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If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors (whose names and functions appear on page 4 of this document) and the Company accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (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.

The Ordinary Shares are admitted to trading on AIM. **AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.**

This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the FCA or any other competent authority. It is emphasised that no application is being made for admission of the Ordinary Shares to the Official List of the United Kingdom Listing Authority.

Mountfield Group plc

(incorporated and registered in England and Wales with registered number 06374598)

Proposed amendments to the articles of association and Notice of Annual General Meeting

This document should be read as a whole. However, your attention is drawn to the letter from the Chairman of the Company which is set out on pages 8 - 11 of this document and which contains the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the Annual General Meeting.

WH Ireland Limited ("**WH Ireland**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with matters set out in this document and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of WH Ireland or for advising any other person in respect of the matters set out in this document or any transaction, matter or arrangement referred to in this document. WH Ireland's responsibilities as the Company's nominated adviser and broker are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on WH Ireland by the FSMA or the regulatory regime established thereunder, WH Ireland does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the matters set out in this document. WH Ireland accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

Notice of a Annual General Meeting of Mountfield Group plc, to be held at the offices of DAC Beachcroft LLP, 100 Fetter Lane, London EC4A 1BN at 11.00 a.m. on 29 June 2016, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the Annual General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, SLC Registrars, 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ by not later than 11.00 a.m. on 27 June 2016. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the Annual General Meeting should they so wish.

A copy of this document will be made available from the Company's website, www.mountfieldgroupplc.com. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this document.

IMPORTANT NOTICE

Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this document.

Notice to overseas persons

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

References to defined terms

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading "Definitions".

All times referred to in this document are, unless otherwise stated, references to London time.

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DIRECTORS AND ADVISERS

Directors

Peter Jay, *Executive Chairman*
Andrew Collins, *Chief Executive Officer*
Graham Read, *Executive Director*
Adrian Sainsbury, *Non-Executive Director*

all of:

3C Sopwith Crescent
Wickford, Essex
SS11 8YU

Company Secretary

Peter Jay

Nominated Adviser and Broker

WH Ireland Limited
24 Martin Lane
London
EC4A 0DR

Legal Advisers to the Company

DAC Beachcroft LLP
100 Fetter Lane
London
EC4A 1BN

Registrars

SLC Registrars
42-50 Hersham Road
Walton-On-Thames
Surrey
KT12 1RZ

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>2016</i>
Publication of this document	6 June
Latest time and date for receipt of Form of Proxy	11.00 a.m. on 27 June
Annual General Meeting	11.00 a.m. on 29 June

(Note: Each of the above dates is subject to change at the absolute discretion of the Company and WH Ireland).

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

"Act"	the Companies Act 2006 (as amended)
"AIM"	the AIM market operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies and guidance notes published by the London Stock Exchange from time to time
"Annual General Meeting"	the annual general meeting of the Company to be held at the offices of DAC Beachcroft LLP, 100 Fetter Lane, London EC4A 1BN at 11.00 a.m. on 29 June 2016, notice of which is set out at the end of this document
"Articles"	the articles of association of the Company;
"Business Day"	a day on which dealings in domestic securities may take place on the London Stock Exchange
"Company" or "Mountfield"	Mountfield Group plc, a company incorporated and registered in England and Wales with registered number 06374598
"Connaught Access Flooring "	Connaught Access Flooring Limited, a company incorporated and registered in England and Wales with registered number 02747361
"Connaught Access Flooring Holdings"	Connaught Access Flooring Holdings Limited, a company incorporated and registered in England and Wales with registered number 06577291
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended)
"Directors" or "Board"	the directors of the Company whose names are set out on page 4 of this document, or any duly authorised committee thereof
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST
"Existing Issued Share Capital"	the 254,244,454 Ordinary Shares in issue as at the date of this document
"Form of Proxy"	the form of proxy for use in connection with the Annual General Meeting which accompanies this document
"FCA"	the Financial Conduct Authority
"Founder Shares"	the founder shares of £1 each in the Company having the rights attaching to them as set out in the amended Articles
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
"Group"	the Company, its subsidiaries and its subsidiary undertakings
"Loan Notes"	the loan notes issued by the Company pursuant to an instrument creating £3,000,000 unsecured non-convertible loan notes by the Company in respect of Connaught Access Flooring Holdings dated 16 October 2008

and an instrument creating £2,500,000 unsecured non-convertible loan notes by the Company in respect of Mountfield Building Group dated 16 October 2008;

"London Stock Exchange"	London Stock Exchange plc
"MBG Construction"	MBC Construction Limited, a company incorporated and registered in England and Wales with registered number 05430834
"Mountfield Building Group"	Mountfield Building Group Limited, a company incorporated and registered in England and Wales with registered number 02101063
"Notice of Annual General Meeting"	the notice convening the Annual General Meeting which is set out at the end of this document
"Ordinary Shares"	the ordinary shares of 0.1 pence each in the capital of the Company
"Prospectus Rules"	the prospectus rules made by the FCA pursuant to section 73A of the FSMA
"Register"	the register of members of the Company maintained by SLC Registrars
"Resolutions"	the resolutions set out in the Notice of Annual General Meeting
"Shareholders"	holders of Ordinary Shares
"UK"	the United Kingdom of Great Britain and Northern Ireland
"Voting Record Time"	6.30 p.m. on 27 June 2016
"WH Ireland"	WH Ireland Limited, the Company's nominated adviser and broker

LETTER FROM THE CHAIRMAN OF Mountfield Group PLC

Mountfield Group plc

(incorporated in England and Wales with registered number 06374598)

Directors:

Peter Jay, *Executive Chairman*
Andrew Collins, *Chief Executive Officer*
Graham Read, *Executive Director*
Adrian Sainsbury, *Non-Executive Director*

Registered Office:

3C Sopwith Crescent
Wickford, Essex
SS11 8YU

6 June 2016

To holder of Ordinary Shares and, for information only, to holders of options or warrants over Ordinary Shares and the Company's auditors

Dear Shareholder,

**Proposed amendment to the articles of association
and
Notice of Annual General Meeting**

1. Introduction and summary

The Company has today announced that it is proposing to amend its Articles to create a new class of Founder Shares in anticipation of a proposed swap of outstanding Loan Notes for equity by two directors of the Company, Graham Read and Andy Collins.

The purpose of this document is to provide you with information about the background to and the reasons for the proposed amendments to the Articles, to explain why the Board considers the amendments to the Articles to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the Annual General Meeting, which will be held at the offices of DAC Beachcroft LLP, 100 Fetter Lane, London EC4A 1BN at 11.00 a.m. on 29 June 2016. The Directors intend to vote in favour of the Resolutions in respect of their legal and/or beneficial shareholdings amounting, in aggregate, to 139,320,000 Ordinary Shares, representing 54.80 per cent. of the Existing Issued Share Capital.

2. Background to and reasons for the amendments to the Articles

The Company acquired its key subsidiaries, Mountfield Building Group and its subsidiary MBG Construction and Connaught Access Flooring Holdings and its subsidiary Connaught Access Flooring by way of a share and loan note offer to the shareholders of those subsidiaries in 2008. The shareholders, being Graham Read, Janet Read and Andy Collins, received shares in the Company and Loan Notes issued by the Company in consideration for the transfer to the Company of the entire issued share capital of such companies.

The Directors of the Company have, since announcing their intention in 2015 to cancel approximately £3 million of Loan Notes that were originally granted to Graham Read and Andy Collins in October 2008 from issue, taken advice from specialist advisors and are satisfied that they now found a way of achieving their objective that will not have an adverse effect on the Company.

As at the date of this document, there are still outstanding Loan Notes relating to the acquisitions mentioned above with a face value of approximately £3 million. As announced in

July 2013, redemption of the outstanding Loan Notes has been postponed to June 2020 with the consent of the holders of the Loan Notes. All interest accrued to date on the Loan Notes has been waived.

The current holders of the Loan Notes, being Graham Read and Andy Collins, have agreed in principal that instead of cancelling the outstanding Loan notes they will exchange all or a proportion of their outstanding Loan Notes for a new class of shares to be allotted and issued by the Company. The terms of the debt for equity swap are still to be agreed but, on the assumption that terms are agreed, the Company is proposing to amend its Articles to incorporate rights attaching to a new class of shares, Founder Shares, which will be allotted and issued to Graham Read and Andy Collins upon such proposed debt for equity swap.

The Founder Shares shall:

- not entitle the holder thereof to payment of any dividend or other distribution;
- carry no right to receive notice of and to attend, speak and vote at general meetings of the Company;
- not be redeemable;
- only entitle the holders to a payment on the liquidation of the Company after the holders of Ordinary Shares have first received £20 million;
- only entitle the holders to a payment on a sale of the Company or on the disposal by the Company of all, or substantially all of, its business and assets where the aggregate consideration attributable to Mountfield Building Group and its subsidiary, MBG Construction and/or to Connaught Access Flooring Holdings and its subsidiary, Connaught Access Flooring exceeds £20 million; and
- not be capable of transfer at any time other than with the prior written consent of all of the Directors.

The creation of the new class of Founder Shares and the ability of the Directors to allot such shares is subject to the shareholders' approval by way of ordinary and special resolutions which are being proposed at the Annual General Meeting to be held at 11.00 a.m. on 29 June 2016.

3. Related party transaction

As the two holders of the Loan Notes, Graham Read and Andy Collins, are both directors of the Company, the proposed issue of Founder Shares is a related party transaction pursuant to Rule 13 of the AIM Rules. The independent directors (being Peter Jay and Adrian Sainsbury) consider, having consulted with WH Ireland Limited, the Company's nominated adviser, that the terms of the proposed transaction are fair and reasonable insofar as Shareholders are concerned.

4. Irrevocable Undertakings

Graham Read and Andy Collins have irrevocably undertaken to vote in favour of the Resolutions in respect of the 115,820,000 Ordinary Shares held by them, representing approximately 45.55 per cent. of the Existing Issued Share Capital.

5. The Annual General Meeting

The Directors do not have the authority to amend the Articles. Accordingly, the Directors are seeking the Shareholders' approval at the Annual General Meeting to implement the amendments to the Articles.

Notice of the Annual General Meeting is set out at the end of this document. The Annual General Meeting will be held at the offices of DAC Beachcroft LLP, 100 Fetter Lane, London EC4A 1BN at 11.00 a.m. on 29 June 2016.

Shareholders have the right to attend, speak and vote at the Annual General Meeting (or, if they are not attending the meeting, to appoint someone else as their proxy to vote on their behalf) if they are on the Register at the Voting Record Time (namely 6.30 p.m. on 27 June

2016). Changes to entries in the Register after the Voting Record Time will be disregarded in determining the rights of any person to attend and/or vote at the Annual General Meeting. If the Annual General Meeting is adjourned, only those Shareholders on the Register 48 hours before the time of the adjourned Annual General Meeting (excluding any part of a day that is not a Business Day) will be entitled to attend, speak and vote or to appoint a proxy.

In addition, a Form of Proxy for use at the Annual General Meeting is enclosed with this document.

The number of Ordinary Shares a Shareholder holds as at the Voting Record Time will determine how many votes a Shareholder or his proxy will have in the event of a poll.

Explanation of the special business resolutions to be proposed at the Annual General Meeting

Authority to allot ordinary shares (Resolution 5)

Resolution 5 would give the directors the authority to allot Ordinary Shares in the Company. Amongst other things, the directors are seeking a general authority to allot Ordinary Shares up to an aggregate nominal value of £84,748 representing approximately one third of the Existing Issued Share Capital. This authority, if granted, would expire 15 months from the date upon which the resolution is passed or at the conclusion of the Company's 2017 annual general meeting, whichever is sooner.

Authority to allot founder shares (Resolution 6)

The directors are seeking a general authority to allot Founder Shares up to an aggregate nominal value of £3,212,420 in connection with the proposed debt for equity swap described in paragraph 3 above. This authority, if granted, would expire on 29 June 2021.

Disapplication of pre-emption rights (Resolution 7)

Under the Act, when Ordinary Shares are allotted for cash, they must generally first be offered to existing shareholders pro rata to their holdings. This special resolution, which is conditional upon the passing of Resolution 5, gives the Directors authority, for the period ending on the expiry of the authorities granted under Resolution 5, to, amongst other things, allot further Ordinary Shares for cash on a non pre-emptive basis up to an aggregate nominal amount of £25,425 representing approximately 10 per cent. of the Existing Issued Share Capital.

Disapplication of pre-emption rights (Resolution 8)

This special resolution, which is conditional upon the passing of Resolution 6, gives the Directors authority, for the period ending on the expiry of the authorities granted under Resolution 6, to allot Founder Shares for cash on a non pre-emptive basis up to an aggregate nominal amount of £3,212,420.

Amendments to the Articles (Resolution 9)

This special resolution amends the Articles: (i) to delete the authorised share capital provisions which still remain in the Articles; and (ii) to insert a new article setting out the rights attaching to the Founder Shares being created by the Company.

6. Action to be taken

A Form of Proxy for use at the Annual General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, SLC Registrars, 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ, as soon as possible, but in any event so as to be received by no later than 11.00 a.m. on 27 June 2016. The completion and return of a Form of Proxy will not preclude Shareholders from attending the Annual General Meeting and voting in person should they so wish.

7. **Recommendation**

Your Board believes the amendments to the Articles to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend you to vote in favour of the Resolutions to be proposed at the Annual General Meeting as they intend to do in respect of their holdings, amounting, in aggregate, to 139,320,000 Ordinary Shares, representing 54.80 per cent. of the Existing Issued Share Capital.

Yours faithfully,

Peter Jay
Executive Chairman

MOUNTFIELD GROUP PLC

(the "Company")

(Registered and incorporated in England and Wales with Company number 06374598)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at the offices of DAC Beachcroft LLP, 100 Fetter Lane, London EC4A 1BN on 29 June 2016 at 11.00 a.m. for the following purposes:

Ordinary Business

To consider and, if thought fit, to pass the following Resolutions, each of which will be proposed as an Ordinary Resolution:

1. To receive and adopt the Company's annual accounts for the financial year ended 31 December 2015 together with the last directors' report and the auditors' report on those accounts.
2. To re-appoint Graham Read, who retires by rotation, as a director of the Company.
3. To re-appoint Peter Jay, who retires by rotation, as a director of the Company.
4. To re-appoint Adler Shine LLP as auditors to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company at a remuneration to be determined by the directors.

Special Business

To consider and, if thought fit, pass Resolutions 5 and 6, which will be proposed as ordinary resolutions, and Resolutions 6, 7 and 8 which will be proposed as special resolutions:

5. THAT, in accordance with section 551 of the Companies Act 2006 (the "**Act**") the directors of the Company (the "**Directors**") be and are generally and unconditionally authorised to allot ordinary shares in the Company or to grant rights to subscribe for or to convert any securities into ordinary shares in the Company ("**Rights**") up to a maximum nominal amount of:
 - 5.1 £10,000 (in pursuance of the exercise of outstanding warrants granted by the Company prior to the date hereof but for no other purpose);
 - 5.2 £93,950 (in pursuance of the exercise of options granted by the Company prior to the date hereof but for no other purpose);
 - 5.3 £84,748 (in addition to the authorities conferred in sub-paragraphs 5.1 and 5.2 above) representing approximately one third of the Company's current issued ordinary share capital,

provided that these authorities, unless duly renewed, varied or revoked by the Company, will expire on the date being fifteen months from the date of the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution, save that the Company may, before such expiry, make offers or agreements which would or might require ordinary shares to be allotted or Rights to be granted after such expiry and, the Directors may allot ordinary shares or grant Rights in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot relevant securities but without prejudice to any allotment of shares or grant of Rights already made, offered or agreed to be made pursuant to such authorities

6. THAT, conditional upon the passing of Resolution 9, in accordance with section 551 of the Act the Directors be and are generally and unconditionally authorised to allot founder shares of £1 each ("**Founder Shares**") in the Company or to grant rights to subscribe for or to convert any securities into Founder Shares in the Company up to a maximum nominal amount of

£3,212,420 provided that this authority, unless duly renewed, varied or revoked by the Company, will expire on 29 June 2021.

7. THAT, subject to the passing of Resolution 5, and in accordance with section 570 of the Act the Directors be given the general power to allot equity securities (as defined by section 560 of the Act) for cash, pursuant to the authority conferred by Resolution 5, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

- 7.1 the allotment of equity securities in connection with an offer by way of a rights issue:
- 7.1.1 to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
 - 7.1.2 to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any applicable regulatory body or stock exchange;

- 7.2 the allotment (otherwise than pursuant to sub-paragraph 7.1 above) of equity securities on the exercise of outstanding warrants granted by the Company prior to the date hereof;
- 7.3 the allotment (otherwise than pursuant to sub-paragraphs 7.1 and 7.2 above) of equity securities on the exercise of options granted by the Company prior to the date hereof;
- 7.4 the allotment (otherwise than pursuant to sub-paragraphs 7.1, 7.2 and 7.3 above) of equity securities up to an aggregate nominal amount of £25,425 representing approximately 10 per cent. of the Company's current issued share capital,

provided that the power granted by this resolution will expire on the date being fifteen months from the date of the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution (unless renewed, varied or revoked by the Company prior to or on such date), save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and, the Directors may allot equity securities in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

8. THAT, conditional upon the passing of Resolutions 6 and 9, and in accordance with section 570 of the Act the Directors be given the general power to allot equity securities (as defined by section 560 of the Act) for cash, pursuant to the authority conferred by Resolution 6, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of Founder Shares up to a maximum nominal amount of £3,212,420 provided that this authority, unless duly renewed, varied or revoked by the Company, will expire on 29 June 2021.

9. THAT:

- 9.1 the articles of association of the Company be amended as follows:
- 9.1.1 the deletion of the definition ""**shares**"" means the authorised share capital of the Company from time to time;" and inserting the definition ""**shares**"" means the issued share capital of the Company from time to time;"
 - 9.1.2 the deletion of article 3.1 and the inserted of a new article 3.1 as follows:
 - "3.1 Founder Shares:
In this Article 3.1 unless the context other requires:

"Acting in Concert" has the meaning given in the City Code on Takeovers and Mergers (in its present form or as amended from time to time);

"Control" has the meaning given in section 1124 of the Corporation Tax Act 2010;

"Disposal" means the disposal by the Company of all, or substantially all of, its business and assets;

"Founder Shares" means founder shares of £1 each in the capital of the Company;

"Issue Price" means in respect of any share, the subscription price paid (or agreed to be paid) in respect of that share, including any share premium;

"New Holding Company" means a company which obtains control of the Company where 51% or more of the New Holding Company's Ordinary Shares are held in the same proportion by the same persons who previously had Control of the Company;

"Ordinary Shares" means ordinary shares of 0.1 pence each in the capital of the Company;

"Relevant Disposal" means the disposal by the Company of all, or substantially all of, its business and assets where the aggregate consideration attributable to Mountfield Building Group Limited and its subsidiary, MBG Construction Limited and/or to Connaught Access Flooring Holdings Limited and its subsidiary, Connaught Access Flooring Limited exceeds £20 million;

"Relevant Share Sale" means (a) a person other than a New Holding Company (together with others Acting in Concert with him) obtaining Control of the Company (i) as a result of making a general offer to acquire the whole of the issued share capital of the Company (other than any shares already held by him or persons Acting in Concert with him) which is made on a condition such that if it is satisfied the person making the offer will have Control of the company or (ii) pursuant to a compromise or arrangement sanctioned by the court under Part 26 of the Companies Act 2006 where, in either case, the aggregate consideration attributable to Mountfield Building Group Limited and its subsidiary, MBG Construction Limited and/or to Connaught Access Flooring Holdings Limited and its subsidiary, Connaught Access Flooring Limited exceeds £20 million.

"Sale Proceeds" means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to holders of shares under a Share Sale or a Relevant Share Sale (as the case may be) in accordance with this Article 3.1; and

"Share Sale" means (a) a person other than a New Holding Company (together with others Acting in Concert with him) obtaining Control of the Company (i) as a result of making a general offer to acquire the whole of the issued share capital of the Company (other than any shares already held by him or persons Acting in Concert with him) which is made on a condition such that if it is satisfied the person making the offer will have Control of the company or (ii) pursuant to a compromise or arrangement sanctioned by the court under Part 26 of the Companies Act 2006.

The following rights and restrictions shall be attached to any Founder Shares that may, from time to time, be in issue:

- (a) The Founder Shares shall not entitle the holder thereof to payment of any dividend or other distribution.
- (b) The Founder Shares shall carry no right to receive notice of and to attend, speak and vote at general meetings of the Company.
- (c) The Founder Shares shall not be redeemable.

- (d) On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:
- (i) first, in paying to the holders of the Ordinary Shares in respect of each Ordinary Share held the par value of that Ordinary Share, together with: (A) a sum equal to any arrears and accruals of dividend in respect of that Ordinary Share; and (B) an aggregate amount of £20 million to be divided amongst the holders of Ordinary Shares on a pro rata basis and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Ordinary Shares pro rata to the aggregate amounts due under this Article 3.1(d)(ii) to each such Ordinary Share held;
 - (ii) second, in paying to the holders of the Founder Shares in respect of each Founder Share held the Issue Price of that Founder Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Founder Shares pro rata to the aggregate amounts due under this Article 3.1(d)(i) to each such Founder Share held; and
 - (iii) thereafter, in distributing the balance among the holders of the Ordinary Shares pro rata to the number of the Ordinary Shares held.
- (e) On a Relevant Share Sale, the Sale Proceeds shall be distributed as follows:
- (i) first, in paying to the holders of the Ordinary Shares an amount equal to £20 million such amount to be distributed between the holders of Ordinary Shares on a pro rata basis;
 - (ii) second, in paying to the holders of the Founder Shares in respect of each Founder Share held the Issue Price of that Founder Share and, if there is a shortfall of proceeds remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Founder Shares pro rata to the aggregate amounts due under this Article 3.1(e)(ii) to each such Founder Share held;
 - (iii) thereafter, in distributing the balance among the holders of the Ordinary Shares pro rata to the number of the Ordinary Shares held,
- provided always that each shareholder shall take any reasonable action (to the extent lawful and within its control) required by an ordinary resolution passed by the majority of shareholders to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in this Article 3.1(e).
- (f) On a Relevant Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent the extent that the Company is lawfully permitted to do so) as follows:
- (i) first, in paying to the holders of the Ordinary Shares an amount equal to £20 million such amount to be distributed between the holders of Ordinary Shares on a pro rata basis;

- (ii) second, in paying to the holders of the Founder Shares in respect of each Founder Share held the Issue Price of that Founder Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Founder Shares pro rata to the aggregate amounts due under this Article 3.1(f)(ii) to each such Founder Share held;
- (iii) thereafter, in distributing the balance among the holders of the Ordinary Shares pro rata to the number of the Ordinary Shares held,

provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each shareholder shall (to the extent lawful and within its control) take any reasonable action required by an ordinary resolution passed by the majority of shareholders (including, but without prejudice to the generality of this Article 3.1(f), such action as may be necessary to put the Company into voluntary liquidation so that this Article 3.1(f) applies).

- (g) On a Share Sale, the Sale Proceeds shall be distributed between the holders of Ordinary Shares on a pro rata basis provided always that each shareholder shall take any reasonable action (to the extent lawful and within its control) required by an ordinary resolution passed by the majority of shareholders to ensure that the Sale Proceeds are distributed in accordance with this Article 3.1(g).
- (h) On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent the extent that the Company is lawfully permitted to do so) between the holders of Ordinary Shares on a pro rata basis provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each shareholder shall (to the extent lawful and within its control) take any reasonable action required by an ordinary resolution passed by the majority of shareholders (including, but without prejudice to the generality of this Article 3.1(h), such action as may be necessary to put the Company into voluntary liquidation so that this Article 3.1(h) applies).
- (i) The Founder Shares shall not be capable of transfer at any time other than with the prior written consent of all of the Directors."

9.2 in accordance with paragraph 42(2)(b) of Schedule 2 of the Companies Act 2006 (Commencement No. 8, Transitional Provisions and Savings) Order 2008, the restriction on the authorised share capital of the Company set out in paragraph 5 of the memorandum of association of the Company, which by virtue of section 28 of the Companies Act 2006 is treated as a provision of the Company's articles of association, is hereby revoked and deleted.

BY ORDER OF THE BOARD
Peter Jay
Company Secretary

Registered Office:
3c Sopwith Crescent
Wickford Business Park
Wickford
Essex
SS11 8YU

6 June 2016

Explanatory Notes:

Entitlement to attend and vote

1. Only those members registered on the Company's register of members at:

- 6.30 p.m. on 27 June 2016 or,
- if this Meeting is adjourned, at 6.30 p.m. on the day two days prior to the adjourned meeting,

shall be entitled to attend and vote at the Meeting in accordance with Regulation 41 of the Uncertificated Securities Regulations 2001. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Appointment of proxies

2. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, if you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to more than one share. To appoint more than one proxy please refer to the notes on the Form of Proxy.

Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
 - completed and signed;
 - sent or delivered to SLC Registrars, 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ; and
 - received by SLC Registrars, 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ no later than 11.00 a.m. on 27 June 2016.

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

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

Appointment of proxy by joint members

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

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

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact SLC Registrars, 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ.

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

Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company using the following method:

By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to SLC Registrars, 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by SLC Registrars, 42-50 Hersham Road, Walton-On-Thames, Surrey, KT12 1RZ no later than 11.00 a.m. on 27 June 2016.

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

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

Documents on display

9. The following documents will be available for inspection at the registered office of the Company on any weekday (excluding public holidays) during normal office hours from the date of this Notice until the time of the Meeting and for at least 15 minutes prior to the Meeting and during the Meeting:

- Copies of the service contracts of executive directors of the Company.
- Copies of the letters of appointment of the non-executive directors of the Company.
- Track changed copy and clean copy of the amended articles of association.