as to the number of shares they can allot at any time.

(c) Authority to purchase own shares, consolidate and sub-divide shares and reduce share capital

The Act removes any requirement to have specific enabling provisions in a company's articles relating to the purchase of its own shares, the consolidation and sub-division of shares or the reduction in share capital. Only shareholder approval is now required. The proposed New Articles of Association reflect this, as the enabling provisions have been removed.

(d) Voting by proxies on a show of hands

The Companies (Shareholder Rights) Regulations 2009 (the "**Regulations**") have amended the Act so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The New Articles of Association have been amended to reflect these changes.

(e) Electronic conduct of meetings

Amendments made to the Act by the Regulations specifically provide for the holding and conducting of electronic meetings. The proposed New Articles of Association have been amended to reflect more closely the relevant provisions.

The New Articles of Association also remove the various historic classes of share set out in the Current Articles of Association and the rights attaching to those shares. These provisions related to mechanics on the Company's listing on the Official List and, those classes of share no longer being in existence, the provisions are redundant.

4. Background to and reasons for the Capital Reduction and Share Buy Back

As at 30 June 2011, the share premium account of the Company stood in the sum of £79,134,198.84, the merger reserve stood in the sum of £34,397,888.32 and the profit and loss account of the Company stood in deficit in the sum of £100,365,934.82. The Company is generally precluded from the payment of any dividends or the redemption or buy back of issued shares in the absence of sufficient distributable reserves. In order to facilitate the Share Buy Back by the Company, the Board is proposing that the Company create sufficient distributable reserves by means of the proposals set out below.

The Board propose the creation of sufficient distributable reserves for the Company by cancelling certain balances standing to the credit of the share premium account and by capitalising the amount standing to the credit of the merger reserve and then cancelling the resultant Capital Reduction Shares. The realised profits so created will be applied in eliminating the accumulated deficit on the Company's profit and loss account. As a result of the capital reduction the profit arising on the elimination of the deficit and all future profits of the Company earned after the date that the Capital Reduction is filed at Companies House, will then be available for the Directors to use for the purpose of the Share Buy Back.

The Capital Reduction process and the Share Buy Back are conditional upon the passing of Resolutions 3 and 4 respectively, set out in the Notice of General Meeting (the "**Capital Reduction Resolution**" and "**BuyBack**

Resolution", respectively,) and Court approval. If the Resolutions are not passed and/or the Court confirmation is not obtained, it will not be possible for the Company to effect the Capital Reduction or the Share Buy Back.

5. Capital Reduction and Bonus Issue of Capital Reduction Shares

The Company's balance sheet shows an accumulated deficit on the profit and loss account of £100,365,934.82 million as at 30 June 2011.

In order to eliminate this deficit it is proposed to take the following steps:

- (1) to cancel the balance standing to the credit of the share premium account in the sum of £79,134,198.84.
- (2) to capitalise the amount standing to the credit of the merger reserve in the sum of £13,166,152.34 by way of a bonus issue of newly created B Shares;
- (3) to cancel the newly created B Shares;
- (4) to capitalise the amount standing to the credit of the merger reserve in the sum of £13,166,152.34 by way of a bonus issue of newly created C Shares;
- (5) to cancel the newly created C Shares;
- (6) to capitalise the amount standing to the credit of the merger reserve in the sum of £8,065,583.64 by way of a bonus issue of newly created D Shares; and
- (7) to cancel the newly created D Shares.

These cancellations, if approved by the Court, will create realised profits which would first be applied in eliminating the accumulated deficit on the Company's profit and loss account. The Capital Reduction itself will not involve any distribution or repayment of capital or share premium by the Company and will not reduce the underlying net assets of the Company. Its principal effect will be to create distributable reserves to facilitate any future return of value to Shareholders.

In order to effect the Capital Reduction the Company first requires the authority of its Shareholders by the passing of a special resolution of the Company at the General Meeting. The Capital Reduction Resolution, Resolution 3 in the Notice of General Meeting is proposed in this regard. Secondly, the Capital Reduction must be confirmed by the High Court, to which the Company will make an application if the Capital Reduction Resolution is passed.

The Capital Reduction must take place in a series of sequential steps (and court hearings) in order to enable the Company to successfully eliminate its profit and loss deficit and create the necessary distributable reserves. Each capital reduction will take effect when the Order of the High Court confirming the relevant capital reduction and a statement of capital approved by the High Court have been registered with the Registrar of Companies. The Effective Date of the final capital reduction is currently expected to be 1 December 2011. That is likely to be within a few working days after the hearing at which the Capital Reduction is confirmed by the High Court, which is currently expected to be on or around 30 November 2011. If the Capital Reduction becomes effective in full on the basis that the proposed return of capital is permitted by the Court, it is the Company's intention to use the distributable reserves to allow the Company to effect the Share Buy Back.

In order to approve the Capital Reduction, the High Court will need to be satisfied that the interests of the Company's creditors will not be prejudiced by the Capital Reduction.

In seeking this confirmation, the Company will be required to give such undertakings or other form of creditor protection as the High Court may require for the protection of the Company's creditors at the Effective Date. These may include seeking the consent of the creditors to the cancellation of share premium account and the capitalisation of the merger reserve and cancellation of the resultant Capital Reduction Shares, or the provision by the Company to the Court of an undertaking to deposit a sum of money into a blocked account created for the purpose of discharging creditors of the Company. It is the Directors' intention that the majority of the Company's creditors will have been paid by the date of the court hearing for the first capital reduction, which is currently expected to be 19 October 2011. The Directors intend to seek the consent of the remaining Company's creditors (to the extent there are any) to the Capital Reduction and the Board is confident that these consents will be obtained. This is in order that the Capital Reduction can be confirmed by the High Court on

terms that will permit any part of the sum released by the Capital Reduction to be credited to the profit and loss account of the Company so as to create distributable reserves.

If the Company is unable in the timetable proposed to obtain a consent from, or is unable or unwilling to provide security (where security is required) for all such creditors, then the amount released by the Capital Reduction, when the Capital Reduction is confirmed by the High Court, will remain undistributable for the time being until any outstanding consents have been obtained, security (where security is required) has been put in place, or the relevant obligations have been discharged, and the Company may be required to give an undertaking to that effect to the High Court.

The Board reserves the right (where necessary by application to the High Court) to abandon, discontinue or adjourn any application to the High Court for confirmation of the Capital Reduction, and hence the Capital Reduction itself, if the Board believes that the terms required to obtain confirmation are unsatisfactory to the Company or if as the result of a material unforeseen event the Board considers that to continue with the Capital Reduction is inappropriate or inadvisable.

The Capital Reduction does not affect the voting or dividend rights of any Shareholder, or the rights of any Shareholder on a return of capital and following the implementation of the Capital Reduction there will be no change in the number of Ordinary Shares in issue.

It is proposed to capitalise the sum of £34,397,88.32 standing to the credit of the Company's merger reserve by applying that sum in paying up in full new Capital Reduction Shares immediately following the Court Hearing, allotting and issuing such shares by way of a bonus issue to the persons at that point holding Ordinary Shares on the basis of 1 Capital Reduction Share for every 1 Ordinary Share held. The Capital Reduction Shares will not be admitted to trading on the Main Market, AIM or any other market. No share certificates will be issued in respect of the Capital Reduction Shares. The Capital Reduction Shares will have extremely limited rights. In particular, the Capital Reduction Shares will carry no rights to participate in the profits of the Company and no rights to participate in the Company's assets, save on a winding up. The Capital Reduction Shares will be transferable, but no market will exist in them and it is anticipated that the High Court will confirm their cancellation immediately after they are issued.

The capitalisation of the merger reserve is needed as an additional step since the High Court only has statutory power to reduce the share premium account and capital redemption reserve. Hence, in order to utilise the merger reserve in the Capital Reduction it is necessary to convert that reserve into share capital (the new Capital Reduction Shares), credit the amount paid up on these Shares to the capital redemption reserve and thereafter to cancel the Capital Reduction Shares.

6. Share Buy Back

The Company is proposing to seek Shareholders' authority for the Company to purchase up to 25 per cent. of the Ordinary Shares in issue as at the date of this letter.

It is proposed that the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is an amount equal to 105 per cent. of the average of the middle market quotations for an Ordinary Share as derived from the Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is purchased. The minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 10 pence (being the nominal value of an Ordinary Share). Such market purchases of Ordinary Shares by the Company would be made from the Company's distributable reserves and any Ordinary Shares purchased would be either cancelled or held by the Company in treasury as treasury shares. Such treasury shares may be subsequently sold for cash, transferred pursuant to, or for the purposes of, an employees' share scheme or cancelled. For such time that any Ordinary Shares may be held by the Company in treasury, the voting and dividend rights attaching to those Shares will be suspended.

Any purchase of the Ordinary Shares would be made at the discretion of the Directors in the light of prevailing market conditions. However, Shareholders should not assume that any such purchases will necessarily take place.

In order to effect the Share Buy Back the Company first requires the authority of its Shareholders by the passing of a special resolution of the Company at the General Meeting. The BuyBack Resolution, Resolution 4 in the Notice of Meeting is proposed in this regard. In addition, the Share Buy Back is being effected under the AIM

Rules and therefore will not be able to occur until such time as the Resolutions have been passed, the Capital Reduction is confirmed by the High Court and the Company has been admitted to trading on AIM.

7. Future Corporate Actions and Strategy

Renovo is well funded and its future strategy is aimed at maximising shareholder value. The company will consider all options available to it which may include acquisitions and mergers of external companies in addition to realising value from its current intellectual property portfolio where possible. The directors do not intend to place any restrictions on the nature of the business carried out by potential acquisition and merger targets. The company's cost base is being minimised wherever possible in order to maximise the company's available cash. The Company's continuing clinical trial programmes for Prevascar and Adaprev will be conducted on an outsourced basis, with certain former staff members administering these trials on a part-time consultancy basis.

8. Takeover Code

Under Rule 9 of the Takeover Code, any person who acquires an interest (as such term is defined in the Takeover Code) in shares which, taken together with the shares in which he and persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights in a company that is subject to the Takeover Code is normally required to make a general offer to all of the remaining shareholders to acquire their shares. Similarly, when any person, together with any persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. but does not hold shares carrying more than 50 per cent. of the voting rights of such a company, a general offer will normally be required if any further interests in shares are acquired by such a person. Such an offer would have to be made in cash at a price not less than the highest price paid by him, or by any member of the group of persons acting in concert with him, for any interest in shares in the Company during the 12 months prior to the announcement of the offer.

Under Rule 37 of the Takeover Code, any increase in the percentage holding of a shareholder which results from a company buying-back its own shares will also be treated as an acquisition for the purposes of Rule 9 of the Takeover Code. Henderson currently holds on behalf of various of its funds 53,414,860 Ordinary Shares representing 28.05 per cent. of the issued share capital. This means that any buyback of Ordinary Shares pursuant to the authority being sought in the BuyBack Resolution, may result in the shareholding of funds managed by Henderson increasing above 30 per cent. which would result in Henderson being obliged to make an offer for the Company, unless Henderson sells shares in the Share Buy Back to maintain its current shareholding. Henderson has signed an irrevocable undertaking stating that it will not participate in the Share Buy Back, and consequently it is likely that Henderson's interest will increase to more than 30 per cent.

If the authority conferred by the Buyback Resolution were to be implemented in full, then, assuming no increase in the current issued share capital of the Company, the voting rights attributable to the Ordinary Shares held by Henderson would constitute 37.39 per cent of all the voting rights of the Company.

Waiver of the obligation to make a mandatory offer under Rule 9 of the Takeover Code

The Panel has agreed, subject to a resolution being passed at the General Meeting ("**Whitewash Resolution**"), to waive the requirement under Rule 9 of the Takeover Code ("**Rule 9 Waiver**") for Henderson to make a mandatory offer for the Ordinary Shares not already owned by them as would otherwise arise were the Company to implement its authority to make market purchases under the Buyback Resolution. To be passed, the Whitewash Resolution will require the approval of a simple majority of votes cast on a poll. Only Independent Shareholders will be entitled to vote on the Whitewash Resolution.

For the avoidance of doubt, the Rule 9 Waiver applies only in respect of increases in the shareholdings of Henderson resulting solely from market purchases by the Company of its own Ordinary Shares, where the market purchases are made pursuant to the BuyBack Resolution. The Rule 9 Waiver does not apply to any other authority sought for the Company to purchase its own Ordinary Shares after the date of the General Meeting or any shareholding increase in relation to any Shareholder other than Henderson.

The Directors believe that it is in the best interests of the Company that the BuyBack Resolution be approved. The Directors believe that the purchase by the Company of its own Ordinary Shares would represent good use of the Company's available cash resources and any distributable reserves arising from the Capital Reduction. After taking into account payment of creditors and accruals outstanding at 30 June 2011, and the lease surrender, the net cash position of the Company at that date was in excess of £35m.

In addition, the Independent Directors believe that it is in the best interests of the Company that the Whitewash Resolution be passed so as to make the authority under the BuyBack Resolution fully utilisable.

9. Irrevocable commitments in relation to Share BuyBack

The Directors, who in aggregate hold 17,525,289 Ordinary Shares representing approximately 9.20 per cent. of the existing issued ordinary share capital of the Company, have irrevocably undertaken not to participate in the Share Buy Back by the Company and to vote in favour of the Resolutions. In addition, Kestrel Partners LLP, which holds 9,421,942 Ordinary Shares representing approximately 4.95 per cent. of the existing issued ordinary share capital of the Company has, by way of its discretionary fund manager, irrevocably undertaken not to participate in the Share Buy Back by the Company and to vote in favour of the Resolutions.

In addition, Henderson, which holds 53,414,860 Ordinary Shares (representing approximately 28.05 per cent. of the existing issued ordinary share capital of the Company), has irrevocably undertaken not to participate in the Share Buy Back by the Company and to vote in favour of the Resolutions to the extent they are permitted by law to do so. If the interests of Henderson in the Company increase above 30 per cent., following the Share Buy Back, Henderson would normally be obliged to make a general offer, pursuant to Rule 9 of the Takeover Code, to all other Shareholders. However, in this instance, the Panel has agreed to waive the obligation to make a general offer that would otherwise arise as a result of Henderson not participating in the Share Buy Back subject to the approval of the Independent Shareholders on a poll at the General Meeting.

10. Taxation

The following comments are intended as a general guide only and relate only to certain UK tax consequences of receiving the Capital Reduction Shares under the Bonus Issue. The comments are based on current legislation and HM Revenue & Customs practice, both of which are subject to change, possibly with retrospective effect. These comments deal only with Shareholders who are resident and, if they are individuals, ordinarily resident for taxation purposes in the UK, who are the absolute beneficial owners of Ordinary Shares and who hold them as an investment and not on trading account. They do not deal with the position of certain classes of Shareholders, such as dealers in securities, insurance companies, collective investment schemes or persons regarded as having obtained their Ordinary Shares by reason of employment.

Bonus Issue and Capital Reduction

The Bonus Issue should be treated as a “reorganisation” for the purposes of UK taxation of chargeable gains (“CGT”), so that a Shareholder should not be treated as making a disposal or part disposal of his Ordinary Shares for CGT purposes upon receipt of the Capital Reduction Shares. Instead, the Capital Reduction Shares will be treated as the same asset, acquired at the same time, as his Ordinary Shares. On the basis that the Capital Reduction Shares will be treated as being paid up for “new consideration” received by the Company, the issue of the Capital Reduction Shares should not give rise to any liability to United Kingdom income tax (or corporation tax) in a Shareholder’s hands.

Due to the fact the Capital Reduction Shares:

- (a) have no voting rights or rights to income;
- (b) have no market; and
- (c) at the time issued it is known that the Capital Reduction Shares will be cancelled for no payment, the market value of the Capital Reduction Shares is considered to be nil for the duration of their existence. The CGT base cost of the Capital Reduction Shares and Ordinary Shares should be calculated by apportioning the base costs of the Ordinary Shares between the Capital Reduction Shares and the Ordinary Shares based on their respective market values. Consequently the issue of the Capital Reduction Shares should not impact the base cost of the Ordinary Shares and there should be no tax charge (nor any allowable loss) on the cancellation of the B Shares.

Stamp Duty and SDRT

No stamp duty or SDRT will be payable on the issue of the B Shares. This section is not intended to be, and should not be construed to be, legal or taxation advice to any particular Shareholder. Any Shareholder who has

any doubt about his own taxation position, whether regarding CGT or otherwise, or who is subject to taxation in any jurisdiction other than the UK should consult his professional taxation adviser immediately.

11. General Meeting

The notice convening a General Meeting to be held on 12 September 2011 at 10.00 a.m. at Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London, EC2Y 9AW is set out at the end of this document, where the following Resolutions will be proposed.

Resolution 1 – Delisting Resolution

A special resolution to authorise the Board to cancel the Company's listing of Ordinary Shares on the Official List of the UKLA, remove such Ordinary Shares from trading on the London Stock Exchange's Main Market and to apply for admission of the Company's issued share capital to trading on AIM. This Resolution is conditional on the passing of Resolutions 2, 3, 4 and 5.

Resolution 2 – Capital Reduction Resolution

A special resolution to capitalise the amount standing to the credit of the merger reserve account by way of the issue of Capital Reduction Shares, and to cancel and reduce the amount standing to the credit of the share premium account and the Capital Reduction Shares to create distributable reserves. This resolution is conditional upon the passing of Resolution 1 upon the Company being admitted to trading on AIM.

Resolution 3 – New Articles of Association

A special resolution to adopt the New Articles of Association and to replace the Current Articles of Association. This resolution is conditional upon the passing of Resolution 1 and Resolution 2 and upon the Company being admitted to trading on AIM.

Resolution 4 – BuyBack Resolution

A special resolution to permit the Company to purchase up to 25 per cent. of the Ordinary Shares in the market. This resolution is conditional upon the passing of Resolutions 1, 2, 3 and 5 and upon the Company being admitted to trading on AIM.

Resolution 5 – Whitewash Resolution

An ordinary resolution to approve the Rule 9 Waiver, which will be taken on a poll and in respect of which only Independent Shareholders will be entitled to vote.

The ordinary resolution 5 will require a simple majority of those voting in person or on a poll by proxy in favour of the Resolutions. The special resolutions 1 to 4 will require approval by not less than 75 per cent. of the votes cast by Shareholders voting in person or on a poll by proxy. As described in paragraph above, only Independent Shareholders will vote on Resolution 5. All the Resolutions are inter-conditional so that if any of them is not passed, none of them will be effective.

12. Action to be taken

A Form of Proxy for use in connection with the General Meeting is enclosed. Whether or not Shareholders intend to attend the General Meeting in person, it is important, particularly in view of the fact that the Whitewash Resolution to be put to the Meeting will be determined by a poll, that you duly complete, execute and return the Form of Proxy, by hand or by post to the Company's registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU or submit the Form of Proxy electronically to renovo@mofocom.

To be valid, the completed Form of Proxy must be returned, or submitted electronically, as soon as possible and, in any event, so as to be received by not later than 10.00 a.m. on 8 September 2011. Completion and return of a Form of Proxy will not prevent Shareholders from attending and voting at the General Meeting in person should they wish to do so.

13. Recommendation

The Board believes that:

- (a) the Delisting and Admission to AIM;
 - (b) the Capital Reduction;
 - (c) the Rule 9 Waiver; and
 - (d) the adoption of the New Articles of Association,
- (together the “**Resolutions**”)

are in the best interests of the Company and the Shareholders as a whole. In addition, the Independent Directors, who have been so advised by Panmure Gordon, consider the terms of Resolution 4 (Share Buy Back) and the related Resolution 5 (Whitewash Resolution) to be fair and reasonable and in the best interests of the Independent Shareholders and the Company as a whole. In providing advice to the Independent Directors, Panmure Gordon has taken into account, the Independent Directors’ commercial assessments.

Accordingly, the Board unanimously recommends that:

- (a) Shareholders vote in favour of Resolutions 1 to 4 to be proposed at the General Meeting; and
- (b) the Independent Shareholders vote in favour of Resolution 5 to be proposed at the General Meeting,
- (c) as they intend to do in respect of their own beneficial holdings amounting (as at 17 August 2011, being the latest practicable date prior to the publication of this document) to an aggregate of 17,525,289 Ordinary Shares representing approximately 9.20 per cent. of the current issued ordinary share capital of the Company. In addition, Henderson Global Investors have undertaken to vote in favour of the resolutions, save for Resolution 5 where only Independent Shareholders will be entitled to vote, with respect to an aggregate of 53,414,860 Ordinary Shares representing approximately a further 28.05 per cent. of the current issued ordinary share capital of the Company.

Yours faithfully

Professor Mark Ferguson
Non-Executive Chairman

PART II

INFORMATION ON HENDERSON GLOBAL INVESTORS AND ADDITIONAL DISCLOSURES REQUIRED UNDER THE TAKEOVER CODE

The information set out in this Part II which relates to Henderson Global Investors has been accurately reproduced from information provided by Henderson. As far as the Company is able to ascertain from this information, no facts have been omitted which would render the information in this Part II which relates to Henderson inaccurate or misleading.

1. **Information on Henderson**

Henderson Group is the holding company of the investment management group Henderson Global Investors.

Henderson Group's principal place of business is in London and since December 2003 has been listed on the London Stock Exchange and Australian Securities Exchange - appearing in the FTSE 250 and ASX 200 indices. Henderson Group has approximately 114,000 shareholders worldwide. Since 31 October 2008, the Group has been incorporated in Jersey and is tax-resident in the Republic of Ireland.

Established in 1934 to administer the estates of Alexander Henderson, the first Lord Faringdon, Henderson Global Investors (Henderson) is a leading independent global asset management firm. The company provides its institutional, retail and high net-worth clients access to skilled investment professionals representing a broad range of asset classes, including equities, fixed income, property and private equity. With its principal place of business in London, Henderson is one of Europe's largest investment managers, with £74,400 million assets under management (as at 30 June 2011); and employs around 1,100 people worldwide.

1.1 **Directors**

The directors of Henderson Group plc, the parent of Henderson Global Investors, are as follows:

<u>Name</u>	<u>Function</u>
Rupert Pennant-Rea	Chairman
Andrew Formica	Chief Executive
James Darkins	Managing Director, Global Property
David Jacob	Managing Director, Investment Management and CIO
Shirley Garrood	Chief Financial Officer
Tim How	NED
Robert Jeens	NED
Gerald Aherne	NED
Duncan Ferguson	NED

1.2 **Incorporation and registered office**

Henderson is incorporated under the laws of Jersey (registered number 101484). Its registered office is at Esplanade, St Helier, Jersey JE1 0BD and its principal office is at Fleming Court, Fleming Place, Dublin 4 Ireland.

1.3 **Share capital**

The issued share capital of Henderson comprises 1,093,048,795 ordinary shares of £0.125 each.

2. **Disclosure of interests and dealings in shares**

2.1 **Definitions**

For the purposes of this Part II:

- (a) References to persons “acting in concert” comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. A person and each of its affiliated persons will be deemed to be acting in concert with each other. Without prejudice to the general application of this definition, the following persons will be presumed to be persons acting in concert with other persons in the same category unless the contrary is established:
- (i) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status);
 - (ii) a company with any of its directors (together with their close relatives and related trusts);
 - (iii) a company with any of its pension funds and the pensions funds of any company covered in (i);
 - (iv) a fund manager (including an exempt fund manager) with any investment company, unit trust or other person whose investments such fund manager manages on a discretionary basis, in respect of the relevant investment accounts;
 - (v) a connected adviser with its client and, if its client is acting in concert with an offeror or with the offeree company, with that offeror or with that offeree company respectively, in each case in respect of the interests in shares of that adviser and persons controlling, controlled by or under the same control as that adviser (except in the capacity of an exempt fund manager or an exempt principal trader); and
 - (vi) directors of a company which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent.;
- (b) an “**arrangement**” includes any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
- (c) a “**connected adviser**” means an organisation which is advising the Company or an associate of the Company in relation to the Proposals and any corporate broker to any such party;
- (d) “**connected person**” means in relation to any person a person whose interest in shares is one in which the first mentioned person is also taken to be interested pursuant to Part 22 of the Act;
- (e) “**control**” means a holding, or aggregate holdings, of shares in the capital of a company carrying 30 per cent. or more of the voting rights of such company, irrespective of whether the holding or holdings give de facto control;
- (f) “**dealing or dealt**” include:
- (i) acquiring or disposing of Relevant Securities, the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights allocated to relevant securities or general control of Relevant Securities;
 - (ii) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option in respect of any Relevant Securities;
 - (iii) subscribing or agreeing to subscribe for Relevant Securities (whether in respect of new or existing securities);

- (iv) exercising or converting any Relevant Securities carrying conversion or subscription rights;
 - (v) acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying of, a derivative referenced directly or indirectly, to Relevant Securities;
 - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell Relevant Securities; and
 - (vii) any other action resulting, or which may result, in an increase or decrease in the number of Relevant Securities in which a person is interested or in respect of which he has a short position;
- (g) “**derivative**” includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security but which does not include the possibility of delivery of such underlying securities;
 - (h) “**disclosure date**” means 17 August 2011, being the latest practicable date prior to the publication of this document;
 - (i) “**disclosure period**” means the period of 12 months ending on the Disclosure Date;
 - (j) an “**exempt fund manager**” means a person who manages investment accounts on a discretionary basis and is recognised by the Panel as an exempt fund manager for the purposes of the Takeover Code;
 - (k) an “**exempt principal trader**” means a person who is recognised by the Panel as an exempt principal trader for the purposes of the Takeover Code;
 - (l) Being “**interested**” in relevant securities includes where a person (otherwise than through a short position):
 - (i) owns relevant securities; or
 - (ii) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control over them; or
 - (iii) by virtue of an agreement to purchase, option or derivative, has the right or option to acquire relevant securities or to call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - (iv) is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;
 - (m) “**relevant securities**” means securities which comprise equity share capital (or derivatives referenced thereto) and securities convertible into rights to subscribe for and options (including traded options) in respect of any such securities; and
 - (n) “**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

2.2 Interests of Henderson in the Company

Funds managed by Henderson are currently interested in 28.05 per cent. of the voting rights of the Company and Henderson has irrevocably committed on behalf of such funds not to participate in the Share Buy Back.

The relevant interests of funds managed by Henderson in the Company and its maximum controlling position, at the date of this document and following the completion of the Share Buy Back, will be as follows:

<i>Name</i>	<i>Number of Existing Ordinary Shares</i>	<i>Percentage holding in the Company</i>	<i>Percentage of the share capital following the completion of the Share Buy Back in full*</i>
Henderson on behalf of certain of its funds	53,414,860	28.05	37.35

*Assuming 24.9% of total Existing Ordinary Shares participate in the Share Buy Back.

2.3 Market dealings in relevant securities of the Company by Henderson

The following dealings have taken place during the Disclosure Period in relevant securities of the Company by funds managed by Henderson:

<i>Name</i>	<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Existing Ordinary Shares</i>	<i>Price Per Existing Ordinary Share (£)</i>
Henderson Global Investors	01/07/2010	Buy	10,000	0.263
Henderson Global Investors	09/07/2010	Buy	10,000	0.255
Henderson Global Investors	12/07/2010	Buy	17,800	0.257
Henderson Global Investors	13/07/2010	Buy	5,603	0.253
Henderson Global Investors	14/07/2010	Buy	10,000	0.253
Henderson Global Investors	20/07/2010	Buy	10,000	0.245
Henderson Global Investors	22/07/2010	Buy	15,580	0.245
Henderson Global Investors	23/07/2010	Buy	5,900	0.245
Henderson Global Investors	26/07/2010	Buy	10,000	0.243
Henderson Global Investors	27/07/2010	Buy	10,000	0.243
Henderson Global Investors	28/07/2010	Buy	10,000	0.243
Henderson Global Investors	30/07/2010	Buy	20,663	0.240
Henderson Global Investors	03/08/2010	Buy	10,952	0.233
Henderson Global Investors	04/08/2010	Buy	8,444	0.233
Henderson Global Investors	17/08/2010	Buy	319	0.215
Henderson Global Investors	18/08/2010	Buy	10,000	0.215
Henderson Global Investors	26/08/2010	Buy	45,000	0.211
Henderson Global Investors	27/08/2010	Buy	10,000	0.215

<i>Name</i>	<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Existing Ordinary Shares</i>	<i>Price Per Existing Ordinary Share (£)</i>
Henderson Global Investors	31/08/2010	Buy	11,173	0.225
Henderson Global Investors	31/08/2010	Sell	495,634	0.225
Henderson Global Investors	01/09/2010	Buy	22,525	0.228
Henderson Global Investors	02/09/2010	Buy	29,844	0.223
Henderson Global Investors	03/09/2010	Buy	10,000	0.220
Henderson Global Investors	06/09/2010	Buy	10,000	0.225
Henderson Global Investors	07/09/2010	Buy	10,000	0.223
Henderson Global Investors	09/09/2010	Buy	17,195	0.226
Henderson Global Investors	13/09/2010	Buy	7,000	0.248
Henderson Global Investors	15/09/2010	Buy	1,065	0.248
Henderson Global Investors	20/09/2010	Buy	10,000	0.240
Henderson Global Investors	21/09/2010	Buy	10,000	0.255
Henderson Global Investors	21/09/2010	Sell	774,860	0.255
Henderson Global Investors	22/09/2010	Sell	774,860	0.270
Henderson Global Investors	04/10/2010	Buy	60,000	0.285
Henderson Global Investors	05/10/2010	Buy	94	0.295
Henderson Global Investors	12/10/2010	Buy	5,000	0.293
Henderson Global Investors	20/10/2010	Buy	50,335	0.290
Henderson Global Investors	02/11/2010	Sell	500,000	0.400
Henderson Global Investors	02/11/2010	Buy	390,059	0.387
Henderson Global Investors	03/11/2010	Buy	100,000	0.380
Henderson Global Investors	03/11/2010	Buy	455,700	0.372
Henderson Global Investors	04/11/2010	Buy	12,500	0.370
Henderson Global Investors	05/11/2010	Buy	189,639	0.377
Henderson Global Investors	08/11/2010	Buy	5,118	0.375
Henderson Global Investors	09/11/2010	Buy	15,500	0.377
Henderson Global Investors	10/11/2010	Buy	196	0.373
Henderson Global Investors	11/11/2010	Buy	40,000	0.371
Henderson Global Investors	12/11/2010	Buy	22,042	0.363
Henderson Global Investors	15/11/2010	Buy	8,000	0.363

<i>Name</i>	<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Existing Ordinary Shares</i>	<i>Price Per Existing Ordinary Share (£)</i>
Henderson Global Investors	16/11/2010	Buy	41,000	0.352
Henderson Global Investors	17/11/2010	Buy	20,000	0.335
Henderson Global Investors	18/11/2010	Buy	103,565	0.339
Henderson Global Investors	19/11/2010	Buy	12,000	0.348
Henderson Global Investors	22/11/2010	Sell	400,000	0.370
Henderson Global Investors	22/11/2010	Sell	10,000	0.375
Henderson Global Investors	23/11/2010	Buy	32,900	0.390
Henderson Global Investors	24/11/2010	Sell	2,532,192	0.410
Henderson Global Investors	24/11/2010	Buy	10,000	0.405
Henderson Global Investors	25/11/2010	Sell	3,907,400	0.450
Henderson Global Investors	25/11/2010	Sell	1,343,035	0.463
Henderson Global Investors	26/11/2010	Buy	10,000	0.460
Henderson Global Investors	29/11/2010	Sell	750,000	0.473
Henderson Global Investors	29/11/2010	Buy	104,501	0.455
Henderson Global Investors	30/11/2010	Buy	30,000	0.455
Henderson Global Investors	01/12/2010	Buy	12,400	0.450
Henderson Global Investors	02/12/2010	Buy	10,000	0.445
Henderson Global Investors	07/12/2010	Buy	20,000	0.454
Henderson Global Investors	08/12/2010	Buy	3,000	0.450
Henderson Global Investors	09/12/2010	Buy	10,000	0.450
Henderson Global Investors	14/12/2010	Buy	25,000	0.477
Henderson Global Investors	15/12/2010	Sell	1,000,000	0.500
Henderson Global Investors	15/12/2010	Sell	950,000	0.550
Henderson Global Investors	20/12/2010	Sell	65,345	0.625
Henderson Global Investors	21/12/2010	Sell	13,349	0.631
Henderson Global Investors	22/12/2010	Sell	505,025	0.620
Henderson Global Investors	22/12/2010	Buy	28,673	0.612
Henderson Global Investors	23/12/2010	Buy	10,000	0.615
Henderson Global Investors	29/12/2010	Sell	294,069	0.690
Henderson Global Investors	30/12/2010	Sell	218,178	0.706

<i>Name</i>	<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Existing Ordinary Shares</i>	<i>Price Per Existing Ordinary Share (£)</i>
Henderson Global Investors	30/12/2010	Sell	166,588	0.707
Henderson Global Investors	30/12/2010	Sell	25,677	0.710
Henderson Global Investors	30/12/2010	Sell	18,811	0.710
Henderson Global Investors	31/12/2010	Sell	14,507	0.703
Henderson Global Investors	04/01/2011	Sell	4,075	0.713
Henderson Global Investors	04/01/2011	Buy	10,000	0.690
Henderson Global Investors	05/01/2011	Buy	20,000	0.689
Henderson Global Investors	06/01/2011	Buy	11,673	0.689
Henderson Global Investors	07/01/2011	Buy	57,502	0.667
Henderson Global Investors	10/01/2011	Buy	36,954	0.624
Henderson Global Investors	12/01/2011	Sell	2,824,332	0.710
Henderson Global Investors	18/01/2011	Sell	4,341	0.790
Henderson Global Investors	18/01/2011	Sell	19,488	0.781
Henderson Global Investors	18/01/2011	Buy	24,673	0.730
Henderson Global Investors	19/01/2011	Buy	6,346	0.765
Henderson Global Investors	19/01/2011	Sell	28,000	0.785
Henderson Global Investors	19/01/2011	Sell	75,670	0.782
Henderson Global Investors	20/01/2011	Sell	11,813	0.775
Henderson Global Investors	25/01/2011	Sell	37,765	0.751
Henderson Global Investors	25/01/2011	Buy	10,000	0.740
Henderson Global Investors	26/01/2011	Buy	60,000	0.739
Henderson Global Investors	27/01/2011	Buy	10,236	0.730
Henderson Global Investors	31/01/2011	Sell	1,030,508	0.738
Henderson Global Investors	31/01/2011	Sell	589,919	0.737
Henderson Global Investors	01/02/2011	Sell	150,724	0.735
Henderson Global Investors	01/02/2011	Sell	173,045	0.734
Henderson Global Investors	03/02/2011	Buy	5,775	0.705
Henderson Global Investors	04/02/2011	Buy	15,002	0.705
Henderson Global Investors	07/02/2011	Buy	140,005	0.705
Henderson Global Investors	10/02/2011	Sell	375,000	0.701

<i>Name</i>	<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Existing Ordinary Shares</i>	<i>Price Per Existing Ordinary Share (£)</i>
Henderson Global Investors	10/02/2011	Buy	76,304	0.688
Henderson Global Investors	11/02/2011	Sell	10,000	0.270
Henderson Global Investors	11/02/2011	Buy	227,500	0.648
Henderson Global Investors	22/02/2011	Buy	20,649	0.152
Henderson Global Investors	23/02/2011	Buy	114,013	0.152
Henderson Global Investors	23/02/2011	Buy	613,572	0.153
Henderson Global Investors	24/02/2011	Buy	65,798	0.153
Henderson Global Investors	25/02/2011	Buy	3,591	0.153
Henderson Global Investors	28/02/2011	Buy	22,453	0.152
Henderson Global Investors	01/03/2011	Buy	126,434	0.153
Henderson Global Investors	02/03/2011	Buy	41,097	0.152
Henderson Global Investors	03/03/2011	Buy	65,491	0.147
Henderson Global Investors	03/03/2011	Buy	1,522,502	0.150
Henderson Global Investors	04/03/2011	Buy	91,216	0.150
Henderson Global Investors	07/03/2011	Buy	1,465,432	0.154
Henderson Global Investors	07/03/2011	Buy	100,638	0.150
Henderson Global Investors	08/03/2011	Buy	653,546	0.152
Henderson Global Investors	08/03/2011	Buy	442,248	0.153
Henderson Global Investors	09/03/2011	Buy	36,000	0.153
Henderson Global Investors	10/03/2011	Buy	1,105,168	0.150
Henderson Global Investors	11/03/2011	Buy	1,055,680	0.150
Henderson Global Investors	14/03/2011	Buy	21,120,518	0.150
Henderson Global Investors	15/03/2011	Buy	987,540	0.145
Henderson Global Investors	16/03/2011	Buy	7,030,572	0.135
Henderson Global Investors	17/03/2011	Buy	51,648	0.144
Henderson Global Investors	18/03/2011	Buy	50,000	0.145
Henderson Global Investors	22/03/2011	Buy	94,958	0.145
Henderson Global Investors	23/03/2011	Buy	474,788	0.145
Henderson Global Investors	30/03/2011	Buy	178,992	0.143
Henderson Global Investors	01/04/2011	Buy	47,478	0.143

<i>Name</i>	<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Existing Ordinary Shares</i>	<i>Price Per Existing Ordinary Share (£)</i>
Henderson Global Investors	04/04/2011	Buy	47,478	0.143
Henderson Global Investors	05/04/2011	Buy	949,576	0.143
Henderson Global Investors	06/04/2011	Sell	262,698	0.144
Henderson Global Investors	06/04/2011	Buy	850,200	0.143
Henderson Global Investors	18/04/2011	Buy	15,000	0.150
Henderson Global Investors	28/04/2011	Buy	7,122	0.155

2.4 Save as disclosed in this paragraph and Part II of this document:

- (a) Henderson had no interest in or right to subscribe for, nor had any short position in relation to, any relevant securities of the Company, nor had it dealt in any such relevant securities during the disclosure period;
- (b) none of the directors of Henderson (including any members of such director's respective immediate families, related trusts or connected persons) had an interest in or a right to subscribe for, or had any short position in relation to any relevant securities of the Company, nor had any such person dealt in such securities during the disclosure period;
- (c) no person acting in concert with Henderson had an interest in or a right to subscribe for, or had any short position in relation to, any relevant securities of the Company, nor had any such person dealt in any such securities during the disclosure period;
- (d) there were no arrangements which existed between Henderson or any person acting in concert with Henderson Global Investors, and any other person; and
- (e) neither Henderson nor any person acting in concert with Henderson had borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold.

3. **Market Quotations**

The following table shows the closing middle market quotations of Existing Ordinary Shares, as derived from the Daily Official List of the London Stock Exchange on the first business day of each of the six months immediately before the date of this document and on 17 August 2011 (being the latest practicable date prior to the posting of this document):

<i>Date</i>	<i>Price per Ordinary Share (pence)</i>
17 August	15.00
4 July 2011	14.50
1 June 2011	15.25
3 May 2011	16.50
1 April 2011	14.375
1 March 2011	15.5
1 February 2011	74.0

4. **Irrevocable undertaking**

Henderson has entered into an irrevocable undertaking with the Company dated 17 August 2011, pursuant to which Henderson has agreed, inter alia, to not participate in the Share Buy Back and vote in favour of the Resolutions, to the extent that they are permitted by law to do so.

5. **Henderson's intentions regarding the Company's business**

Henderson has informed the Board that it currently intends to allow the Company to continue with its proposed strategy, as detailed further Part I of this document.

Henderson does not have any intentions regarding the Company's business that would affect

- the strategic plans of the Company;
- the employment of the Company's personnel including the continued employment of, or the conditions of employment of, any of the Company's management; or
- the location of the Company's business or operating subsidiaries.

Henderson does not have any immediate intentions to dispose of or otherwise change the use of any of the fixed assets within the Company.

6. **Financial information on Henderson**

This information is being provided as part of the required disclosures under the Takeover Code and is not information required under the Listing Rules of the UKLA.

The information listed below relating to Henderson is hereby incorporated by reference into this document.

<i>Information</i>	<i>Source of Information</i>
1. Turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends per share for Henderson the three years ended 31 December 2008, 31 December 2009, and 31 December 2010.	Henderson annual report and accounts, consolidated income statement and dividends paid and proposed on page 2008: 33; 2009: 44 and 2010: 46. If you are reading this document in hard copy please enter the web address below in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document. www.renovo.com/circular
2. A statement of the assets and liabilities shown in the audited accounts of Henderson for the years ended 31 December 2008, 31 December 2009, and 31 December 2010.	Henderson annual report and accounts, consolidated balance sheet/consolidated statement of financial position on page 2008:35, 2009: 46 and 2010: 48. If you are reading this document in hard copy please enter the web address below in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

www.renovo.com/circular

3. A cashflow statement as provided in the Henderson annual report and accounts, audited accounts for Henderson for the years consolidated cash flow statement/consolidated statement of cash flows on page 2008: 36, ended 31 December 2008, 31 December 2009, 2009:48 and 2010: 50, and 31 December 2010.

If you are reading this document in hard copy please enter the web address below in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

www.renovo.com/circular

4. Significant accounting policies of Henderson Henderson annual report and accounts, significant together with any points from the notes to the accounting policies on pages 2008:41 to 45, 2009: accounts which are of major relevance to an 51 to 56, and 2010: 53 to 57. appreciation of the figures.

If you are reading this document in hard copy please enter the web address below in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

www.renovo.com/circular

Henderson will provide within two business days, without charge, to each person to whom a copy of this document has been delivered, upon their written or verbal request, a copy of this document and any documents incorporated by reference in this document. Hard copies of any documents incorporated by reference in this document will not be provided unless such a request is made. Requests for hard copies of any such document should be directed to: renovo@mofo.com.

A copy of Henderson Global Investors' Interim Management Statement dated 17 August 2011 can be found at:

www.renovo.com/circular

7. **Additional disclosures required by the Takeover Code**

At the close of business on the disclosure date, save as disclosed in this paragraph and Part II of this document:

- (a) none of the Directors (including any members of such Directors' respective immediate families, related trusts or connected persons) had any interest in or a right to subscribe for, or had any short position in relation to, any relevant securities of the Company;
- (b) no person acting in concert with the Company had any interest in, or right to subscribe for, or had any short position in relation to any relevant securities of the Company;
- (c) neither the Company nor any of the Directors (including any members of such Directors' respective immediate families, related trusts or connected persons) had any interest in or right to subscribe for, or had any short position in relation to any relevant securities of Henderson Global Investors, nor has any such person dealt in any such securities during the disclosure period;
- (d) the Company has not redeemed or purchased any of its relevant securities during the disclosure period;

- (e) there were no arrangements which existed between the Company or any person acting in concert with of the Company or any other person;
- (f) neither the Company nor any person acting in concert with the Company had borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold; and
- (g) Jamie Brooke, who joined the Board on 17 June 2011 is also an employee of Henderson.

Neither Henderson nor any person acting in concert with it have entered into agreements, arrangements or understandings (including any compensation arrangement) with any of the Company's Directors, recent Directors, Shareholders, recent Shareholders or any other person interested or recently interested in Existing Ordinary Shares which are connected with or dependent upon the outcome of the Proposals. Henderson has entered into no agreement, arrangement or understanding to transfer any interest acquired in the Company, as a result of the Proposals.

PART III

A. SUMMARY OF THE NEW ARTICLES OF ASSOCIATION

Rights attaching to Ordinary Shares

(1) Voting rights of members

Subject to disenfranchisement in the event of any non-compliance with any statutory notice requiring disclosure of the beneficial ownership of any shares as mentioned in (4) below, and subject to any special rights or restrictions as to voting for the time being attached to any shares (as to which there will be none immediately following Admission), on a show of hands every member who, being an individual, is present in person or by proxy or being a corporation, is present by a duly authorised representative shall have one vote and on a poll each member present in person or by proxy or authorised representative shall have one vote for every share of which he is a holder. In the case of joint holders, the vote of the person whose name stands first in the register of members is accepted to the exclusion of any votes tendered by any other joint holders.

(2) Dividends

Subject to the rights attached to any shares issued on any special terms and conditions (as to which there will be none immediately following Admission), dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, but no amount paid up on a share in advance of a call shall be regarded as paid up on the share. Dividends are not payable on any fixed dates.

(3) Return of capital

Subject to the rights attached to any shares issued on any special terms and conditions (as to which there will be none immediately following Admission), on a winding-up the surplus assets remaining after payment of all creditors of the Company will be divided amongst the members of the Company according to their respective holdings of shares. The liquidator may, with the sanction of a special resolution of the Company and any other sanction required by statute (a) divide amongst the members in specie the whole or any part of the assets of the Company, or (b) vest the whole or any part of the assets in trustees on such trusts for the benefit of members as the liquidator shall determine, but no member shall be compelled to accept any assets upon which there is any liability.

(4) Restrictions on shareholders

If a member or any other person appearing to be interested in shares, has been given notice under section 793 of the Act and has failed to give information of their interest in any shares (the “**Default Shares**”) within a prescribed time, not being less than 14 days, the member shall not be entitled in respect of the Default Shares to attend or vote either personally or by proxy at a general meeting of the Company or a meeting of the holders of any class of shares or to exercise any other right in relation to general meetings of the Company or meeting of the holders of any class of its shares.

Where the Default Shares represent 0.25 per cent. or more (in nominal value or number) of the issued shares of a class, then the Company shall be entitled to withhold any dividend (or part thereof), any right to receive shares instead of a dividend or other money which would otherwise be payable in respect of the Default Shares and the Directors may refuse to register any transfer of the Default Shares other than to a bona fide unconnected third party.

Transfer of shares

A member may transfer all or any of his uncertificated shares and the Company shall register the transfer of any uncertificated shares in accordance with any applicable statutory provision. The Directors may refuse to register the transfer of an uncertificated share or any

renounceable right of allotment of a share which is a participating security held in uncertificated form in accordance with the CREST Regulations to the extent that the Company is permitted to do so by the CREST Regulations, provided that where the uncertificated shares are admitted to AIM, such a refusal would not prevent dealings in the shares of that class taking place on an open and proper basis. If the board of directors refuses to register a transfer of an uncertificated share it shall, within two months of the date on which the operator instruction relating to such a transfer was received by the Company, send to the transferee notice of the refusal.

A member may transfer all or any of his certificated shares by an instrument in writing in any usual form, or in any other form which the Directors may approve. The instrument of transfer of a partly paid share shall be executed by or on behalf of the transferee. The Directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a certificated share which is not fully paid up or on which the Company has a lien provided that, where any such shares are admitted to AIM, such a refusal would not prevent dealings in the shares of that class taking place on an open and proper basis. The Directors may also refuse to register a transfer of a certificated share, whether or not fully paid, unless the instrument of transfer is lodged, duly stamped or adjudged or certified as not chargeable to stamp duty, at the transfer office, or such other place as the Directors may appoint and is accompanied by the certificate(s) for the share(s) to which it relates (except where the shares are registered in the name of a market nominee and no certificate has been issued for them) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer or the person renouncing to effect the renunciation. If the Directors refuse to register a transfer of a share they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

The Directors may refuse to register any transfer unless it is in respect of only one class of share and is in favour of not more than four transferees.

Changes in capital

The Company may by ordinary resolution:

- (1) consolidate and divide all or any of its share capital into shares of a higher amount than its existing shares;
- (2) sub-divide its shares, or any of them, into shares of a smaller amount than is fixed by the Memorandum of Association; and
- (3) cancel 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.

Subject to the provisions of the Act and to the rights attaching to existing shares, the Company may:

- (a) by special resolution purchase, or enter into a contract under which it will or may purchase, its own shares; and
- (b) by special resolution reduce its share capital, any capital redemption reserve share premium account or other undistributable reserve in any manner.

Variation of rights

Subject to the provisions of the Act, if at any time the capital of the Company is divided into different classes of shares (which it will not be immediately following Admission), the rights attached to any class may be varied or abrogated in such manner (if any) as may be provided by these rights or in the absence of any such provisions, with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the

shares of that class. At any separate general meeting, the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question or, at any adjourned meeting of such holders, shall be one person holding shares of the class in question in person or by proxy whatever his or their holding. Every holder of the shares of the class present in person or by proxy shall, on a show of hands have one vote, or on a poll, have one vote in respect of every share of the class held by them respectively and a poll may be demanded in writing by any holder of shares of the class present in person or by proxy.

Directors

- (1) The number of Directors (other than alternate directors) shall not be less than three. There shall be no more than 12 directors.
- (2) A Director shall not be required to hold any shares of the Company by way of qualification.
- (3) There shall be no age limit for Directors.
- (4) At each annual general meeting at least one-third of the Directors for the time being shall retire from office by rotation. The Directors to retire by rotation shall include, firstly, any Director who wishes to retire at the meeting and not offer himself for re-election and, secondly, those Directors who have been longest in office since their last appointment or reappointment, provided always that each Director shall be required to retire and offer himself for re-election at least every three years. A retiring Director shall, if willing to act, be deemed to have been reappointed, unless at the general meeting it is resolved not to fill the vacancy or a resolution for the reappointment of the Director is put to the meeting and not passed.
- (5) The Directors (other than alternate directors) shall be entitled to such remuneration by way of fees for their services in the office of a director as the Directors may determine (not exceeding £200,000 in aggregate per annum or such larger sum as the Company may, by ordinary resolution, decide). Such fee shall be divided between the Directors as they agree or, failing agreement, equally. The fees shall be distinct from any salary, remuneration or other amount payable to a Director in respect of any executive office held by him or other work performed by him which is beyond the scope of his office as a Director.
- (6) The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the Directors or of committees of the Directors or general meetings or separate meetings of the holders of any class of shares of the Company.
- (7) The Directors may provide benefits, whether by the payment of gratuities or pensions or by purchasing and maintaining insurance or otherwise, for the benefit of any persons who are or were at any time Directors or the holders of any executive or comparable office of employment with the Company or any other company or undertaking which is or has been (a) a subsidiary of the Company or (b) otherwise allied to or associated with the company or a subsidiary of the Company or (c) a predecessor in business of the Company or of any such subsidiary, or (d) for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before or after he ceases to hold such office or employment) establish, maintain, subscribe and contribute to any fund and pay premiums for the purchase or provision of any such benefit.
- (8) Subject to the provisions of the Act a Director may be a party to or otherwise interested in any contract, transaction, arrangement or proposal with the Company or in which the Company is otherwise interested either in regard to his tenure of any office or place or profit or as vendor, purchaser or otherwise. A Director may hold any other office or place of profit under the Company (except that of auditor or

auditor of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in such professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the Directors may arrange. Any remuneration shall be in addition to any remuneration provided for by any other article.

- (9) A Director who to his knowledge is in any way (directly or indirectly) interested in a contract, transaction, arrangement or proposal with the Company shall declare the nature of his interest at the meeting of the Directors at which the question of entering into such contract, transaction, arrangement or proposal is first considered if he knows his interest then exists or in any other case at the first meeting of the directors after he knows that he is or has become so interested or by means of a notice complying with the Act, given as soon as practicable after the interest arises or, as the case may be, the Director knows that he is or has become so interested.
- (10) A Director shall not vote or be counted in the quorum on any resolution of the directors concerning his own appointment (including the fixing and varying of terms of appointment) as the holder of any office or place of profit with the Company or any other company in which the Company is directly or indirectly interested. Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of two or more Directors to offices or employment with the Company or any body corporate in which the Company is interested (other than one in which the Director and any persons connected with him have such an interest as is mentioned in (11)(d) below) the proposals may be divided and considered in relation to each director separately and (provided he is not under the Articles or for any other reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- (11) A Director shall not vote or count in the quorum in relation to a resolution or meeting of the Directors in respect of any contract or arrangement or any other proposals whatsoever in which he has an interest which (together with any interest of a connected person) to his knowledge is a material interest. Notwithstanding the above, a Director shall be entitled to vote (and be counted in the quorum) on: (a) any transaction in which he is interested by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company; (b) the giving of any guarantee, security or indemnity to him in respect of money lent or obligations undertaken by him or by any other person at the request of, or for the benefit of, the Company or any of its subsidiary undertakings; or the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security; (c) any transaction relating to an offer of shares, debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate; (d) any contract, transaction, arrangement or proposal to which the Company is or is to be a party relating to another company, including any subsidiary undertaking of the Company, in which he and any persons connected with him do not to his knowledge (directly or indirectly) hold an interest in shares (as that term is used in Part 22 of the Act) whether as an officer, shareholder, creditor or otherwise representing one per cent. or more of any class of the equity share capital, or the voting rights, in that company or of any other company through which his interest is derived; (e) any contract, transaction, arrangement or proposal for the benefit of employees of the Company or any of its subsidiary undertakings (including in relation to a pension fund, retirement, death or disability benefits scheme or personal pension plan) which does not award him any privilege or benefit not generally awarded to the employees to whom the arrangement relates; (f) any contract, transaction, arrangement or proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the

benefit of persons including Directors; and (g) (save in relation to any matter concerning or affecting his own participation therein) any transaction involving the adoption or modification of any share option or share incentive scheme of the Company.

- (12) The provisions of the Articles relating to the permitted interests of the directors and their ability to vote thereon may be suspended or relaxed and a transaction not duly authorised thereby may be ratified, in each case by ordinary resolution.
- (13) Without prejudice to any of such provisions of the Articles the Directors have power, in accordance with the Act, to authorise any interest of a Director which conflicts, or may conflict, with the interests of the Company, not being in relation to a contract or arrangement between the Director and the Company itself.

Borrowing powers

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (both present and future) and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (as regards subsidiary undertakings only so far as by such exercise it can secure) that the aggregate principal amount outstanding at any time in respect of all borrowings by the Group (exclusive of any borrowings which are owed by one Group company to another Group company) after deducting the amount of cash deposited will not, without the previous sanction of the Company in general meeting, exceed an amount equal to two and one half times the adjusted capital and reserves (as defined in the Articles of Association) or any higher limit fixed by ordinary resolution of the Company which is applicable at the relevant time.

Meetings

Subject to the provisions of the Act, an annual general meeting shall be called by at least twenty-one clear days' notice, and all other general meetings shall be called by at least fourteen clear days' notice. The notice should specify the place, date and time of the meeting and the general or special nature of business to be transacted. A general meeting shall, notwithstanding that it has been called by shorter notice than that specified above, be deemed to have been duly called if it is so agreed the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and in the case of any other meeting, by a majority in number of the members having a right to attend and vote at that meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

Unclaimed dividends

Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so resolve, be forfeited, revert to and cease to remain owing by the Company.

B. SUMMARY OF PRINCIPAL CHANGES BETWEEN THE COMPANY'S CURRENT ARTICLES OF ASSOCIATION AND THE NEW ARTICLES OF ASSOCIATION

1. Articles which duplicate statutory provisions

Provisions in the Current Articles of Association which replicate provisions contained in the Act are mainly amended to bring them into line with the Act. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution. Certain examples of such provisions include provisions as to the form of resolutions, the variation of class rights, the requirement to keep accounting records and provisions regarding the period of notice required to convene general meetings. The main changes made to reflect this approach are detailed below.

2. The Company's objects

The Act states that unless a company's articles provide otherwise a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company has amended its objects clause together with all other provisions of its Memorandum except the provision specifying the name of the Company. As the Memorandum contained a statement regarding limited liability, the New Articles of Association contain an express statement as to the limited liability of the shareholders.

3. Authorised Share Capital

The Current Articles of Association contain a statement of the Company's authorised share capital limiting the nominal amount of shares which the Directors can allot. The New Articles of Association do not contain such a limit, so the share capital of the Company will be unlimited. The Directors will still however require an authority from the shareholders to allot shares.

4. Form of resolution

The Current Articles of Association enable Directors to act by written resolution. Under the Act public companies can no longer pass written resolutions. These provisions have therefore been removed in the New Articles of Association.

5. Variation of class rights

The Current Articles of Association contain provisions regarding the variation of class rights. The proceedings and specific quorum requirements for a meeting convened to vary class rights are contained in the Act. The relevant provisions have therefore been removed in the New Articles of Association.

6. Votes of members

Under the Act proxies are entitled to vote on a show of hands whereas under the Current Articles of Association proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment have been altered by the Act. Section 327 of the Act states that any provision of the company's articles which requires any appointment of a proxy to be received by the Company more than 48 hours before the time of the meeting, is void. In contrast to the Companies Act 1985, section 327 of the Act provides that weekends, Christmas Day, Good Friday and any bank holiday may be excluded from counting towards this 48 hour period. Under section 330 of the Act, unless notice of termination of a proxy's authority is given before the meeting starts, the proxy's actions at a meeting are valid. A longer period, of up to 48 hours before the meeting (excluding weekends, Christmas Day, Good Friday and bank holidays), can be specified by the company's articles. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. Multiple corporate representatives may be appointed (but if they purport to exercise their rights in different ways, then the power is treated as not being exercised). The New Articles of Association reflect all of these new provisions.

7. Notice of board meetings

Under the Current Articles of Association, when a Director is abroad he can request that notice of directors' meetings are sent to him at a specified address and if he does not do so he is not entitled to receive notice while he is away. This provision has been removed, as modern communications mean that there may be no particular obstacle to giving notice to a Director who is abroad. The provision has been replaced with a more general provision that a Director is treated as having waived his entitlement to notice, unless he supplies the Company with the information necessary to ensure that he receives notice of a meeting before it takes place.

8. Records to be kept

The provision in the Current Articles of Association requiring the Board to keep accounting records has been amended and shortened as this requirement is contained in the Act.

9. Distribution of assets otherwise than in cash

The Current Articles of Association contain provisions dealing with the distribution of assets in kind in the event of the Company going into liquidation. These provisions have been removed in the New Articles of Association on the grounds that a provision about the powers of liquidators is a matter for insolvency law rather than the articles and that the Insolvency Act 1986 confers powers on the liquidator which would enable it to do what is envisaged by the Current Articles.

10. Directors' Indemnities and loans to fund expenditure

The Act has in some areas widened the scope of the powers of a company to indemnify directors and to fund expenditure incurred in connection with certain actions against directors. In particular, a company that is a trustee of an occupational pension scheme can now indemnify a director against liability incurred in connection with the company's activities as trustee of the scheme. In addition, the existing exemption allowing a company to provide money for the purpose of funding a director's defence in court proceedings now expressly covers regulatory proceedings and applies to associated companies.

11. General

Generally the opportunity has been taken to make the New Articles of Association clearer and in some areas to conform the language of the New Articles of Association with the Act.

PART IV

ADDITIONAL INFORMATION

1. Responsibility

- (a) The Directors whose names appear on page 5 of this document, accept responsibility for the information contained in this document, other than that relating to Henderson and persons connected with them, for which Henderson accept responsibility as set out below and the recommendation relating to the Whitewash Resolution set out in the final paragraph of the Chairman's letter for which the Independent Directors accept responsibility. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) For the purposes of Rule 9 of the Takeover Code only, the directors of Henderson Global Investors (whose names are set out on page 17) accept responsibility for the information contained in this document relating to Henderson. To the best of the knowledge and belief of the directors of Henderson Global Investors, having taken all reasonable care to ensure that such is the case, the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. General

- (a) Panmure Gordon has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.
- (b) Henderson has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.
- (c) No agreement, arrangement or understanding exists whereby the Ordinary Shares acquired by the Company pursuant to the authority conferred by the BuyBack Resolution will be transferred to any other person.

3. Directors Service Contracts

Each of the non-executive directors' ("NEDs") appointment commenced on 30 June 2011 for an initial term of three years. The appointment may be terminated at any time by either the Company or the NED giving one month's written notice. No fees are payable in respect of the appointment but the NEDs are entitled to reimbursement of expenses properly and reasonably incurred in the performance of their duties. The NEDs are entitled to participate in any private medical insurance scheme that the Company has in place from time to time and are to be provided with D&O insurance. The NEDs are also entitled to seek professional advice in relation to their duties under the appointment at the Company's expense. The NEDs' services are to be provided as and when the Company requires. The NEDs are subject to express confidentiality obligations.

4. Material Contracts

- (a) An Engagement Letter appointing Panmure Gordon (UK) Limited. plc as sponsor, financial adviser, nominated adviser and broker to the Company in respect of the Delisting and Admission to AIM was entered into by the Company and Panmure Gordon (UK) Limited dated 17 August 2011.
- (b) Compromise Agreements were entered into by the Company with David Blain, Dr. John Hutchison and Professor Mark Ferguson, each dated 16 June 2011. The main terms of these agreements included the following: (1) payment for all existing contractual obligations under

the original service agreement; (2) any options granted to such individual would not lapse upon as at the date of the Compromise Agreement and would instead continue to vest in accordance in full and remain exercisable for the period of 12 months following 30 June 2011; (3) the Company agreed to contribute towards legal fees incurred in connection with the Compromise Agreement by each individual; (4) certain restrictive covenants contained in each individual's service agreement shall cease to apply; and (5) specified insurance cover would remain in place for the benefit of the individuals. Under the terms of the Compromise Agreements, David Blain, Dr. John Hutchison and Professor Mark Ferguson each received termination payments as described in their respective Compromise Agreements.

- (c) On 16 June 2011 the Company appointed David Blain, Jamie Brooke, Max Royde and Professor Mark Ferguson as non-executive Directors of the Company. The Directors do not receive any remuneration for their services Pursuant to their letters of appointment; however, on 16 June 2011 David Blain and Professor Mark Ferguson both entered into Consultancy Agreements with the Company. Under the terms of these Consultancy Agreements, Mr Blain and Professor Ferguson each receive consultancy fees payable on a monthly basis, as set out in their Consultancy Agreements. According to the terms of the Consultancy Agreements, subject to prior written agreement with the Board, both Mr Blain and Professor Ferguson are entitled to receive a daily fee (as set out in their respective agreements) in consideration of any services that are outside the scope of their respective Consultancy Agreements.
- (d) On 19 July 2011 the Company entered into a form TR1 for the surrender of the Company's lease of its main facility, The Core Technology Facility, Grafton Street, Manchester. In consideration for the premature surrender and transfer of the lease, the Company paid an aggregate amount of £1,600,000 to Manchester Incubator Company Limited plus VAT of £320,000.
- (e) A Notice of termination of Amended and Restated Development and License Agreement dated 3 March 2011 was entered into between Renovo Limited and Shire LLC. Pursuant to the Development and License Agreement entered into in June 2007, the Company received an upfront payment of \$75,000,000 and an equity investment of \$50,000,000.
- (f) Pursuant to two Engagement Letters (dated 1 July 2010 and 5 July 2010, respectively), Panmure Gordon (UK) Limited and KBC Peel Hunt Limited were appointed as joint financial advisers and corporate brokers to the Company.

5. Documents Available for Inspection

Copies of the following documents will be available for inspection at the offices of the Company's solicitors, Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London, EC2Y 9AW during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) and on the Company's website www.renovo.com/circular up to and including 12 September 2011:

- (a) a copy of this Circular (which incorporates the "whitewash circular" as required by Part 4 of Appendix 1 of the Takeover Code);
- (b) the current Articles of Association;
- (c) the New Articles of Association;
- (d) the Articles of Association of Henderson
- (e) the audited consolidated accounts of the Company for the three financial years ended 30 September 2008, 30 September 2009, 30 September 2010;
- (f) the audited consolidated accounts of Henderson for each of the financial years ended 31 December 2008 and 31 December 2009 and 31 December 2010;
- (g) the consent letters referred to in paragraph 2(a) and 2(b) above;

- (h) the Director's Service Contracts referred to in paragraph 3 above;
- (i) the Material Contracts referred to in paragraph 4 above;
- (j) the irrevocable undertaking referred to in Part II; and
- (k) the irrevocable undertakings referred to in Part I.

Dated 18 August 2011

**INFORMATION REQUIRED PURSUANT TO THE RULES OF THE TAKEOVER CODE RELATING
TO THE COMPANY WHICH IS
INCORPORATED BY REFERENCE INTO THIS DOCUMENT**

No	Information	Source of information
1.	Turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share for the Company for the three years ended 30 September 2010, 30 September 2009 and 30 September 2008	<p>Annual Report & Accounts 2010, Consolidated Income Statement on page 40 and Dividends paid and proposed on page 18.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://ar10.renovo.com/home/</p> <p>Annual Report & Accounts 2009, Consolidated Income Statement on page 36 and Dividends paid and proposed on page 16.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://ar09.renovoreports.com/home/</p> <p>Annual Report & Accounts 2008, Consolidated Income Statement on page 36 and Dividends paid and proposed on page 17.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://www.renovo.com/sitefiles/renovo/renovo_343C9.pdf</p>
2.	A statement of the assets and liabilities shown in the audited accounts for the Company for the year ended 30 September 2010, 30 September 2009 and 30 September 2008	<p>Annual Report & Accounts 2010, Consolidated Balance Sheet on page 41.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://ar10.renovo.com/home/</p> <p>Annual Report & Accounts 2009, Consolidated Balance Sheet on page 37.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://ar09.renovoreports.com/home/</p> <p>Annual Report & Accounts 2008, Consolidated Balance Sheet on page 37.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://www.renovo.com/sitefiles/renovo/renovo_343C9.pdf</p>
3.	A cash flow statement as provided in the audited	Annual Report & Accounts 2010, Consolidated Cash Flow Statement on page 43.

No	Information	Source of information
	accounts for the Company for the year ended 30 September 2010, 30 September 2009 and 31 September 2008	<p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://ar10.renovo.com/home/</p> <p>Annual Report & Accounts 2009, Consolidated Cash Flow Statement on page 38.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://ar09.renovoreports.com/home/</p> <p>Annual Report & Accounts 2008, Consolidated Cash Flow Statement on page 38.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://www.renovo.com/sitefiles/renovo/renovo_343C9.pdf</p>
4.	Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures	<p>Annual Report & Accounts 2010, the Statement of Significant Accounting Policies in the Notes to the Accounts on pages 44 to 46.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://ar10.renovo.com/home/</p> <p>Annual Report & Accounts 2009, the Statement of Significant Accounting Policies in the Notes to the Accounts on pages 39 to 42.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://ar09.renovoreports.com/home/</p> <p>Annual Report & Accounts 2008, the Statement of Significant Accounting Policies in the Notes to the Accounts on pages 39 to 41.</p> <p>If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.</p> <p>http://www.renovo.com/sitefiles/renovo/renovo_343C9.pdf</p> <p>The results for the Company for the three years ended 30 September 2010, 30 September 2009 and 30 September 2008 are available free of charge on the Company's website at</p> <p>http://ar10.renovo.com/home/</p> <p>http://ar09.renovoreports.com/home/</p> <p>http://www.renovo.com/sitefiles/renovo/renovo_343C9.pdf</p>

No Information

Source of information

Information in relation to 1, 2, 3 and 4 above has not been published in an inflation adjusted form.

The Annual Report and Accounts of the Company for the years ended 30 September 2008, 2009 and 2010 and the Interim Financial Statements for the Company for the six month period ending 31 March 2011 and the Interim Management Statement 30 June 2011, are available in “read-only” format and can be printed from the Company’s website.

If you are reading this document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this document in soft copy, please click on the web address below to be brought to the relevant document.

Annual Report and Accounts of the Company for the year ended 30 September 2008

http://www.renovo.com/sitefiles/renovo/renovo_343C9.pdf

Annual Report and Accounts of the Company for the year ended 30 September 2009

<http://ar09.renovoreports.com/home/>

Annual Report and Accounts of the Company for the year ended 30 September 2010

<http://ar10.renovo.com/home/>

Interim Financial Statements for the Company for the six month period ended 31 March 2011.

<http://www.renovo.com/en/news/2011-interim-management-statement>

Interim Management Statement for the Company for the period from 1 April 2011 to 19 July 2011.

<http://www.renovo.com/en/news/interim-management-statement-9>

The Company is not aware of any material changes in its financial or trading position subsequent to the last published Interim Management Statement.

The company will provide within two business days, without charge, to each person to whom a copy of this document has been delivered, upon their written or verbal request, a copy of this document any documents incorporated by reference in this document. Hard copies of any documents incorporated by reference in this document will not be provided unless such a request is made. Requests for hard copies of any such document should be directed to: Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU or by telephoning the shareholder helpline on 0871 664 0300 (or +44 20 8639 3399 if telephoning from outside the United Kingdom) or by emailing shareholder.services@capitaregistrars.com.

DEFINITIONS

The following definitions apply in this document and the accompanying Form of Proxy:

“Act”	the Companies Act 2006, as amended
“Admission to AIM”	the admission of the existing share capital to trading on AIM
“AIM”	the AIM Market operated by the London Stock Exchange
“AIM Designated Market”	a market whose name appears on the latest publication by the London Stock Exchange entitled “ AIM Designated Markets”
“AIM Rules”	the rules for companies whose securities are admitted to trading on AIM as published by the London Stock Exchange from time to time
“Bonus Issue”	the bonus issue of the Capital Reduction Shares for every 1 Ordinary Share held by each Shareholder as described in this document
“BuyBack Resolution”	the ordinary resolution to be proposed at resolution 4 at the General Meeting of Shareholders set out in the Notice of General Meeting
“Capital Reduction”	the proposed reduction or cancellation by the Company of its share premium account and the capitalisation of its merger reserve more particularly as described paragraph 5 of Part I in this document
“Capital Reduction Resolution”	the special resolution to be proposed as Resolution 2 at the General Meeting of Shareholders set out in the Notice of General Meeting
“Capital Reduction Shares”	the B Shares, C Shares and D Shares, having the rights set out in the Company’s New Articles and to be issued and cancelled in accordance with the Capital Reduction Resolution
“Circular”	this document
“Company” or “Renovo”	Renovo Group plc
“Corporate Governance Code”	the UK Corporate Governance Code issued by the Financial Reporting Council in June 2010, as amended from time to time
“Court Hearing”	the hearing by the High Court sanctioning the Capital Reduction
“Current Articles” or “Current Articles of Association”	the articles of association of the company in force at the date of this document
“Daily Official List”	the Daily Official List of London Stock Exchange
“Delisting”	the cancellation of the listing of the Ordinary Share on the Official List of the UKLA and to trading on the London Stock Exchange’s Main Market for listed securities.
“Delisting Resolution”	the special resolution to be proposed as Resolution 1 at the General Meeting of Shareholders set out in the Notice of General Meeting
“Directors” or “Board”	the Directors of Renovo from time to time
“Disclosed and Transparency Rules” or “DTR”	the disclosure and transparency rules made by the FSA in exercise of its functions as competent authority pursuant to Part VI of FSMA
“Effective Date”	the date on which the final order of the Court confirming the last of the capital reductions has been registered by the Registrar of Companies
“Form of Proxy”	the form of proxy accompanying this document for use at the General Meeting
“FSA”	the UK Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000 (as amended) and all regulations promulgated thereunder from time to time

“General Meeting”	the general meeting of the Company convened by the notice set out at the end of this document, including any adjournment thereof
“Government”	the government of the United Kingdom
“Henderson”	Henderson Global Investors
“High Court”	the High Court of England and Wales
“Independent Directors”	means those Directors other than Jamie Brooke
“Independent Shareholders”	the Shareholders other than Henderson;
“Listing Rules”	the listing rules made by the FSA in exercise of its functions as competent authority pursuant to Part VI of FSMA
“London Stock Exchange”	London Stock Exchange plc
“Main Market”	the London Stock Exchange’s main market for listed securities
“Memorandum”	the memorandum of association of the Company, as in force at the date of this document
“Morrison & Foerster”	Morrison & Foerster (UK) LLP
“New Articles” or “New Articles of Association”	the new articles of association more particularly described in Part III of this document
“Notice of General Meeting”	the notice of general meeting set out at the end of this document
“Official List”	the Official List of the UK Listing Authority, a division of the FSA, acting as competent authority for the purposes of Part IV of the FSMA 2000;
“Order”	the order of the High Court confirming the cancellation of the share premium account and the Capital Reduction Shares
“Ordinary Shares” or “Shares”	the Ordinary Shares of 10 pence each in the capital of Renovo
“Panel”	the Panel on Takeovers and Mergers;
“Panmure Gordon”	Panmure Gordon of 111 Old Broad Street, London EC2N 1PH
“Proposals”	the Delisting and Admission to AIM, adoption of New Articles, Capital Reduction, Share Buy Back and Rule 9 Waiver
“Prospectus Rules”	the prospectus rules made by the FSA in exercise of its function as competent authority pursuant to Part VI of FSMA
“QCA”	the Quoted Companies Alliance
“Registrar of Companies”	the Registrar of Companies in England and Wales
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting
“RIS/Regulatory Information Service”	one of the regulatory information services authorised by the UK Listing Authority to receive, process and disseminate regulatory information from listed companies.
“Rule 9 Waiver”	the waiver agreed by the Panel and to be approved by the Shareholders of the obligations that would otherwise fall upon Henderson pursuant to Rule 9 of the Takeover Code
“Share BuyBack”	the proposed buyback of shares by the Company in the market pursuant to the BuyBack Resolution, more particularly described in paragraph 6 of Part I of this document
“Shareholders”	holders of Ordinary Shares

“Takeover Code”	the City Code on Takeovers and Mergers
“UKLA” or “UK Listing Authority”	the FSA acting in its capacity as the competent authority for the purposes of Part VI of FSMA in the exercise of its functions in respect of, <i>inter alia</i> , admission to the Official List
“Whitewash Resolution”	the ordinary resolution of the Independent Shareholders concerning the waiver of obligations under Rule 9 of the Takeover Code to be proposed at the General Meeting and set out in the Notice of General Meeting

NOTICE OF GENERAL MEETING

RENOVO GROUP PLC

(Incorporated and registered in England and Wales with number 05427608)

Notice is hereby given that a General Meeting of Renovo Group plc (the “**Company**”) will be held at the offices of Morrison & Foerster (UK) LLP, CityPoint, One Ropemaker Street, London, EC2Y 9AW on 12 September 2011 at 10.00 a.m., for the purpose of considering and, if thought fit, passing the following resolutions, of which Resolution 5 will be proposed as an ordinary resolution and Resolutions 1 to 4 will be proposed as special resolutions. Resolution 5 will be taken on a poll of holders of Ordinary Shares as required by the City Code on Takeovers and Mergers:

1. THAT, conditional on the passing of Resolutions 2, 3, 4 and 5 the directors of the Company be and are hereby authorised to cancel the listing of the Ordinary Shares in the capital of the Company on the Official List of the UKLA and to remove such Ordinary Shares from trading on the London Stock Exchange’s Main Market for listed securities and to apply for admission of the said Ordinary Shares to trading on AIM, a market operated by the London Stock Exchange.
2. THAT, subject to the confirmation of the High Court of Justice in England and Wales with respect to the sub-paragraphs below, THAT:
 - (a) the share premium account of the Company be cancelled and extinguished;
 - (b) subject to the cancellation of share premium account taking effect, the sum of £13,166,152.34 standing to the credit of the merger reserve of the Company be capitalised and applied in paying up in full at par such number of new B Shares equal to the number of Ordinary Shares in existence on the date of issue of such B Shares (the “B Shares”) (of a nominal value equal to the sum that is obtained by dividing the number of B Shares to be issued as set out above into £13,166,152.34 as shall be required to effect such capitalisation, and the Directors be and they are hereby authorised for the purposes of section 561 of the Companies Act 2006 to allot and issue all the B Shares thereby created to such members of the Company including any of their number as they shall in their absolute discretion determine upon terms that they are paid up in full by such capitalisation, and such authority shall for the purposes of section 561 of the Companies Act 2006 expire on 31 December 2011;
 - (c) the B Shares created and issued pursuant to (b) above shall have the following rights and restrictions:
 - (i) the holders of B Shares shall have no right to receive any dividend or other distribution whether of capital or income;
 - (ii) the holders of B Shares shall have no right to receive notice of or to attend or vote at any general meeting of the Company;
 - (iii) the holders of B Shares shall on a return of capital in a liquidation, but not otherwise, be entitled to receive the nominal amount of each such share but only after the holder of each Ordinary Share shall have received the amount paid up or credited as paid up on such a share and the holders of B Shares shall not be entitled to any further participation in the assets or profits of the Company;
 - (iv) a reduction by the Company of the capital paid up or credited as paid up on the B Shares and the cancellation of such shares will be treated as being in accordance with the rights attaching to the B Shares and will not involve a variation of such rights for any purpose. The Company will be authorised at any time without obtaining the consent of the holders of B Shares to reduce its capital (in accordance with the Companies Act 2006);

- (v) the Company shall have irrevocable authority at any time after the creation or issue of the B Shares to appoint any person to execute on behalf of the holders of such shares a transfer thereof and/or an agreement to transfer the same without making any payment to the holders thereof to such person or persons as the Company may determine and, in accordance with the provisions of the Companies Act 2006, to purchase or cancel such shares without making any payment to or obtaining the sanction of the holders thereof and pending such a transfer and/or purchase and/or cancellation to retain the certificates, if any, in respect thereof, provided also that the Company may in accordance with the provisions of the Acts purchase all but not some only of the B Shares then in issue at a price not exceeding 1p for all the B Shares; and
- (d) the B Shares created and issued pursuant to (b) above shall be cancelled and extinguished;
- (e) subject to the cancellation of the B Shares as set out in (d) above, the sum of £13,166,152.34 standing to the credit of the merger reserve of the Company be capitalised and applied in paying up in full at par such number of new C Shares equal to the number of Ordinary Shares in existence on the date of issue of such C Shares (the "C Shares") (of a nominal value equal to the sum that is obtained by dividing the number of C Shares to be issued as set out above into £13,166,152.34 as shall be required to effect such capitalisation, and the Directors be and they are hereby authorised for the purposes of section 561 of the Companies Act 2006 to allot and issue all the C Shares thereby created to such members of the Company including any of their number as they shall in their absolute discretion determine upon terms that they are paid up in full by such capitalisation, and such authority shall for the purposes of section 561 of the Companies Act 2006 expire on 31 December 2011;
- (f) the C Shares created and issued pursuant to (e) above shall have the following rights and restrictions:
 - (i) the holders of C Shares shall have no right to receive any dividend or other distribution whether of capital or income;
 - (ii) the holders of C Shares shall have no right to receive notice of or to attend or vote at any general meeting of the Company;
 - (iii) the holders of C Shares shall on a return of capital in a liquidation, but not otherwise, be entitled to receive the nominal amount of each such share but only after the holder of each Ordinary Share shall have received the amount paid up or credited as paid up on such a share and the holders of C Shares shall not be entitled to any further participation in the assets or profits of the Company;
 - (iv) a reduction by the Company of the capital paid up or credited as paid up on the C Shares and the cancellation of such shares will be treated as being in accordance with the rights attaching to the C Shares and will not involve a variation of such rights for any purpose. The Company will be authorised at any time without obtaining the consent of the holders of C Shares to reduce its capital (in accordance with the Companies Act 2006);
 - (v) the Company shall have irrevocable authority at any time after the creation or issue of the C Shares to appoint any person to execute on behalf of the holders of such shares a transfer thereof and/or an agreement to transfer the same without making any payment to the holders thereof to such person or persons as the Company may determine and, in accordance with the provisions of the Companies Act 2006 (the "Act"), to purchase or cancel such shares without making any payment to or obtaining the sanction of the holders thereof and pending such a transfer and/or purchase and/or cancellation to retain the certificates, if any, in respect thereof, provided also that the Company may in accordance with the provisions of the Acts purchase all but not some only of the C Shares then in issue at a price not exceeding 1p for all the C Shares; and
- (g) the C Shares created and issued pursuant to (e) above shall be cancelled and extinguished.

- (h) subject to the cancellation of the C Shares as set out in (g) above, the sum of £8,065,583.64 standing to the credit of the merger reserve of the Company be capitalised and applied in paying up in full at par such number of new D Shares equal to the number of Ordinary Shares in existence on the date of issue of such D Shares (the “D Shares”) (of a nominal value equal to the sum that is obtained by dividing the number of D Shares to be issued as set out above into £8,065,583.64 as shall be required to effect such capitalisation, and the Directors be and they are hereby authorised for the purposes of section 561 of the Companies Act 2006 to allot and issue all the D Shares thereby created to such members of the Company including any of their number as they shall in their absolute discretion determine upon terms that they are paid up in full by such capitalisation, and such authority shall for the purposes of section 561 of the Companies Act 2006 expire on 31 December 2011;
- (i) the D Shares created and issued pursuant to (h) above shall have the following rights and restrictions:
- (i) the holders of D Shares shall have no right to receive any dividend or other distribution whether of capital or income;
 - (ii) the holders of D Shares shall have no right to receive notice of or to attend or vote at any general meeting of the Company;
 - (iii) the holders of D Shares shall on a return of capital in a liquidation, but not otherwise, be entitled to receive the nominal amount of each such share but only after the holder of each Ordinary Share shall have received the amount paid up or credited as paid up on such a share and the holders of Shares shall not be entitled to any further participation in the assets or profits of the Company;
 - (iv) a reduction by the Company of the capital paid up or credited as paid up on the D Shares and the cancellation of such shares will be treated as being in accordance with the rights attaching to the D Shares and will not involve a variation of such rights for any purpose. The Company will be authorised at any time without obtaining the consent of the holders of D Shares to reduce its capital (in accordance with the Companies Act 2006);
 - (v) the Company shall have irrevocable authority at any time after the creation or issue of the D Shares to appoint any person to execute on behalf of the holders of such shares a transfer thereof and/or an agreement to transfer the same without making any payment to the holders thereof to such person or persons as the Company may determine and, in accordance with the provisions of the Companies Act 2006, to purchase or cancel such shares without making any payment to or obtaining the sanction of the holders thereof and pending such a transfer and/or purchase and/or cancellation to retain the certificates, if any, in respect thereof, provided also that the Company may in accordance with the provisions of the Acts purchase all but not some only of the D Shares then in issue at a price not exceeding 1p for all the D Shares; and
- (j) the D Shares created and issued pursuant to (h) above shall be cancelled and extinguished;
3. THAT, conditional upon the passing of Resolution 1 and Resolution 2 and the admission of the Company’s share capital to trading on AIM, the New Articles of Association set out in the printed document produced to the Meeting, and signed by the Chairman of the Meeting for the purpose of identification, be and are hereby adopted as the Articles of Association of the Company with effect from the Company’s admission to trading on AIM and in substitution for and to the exclusion of the current Articles of Association.
4. THAT, conditional upon the passing of Resolutions 1 to 3 and 5 and the admission of the Company’s share capital to trading on AIM, the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Ordinary Shares of 10 pence each in the capital of the Company (the “Ordinary Shares”) provided that:

- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is up to 47,424,744 Ordinary Shares (representing not more than 25 per cent. of the Company's issued share capital at the date of this notice);
 - (b) the minimum price, exclusive of any expenses, which may be paid for an Ordinary Share is 10 pence;
 - (c) the maximum price, exclusive of any expenses, which may be paid for any such share is an amount equal to 105 per cent. of the average closing mid market price for an Ordinary Share as derived from the AIM Market of London Stock Exchange plc for the five business days immediately preceding the date on which such share is contracted to be purchased;
 - (d) the authority hereby conferred shall expire five years after the date of the passing of this Resolution;
 - (e) the Company may make a contract or contracts to purchase Ordinary Shares under this authority before the expiry of this authority which would or might be executed wholly or partly after the expiry of such authority, and may make purchases of Ordinary Shares in pursuance of such a contract as if such authority had not expired.
5. THAT the grant of the waiver by the Panel on Takeovers and Mergers on the terms described in the circular to shareholders of the Company dated 18 August 2011, of which this Notice forms a part, of any requirement under Rule 9 of the City Code on Takeovers and Mergers for Henderson Global Investors and persons connected with them to make a general offer to shareholders of the Company as a result of the exercise of the authority to make market purchases to be granted by Resolution 4 above, be and is hereby approved.

By Order of the Board
David Blain
Company Secretary
18 August 2011

Registered Office
The Manchester Incubator Building
48 Grafton Street
Manchester M13 9XX

Notes

1. Holders of Ordinary Shares are entitled to attend and vote at this meeting. A member entitled to attend and vote may appoint one or more proxies, who need not be members of the Company, to attend and vote instead of him or her. A proxy need not also be a member of the Company. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this notice. Completion and return of a Form of Proxy does not preclude a member from attending and voting at the meeting or any adjournment thereof in person.
2. To be effective, a Form of Proxy must be duly completed, executed and returned, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power of attorney or authority, so as to reach Capita Registrars by hand, or by post at PXS, 34 Beckenham Road, Beckenham, BR3 4TU or electronically at renovo@mof.com to arrive not later than 10.00 a.m. on 8 September 2011 or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, not less than 24 hours before the time appointed for the taking of the poll at which it is to be used.
3. You may submit your proxy vote electronically by sending it to renovo@mof.com.
4. An abstention (or “vote withheld”) option has been included on the Form of Proxy and in the available options for electronic proxy voting. The legal effect of choosing the abstention option on any resolution is that the Shareholder concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
5. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001 and section 360B(2) of the Companies Act 2006, the Company specifies that only those Shareholders registered in the register of members of the Company as at 6.00pm on 8 September 2011 or, in the event that the meeting is adjourned, in such register not later than 48 hours before the time of the adjourned meeting, shall be entitled to attend, or vote (whether in person or by proxy) at the meeting in respect of the number of shares registered in their names at the relevant time. Changes after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.
6. In the case of joint holders the signature of only one of the joint holders is required on the form of proxy but the vote of the first named on the Register of Members of the Company will be accepted to the exclusion of the other joint holders.
7. CREST members who wish to appoint a proxy or proxies by using the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. The message, (a CREST proxy instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (“EUI”) and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company’s agent (RA10) not later than the time stated in note 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the Company’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by EUI.
8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by any particular time. Reference should be made to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

9. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icas.org.uk) for further details of this procedure. The guidance includes a sample form of appointment letter if the Chairman is being appointed as described in (i) above.
11. If you are a person who has been nominated under section 146 of the 2006 Act to enjoy information rights, you may have a right, under an agreement between you and the Shareholder who has nominated you, to be appointed or to have someone else appointed for you as a proxy for the meeting. If you do not have such a right, or you do have such a right but do not wish to exercise it, you may have a right under such an agreement to give instructions to the Shareholder who nominated you as to the exercise of the voting rights attached to the Ordinary Shares in respect of which you have been nominated.
12. As at 17 August 2011 (being the last practicable date prior to the publication of this Circular) the Company's issued share capital consists of 190,460,821 Ordinary Shares and the total voting rights in the Company as at 17 August 2011 are 190,460,821.
13. A copy of this Notice of General Meeting, together with any members' statements, and other matters which members wish to raise at the meeting which, in each case, have been received by the Company after the despatch of this notice and the other information required by s.311A of the 2006 Act are all available on the Company's website at www.renovo.com.
14. Shareholders, proxies and authorised representatives will be required to provide their names and addresses for verification against the register of members and proxy appointments received by the Company before entering the meeting. Each authorised representative must produce proof of his or her appointment, in the form of the actual appointment or a certified copy. Other than this, there are no procedures with which any such persons must comply in order to attend and vote at the meeting.
15. Shareholders, proxies and authorised representatives may raise questions at the meeting concerning any business being dealt with at the meeting and will receive answers, except that a question need not be answered where it would interfere unduly with the preparation of the meeting, would involve the disclosure of confidential information, where the answer has already been given on a website in the form of an answer to a question or where it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. Although this is not essential, shareholders, proxies or authorised representatives who wish to ask a question are requested to write it on a query form obtainable at the registration desk and hand it in at that desk before entering the meeting.