THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action that you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA if you are in the United Kingdom or, if not, an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your registered holding of 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 or otherwise transferred 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 distribution of this document and/or the accompanying Form of Proxy in any jurisdiction other than the UK may be restricted by law and therefore persons into whose possession such documents come should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

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renew

Recommended acquisition

by

Renew Holdings plc

of the entire ordinary share capital of

Amco Group Holdings Limited

representing a reverse takeover, the cancellation and re-admission of Renew Holdings plc shares to trading on AIM and notice of a General Meeting of Renew Holdings plc

Nominated Adviser, Financial Adviser and Broker:

1762

BREWIN DOLPHIN

CORPORATE ADVISORY & BROKING

Application will be made to the London Stock Exchange for the Ordinary Shares to be re-admitted to trading on AIM. The Ordinary Shares are not dealt on any other recognised investment exchange and it is emphasised that no application has been, or is being, made for the Ordinary Shares to be admitted to any such exchange. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on AIM on 25 February 2011.

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. 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 nor will it. Each AIM company is required pursuant to the AIM Rules to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in schedule two of the AIM Rules for Nominated Advisers.

The Directors whose names appear on page 12 of this document, and the Company accept responsibility, both individually and collectively, for the information contained in this document. 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. All of the Directors accept individual and collective responsibility for compliance with the AIM Rules.

Brewin Dolphin, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as Nominated Adviser and Broker for the Company in relation to the arrangements referred to herein. The responsibilities of Brewin Dolphin as the Company's Nominated Adviser under the AIM Rules are owed solely to London Stock Exchange and are not under the AIM Rules owed to the Company or to any Director or to any other person in respect of his or her decision to acquire Ordinary Shares in reliance on any part of this document. Persons receiving this document should note that Brewin Dolphin will not be responsible to anyone other than the Company for providing the protections afforded to clients or for advising any other person on the arrangements described in this document. Brewin Dolphin has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by it for the accuracy of any information or opinions contained in this document or for the omission of any information.

This document, which comprises an AIM admission document, has been drawn up in accordance with the AIM Rules. This document does not constitute a prospectus for the purposes of the Prospectus Rules and FSMA, has not been drawn up in accordance with the Prospectus Rules, and has not been, and will not be, approved by or filed with the FSA. The content of this document has not been approved by an authorised person within the meaning of the FSMA. Reliance on this document for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all amounts invested.

This document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Ordinary Shares or for any securities in any jurisdiction in which such an offer or solicitation is unlawful and any failure to comply with these restrictions may constitute a violation of applicable securities laws in such jurisdictions. The Ordinary Shares have not been nor will they be registered under the United States Securities Act of 1933, as amended or under the securities laws of any state or other jurisdiction in the United States nor will they qualify for distribution under any of the relevant securities laws of Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan, nor has any prospectus in relation to the Ordinary Shares been lodged with or registered by the Australian Securities and Investments Commission. Overseas Shareholders and any person (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this document, the Form of Proxy or any document which accompanies it to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

Your attention is drawn to the letter from the Chairman of Renew which is set out in Part 1 of this document and which contains the unanimous recommendation of the Directors that Shareholders vote in favour of the resolutions to be proposed at the General Meeting referred to below. **Please read the whole of this document and, in particular, the risk factors set out in Part IV of this document**.

Notice of a General Meeting, to be held at the offices of DLA Piper UK LLP, Princes Exchange, Princes Square, Leeds LS1 4BY at 10 a.m. on 23 February 2011, is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use in relation to the General Meeting. To be valid, the Form of Proxy should be completed and returned to the Company's registrars, Capita Registrars, in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received by not later than 10 a.m. on 21 February 2011. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

Copies of this document, which is dated 2 February 2011, will be available free of charge during normal business hours on any day (except Saturdays, Sundays and public holidays) at the Company's offices at Yew Trees, Main Street North, Aberford, West Yorkshire LS25 3AA for one month from the date of Admission. This document will also be available on the Company's website www.renewholdings.com.

CONTENTS

KEY INFORMATION

The following is a summary of certain information appearing elsewhere in this document and should be read as an introduction to this document only. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this document, including the risk factors set out in Part IV of this document.

Introduction

The Board has today announced that it has reached an agreement (subject to Shareholder approval) to purchase the entire issued share capital of Amco for a cash consideration of £26.9 million. The acquisition will be funded by a new £15.0 million term loan from HSBC and £5.7 million out of existing cash reserves, with the balance of £6.2 million being self-funding. A more detailed breakdown of the consideration is set out in Part I paragraph 2.1.

Renew

Renew is a specialist engineering and construction services business with its operations based in the UK. In the year ended 30 September 2010, the Group had a turnover of £290.4 million and a profit before tax of £4.0 million. As at 30 September 2010, Renew's net cash balances stood at approximately £16.2 million.

Renew's activities are concentrated in two business streams, Specialist Engineering and Specialist Building. In Specialist Engineering, work is undertaken in the nuclear, water, rail and land remediation markets. In Specialist Building, activity is focussed on new build social housing, science and education, restoration and refurbishment, and retail.

Amco

Amco is a specialist engineering business operating in the rail, energy, and engineering markets. Amco provides an integrated service from feasibility, budget and design through to installation, commissioning and maintenance.

In the nine months ended 30 September 2010, Amco's turnover was £59.8 million and its profit before tax was £4.2 million.

Benefits of the Acquisition for Shareholders

The Directors believe that the activities of Renew and Amco are complementary and that the Acquisition will be earnings enhancing for Shareholders. Furthermore, the Directors believe that:

- Amco operates as a specialist engineering business primarily in the rail and energy markets. Renew is already present in both of these markets and the acquisition of Amco will enable Renew to increase and broaden the scale of its operations, as well as adding to the range of services that the Enlarged Group can provide to its customers.
- Amco's activities in each of the rail and energy markets do not compete with the current activities of Renew.
- Historically, the margins earned by Amco have been higher than the average margins earned by Renew and the Board expects that the Acquisition will lead to an increase in the average margins achieved.
- Amco has historically not required material cash for either working capital or capital expenditure requirements. As a result, the Board expects that the activities of the Enlarged Group will be cash generative.
- The acquisition of Amco is firmly in line with the Group's stated strategy of growing its Specialist Engineering business. As a result of the Acquisition, in excess of 50 per cent. of revenue of the Enlarged Group will be derived from Specialist Engineering.
- The Acquisition will enable Renew to deploy part of its available cash reserves into an earnings enhancing acquisition.

Summary of Acquisition terms

Pursuant to the terms of the Acquisition, Renew will acquire the entire issued ordinary share capital of Amco for £26.9 million comprising (i) initial consideration of £19.8 million plus (ii) compensation for locked box profits of £0.9 million and (iii) deferred consideration of £6.2 million. The initial consideration and compensation for locked box profits will be funded by a £15 million term loan from HSBC and £5.7 million of existing Renew cash reserves.

The deferred consideration will be funded by the payment to the Vendors upon receipt by Amco of £4.6 million owed to Amco by other companies owned by the Vendors and the transfer of an Amco Group property valued at £1.6 million to another company owned by the Vendors.

The Acquisition constitutes a reverse takeover under the AIM Rules and is therefore dependent upon the approval of Shareholders being given at the General Meeting. The Acquisition Agreement is, therefore, conditional, *inter alia*, upon the passing of the Resolution. The Company has the right to rescind the Acquisition Agreement if a material adverse change occurs in relation to the assets or financial position of Amco prior to completion of the Acquisition.

Strategy of the Enlarged Group

It is the Board's intention to continue with the strategy of seeking to increase revenue in Specialist Engineering, both organically and by acquisition. In Specialist Engineering, the Group seeks to exploit its specialist skills in a range of industries which offer sustainable earnings opportunities and have high barriers to entry.

In Specialist Building, the Group's focus will remain on selectively accessing opportunities in targeted markets where the Group has knowledge and experience both of its clients and of similar projects.

Risk Factors

The Directors consider the following risks and other factors to be most significant for potential investors. More details on the risk factors are set out in Part IV of this document.

1. Risks Relating to the Acquisition

- If Shareholders do not approve the Acquisition at the General Meeting, Renew would nonetheless be obliged to pay approximately £1.0 million of costs (primarily due diligence and advisory fees) incurred in connection with the Acquisition.
- Until completion, Renew will not own Amco and it is possible that there could be a material adverse event affecting Amco which would give rise to a right for Renew to terminate the Acquisition Agreement. This could have an adverse effect on Renew.

2. Risks relating the Enlarged group and its business

- Management stretch
- Reliance on key customers
- Competitive environment
- Dependence on key executives and personnel

3. Risks relating to the Ordinary Shares

- Liquidity of Ordinary Shares and trading
- AIM regulations
- Investment risk

4. **General risk**

- Taxation
- Legislation and compliance
- Forward-looking statements
- Dividends
- Current operating results as an indication of future results

Irrevocable Undertakings

Renew has received irrevocable undertakings to vote in favour of the Resolution at the General Meeting from those Directors who hold Ordinary Shares in respect of their entire holdings of Ordinary Shares, amounting, in aggregate, to 635,000 Ordinary Shares and representing approximately 1.1 per cent. of the Existing Ordinary Shares.

In addition, Renew has also received an irrevocable undertaking to vote in favour of the Resolution at the General Meeting from Gartmore Investment Limited in respect of 10,055,222 Ordinary Shares and representing approximately 16.8 per cent. of the Existing Ordinary Shares. Accordingly, in total, Renew has received irrevocable undertakings to vote in favour of the Resolution at the General Meeting from Shareholders in respect of 10,690,222 Ordinary Shares and representing approximately 17.85 per cent. of the Existing Ordinary Shares.

General Meeting

The General Meeting has been convened for 10 a.m. on 23 February 2011 at the offices of DLA Piper UK LLP, Princes Exchange, Princes Square, Leeds LS1 4BY. You will find set out at the end of this document the Notice of GM, convening the GM for the purpose of considering and, if thought fit, approving the Resolution.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	2 February 2011
Proposed Acquisition announced to the market	2 February 2011
Last time and date for lodging of Forms of Proxy for the General Meeting	10 a.m. on 21 February 2011
General Meeting	10 a.m. on 23 February 2011
Completion of Acquisition	24 February 2011
Re-Admission effective and dealings in the Ordinary Shares expected to commence on AIM	25 February 2011

In this document, all references to times and dates are in reference to those observed in London, United Kingdom unless otherwise stated.

DIRECTORS, SECRETARY AND ADVISERS

Directors:	Roy James Harrison OBE Brian Ward May John William Young Strachan Samuel FCA John Michael Bishop FCA
Company Secretary and Registered Office	J Samuel FCA Yew Trees Main Street North Aberford West Yorkshire LS25 3AA
Nominated Adviser and Broker	Brewin Dolphin Limited 34 Lisbon Street Leeds LS1 4LX
Solicitors to the Company	DLA Piper UK LLP Princes Exchange Princes Square Leeds LS1 4BY
Auditors	KPMG Audit Plc 1 The Embankment Leeds LS1 4DW
Registrars	Capita Registrars Northern House Woodsome Park Fenay Bridge Huddersfield HD8 0GA
Website	www.renewholdings.com

DEFINITIONS & GLOSSARY

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

"Act"	the Companies Act 2006;
"Acquisition"	the proposed acquisition by Renew of the entire issued share capital of Amco pursuant to the terms of the Acquisition Agreement;
"Acquisition Agreement"	the conditional share sale and purchase agreement dated 1 February 2011 between the Company and the Vendors relating to the Acquisition, further details of which are set out in paragraph 15.1 of Part VIII of this document;
"Admission"	the admission of the Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules;
"AIM"	the Alternative Investment Market, a market operated by the London Stock Exchange;
"AIM Rules"	the rules published by the London Stock Exchange governing the admission to, and operating of, AIM from time to time and including the AIM Rules for Companies and the AIM Rules for Nominated Advisers;
"Allenbuild"	Allenbuild Limited, a company registered in England and Wales with company number 01248357;
"Amalgamated Construction Limited"	Amalgamated Construction Limited, a company registered in England and Wales with company number 00995892;
"Amco"	Amco Group Holdings Limited, a company registered in England and Wales with company number 06756943;
"Amco Group"	Amco and its subsidiaries;
"Amco Group Limited"	Amco Group Limited, a company registered in England and Wales with company number 06476276;
"Amco Rail"	Amco Rail Limited, a company registered in England and Wales with company number 02885603;
"AMP"	the asset management programmes by which the water industry fulfils its business plan commitments to the water industry regulator, Ofwat;
"Articles"	the articles of association of the Company;
"Board"	the board of directors of the Company for the time being or a duly constituted committee thereof;
"Brewin Dolphin" or "Broker"	Brewin Dolphin Limited, a company registered in England and Wales with company number 02135876;
"Britannia"	Britannia Construction Limited, a company registered in England and Wales with company number 01164013;
"British Energy"	British Energy Group Limited (formerly plc), a company registered in Scotland with company number SC270184;
"C&A"	C&A Pumps Limited, a company registered in England and Wales with company number 01805286;
"Company" or "Renew"	Renew Holdings plc, registered number 00650447, whose registered office is at Yew Trees, Main Street North, Aberford, West Yorkshire LS25 3AA;

"CREST"	the system for the paperless settlement of share transfers and the holding of uncertificated shares operated by Euroclear UK & Ireland Limited (formerly CRESTCo);
"DEFRA"	Department for Environment, Food and Rural Affairs;
"Directors"	the Directors of the Company as at the date of this document whose names are set out on page 12 of this document and "Director" means any one of them;
"EDF Energy"	EDF Energy plc, a company registered in England and Wales with company number 02366852;
"EMI"	Enterprise Management Incentive;
"Enlarged Group"	the Group including, from completion of the Acquisition, Amco and its subsidiaries;
"Environment Agency"	The Environment Agency;
"E.on"	E.ON UK plc, a company registered in England and Wales with company number 02366970;
"Existing Ordinary Shares"	means the 59,898,927 Ordinary Shares in issue as at the date of this document;
"Form of Proxy"	the form of proxy enclosed with this document for use by holders of Existing Ordinary Shares at the General Meeting;
"FSA"	the Financial Services Authority;
"FSMA"	the Financial Services and Markets Act 2000, as amended;
"General Meeting" or "GM"	the general meeting of the Company to be held on 23 February 2011, notice of which is set out at the end of this document, and any adjournment thereof;
"GlaxoSmithKline"	GlaxoSmithKline plc, a company registered in England and Wales with company number 3888792;
"Group"	the Company and its subsidiaries;
"HMRC"	HM Revenue & Customs;
"HSBC"	HSBC Bank plc, a company registered in England and Wales with company number 00014259;
"KPMG"	KPMG Audit Plc, a company registered in England and Wales with company number 03110745;
"London Stock Exchange"	London Stock Exchange plc;
"Magnox"	Magnox Electric Limited, a company registered in England and Wales with company number 06005218;
"Marks and Spencer"	Marks and Spencer P.L.C., a company registered in England and Wales with company number 00214436;
"Mothersill Engineering"	Mothersill Engineering Limited, a company registered in England and Wales with company number 6606705;
"National Grid"	National Grid plc, a company registered in England and Wales with company number 4031152;
"Network Rail"	Network Rail Infrastructure Limited, a company registered in England and Wales with company number 02904587;
"Notice"	the notice of GM set out at the end of this document;
"NWL"	Northumbrian Water Limited, a company registered in England and Wales with company number 02366705;

"Official List"	the official list of the FSA;
"Ordinary Shares"	ordinary shares of ten pence each in the capital of the Company;
"P.P.S. Electrical"	P.P.S. Electrical Limited, a company registered in England and Wales with company number 02996150;
"Prospectus Rules"	the prospectus rules published by the FSA from time to time for the purposes of Part VI of FSMA in relation to offers of securities to the public and admission of securities to trading on a regulated exchange;
"Resolution"	the resolution to approve the Acquisition, to be proposed at the General Meeting and as set out in the Notice;
"Schemes"	The Renew Holdings 2004 Executive Share Option Scheme, including both the "Approved Scheme" and the "Unapproved Scheme";
"Scottish and Southern Energy" or "SSE"	Scottish and Southern Energy PLC, a company registered in Scotland with company number 117119;
"Scottish Power"	Scottish Power Limited, a company registered in Scotland with company number 193794;
"Seymour"	Seymour (Civil Engineering Contractors) Ltd, a company registered in England and Wales with company number 01374637;
"Shareholder"	a holder of an Ordinary Share;
"Shepley Engineers"	Shepley Engineers Limited, a company registered in England and Wales with company number 02926871;
"Southern"	Southern Railway Limited, a company registered in England and Wales with company number 06574965;
"Specialist Building"	the specialist building business segment of the Group;
"Specialist Engineering"	the specialist engineering business segment of the Group;
"Takeover Code"	the City Code on Takeovers and Mergers;
"Tesco"	Tesco plc, a company registered in England and Wales with company number 00445790;
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"Vendors"	together, Endless Fund II A LP, Endless Fund II B LP, Ian Swire, David Jackson, Richard Instone, Mark Turner, Daniel Toffolo and Peter Brown;
"VHE"	VHE Construction plc, a company registered in England and Wales with company number 145718;
"Walter Lilly"	Walter Lilly & Co. Limited, a company registered in England and Wales with company number 00352437;
"Warrantors"	those persons giving warranties to the Company under the Acquisition Agreement, being Ian Swire, David Jackson, Richard Instone, Mark Turner, Daniel Toffolo and Peter Brown;
"Warranty Deed"	the deed dated 1 February 2011 and entered into between the Warrantors and the Company pursuant to which the Warrantors give warranties to the Company in relation to Amco;
"YJLI"	YJL Infrastructure Limited, a company registered in England and Wales with company number 00649330.

PART I

LETTER FROM THE CHAIRMAN

Renew Holdings plc

Directors:

Roy Harrison OBE (Chairman)
Brian May (Chief Executive)
John Samuel FCA (Group Finance Director)
John Bishop FCA (Non-executive Director)

Registered Office:

Yew Trees
Main Street North
Aberford
West Yorkshire
LS25 3AA
(Incorporated and Registered in England and Wales with No. 00650447)

2 February 2011

Dear Shareholder

Proposed Acquisition of Amco Group Holdings Limited
Application for Admission of Ordinary Shares to trading on AIM
and
Notice of General Meeting

1. INTRODUCTION

The Board has today announced that it has reached an agreement (subject to Shareholder approval) to purchase the entire issued share capital of Amco for a cash consideration of £26.9 million. The acquisition will be funded by a new £15 million term loan from HSBC and £5.7 million out of existing cash reserves, with the balance of £6.2 million being self-funding. A more detailed breakdown of the consideration is set out in paragraph 2.1 below.

Amco is a specialist engineering business focused on the energy and rail markets. The Board believes that the Acquisition will complement and enhance Renew's existing Specialist Engineering activities and the Group's overall reported operating margin; and is also in line with the Board's established strategy of growing Renew's Specialist Engineering business.

In view of the size of Amco in relation to Renew, under Rule 14 of the AIM Rules, the Acquisition will constitute a reverse takeover for Renew and, accordingly, it is conditional on the approval of Shareholders. Such approval is being sought at the General Meeting to be held on Wednesday 23 February 2011, notice of which is set out at the end of this document.

The purpose of this document is to: (i) provide you with information about Renew and Amco; (ii) explain why the Board considers that the Acquisition is in the best interests of the Company and its Shareholders as a whole; and (iii) convene the General Meeting to approve the Acquisition. This document also contains the Directors' unanimous recommendation that you vote in favour of the Resolution.

This document comprises an admission document in respect of the Enlarged Group prepared in accordance with the AIM Rules.

2. THE ACQUISITION

2.1 Overview

Pursuant to the terms of the Acquisition, Renew will acquire the entire issued ordinary share capital of Amco for £26.9 million comprising (i) initial consideration of £19.8 million plus (ii) compensation for locked box profits of £0.9 million and (iii) deferred consideration of £6.2 million. The initial consideration and compensation for locked box profits will be funded by a £15 million term loan from HSBC and £5.7

million of existing Renew cash reserves. The deferred consideration will be funded by the payment to the Vendor upon receipt by Amco of £4.6 million owed to Amco by other companies owned by the Vendors and the transfer of an Amco Group property valued at £1.6 million to another company owned by the Vendors.

The Acquisition constitutes a reverse takeover under the AIM Rules and is therefore dependent upon the approval of Shareholders being given at the General Meeting. The Acquisition Agreement is, therefore, conditional, *inter alia*, upon the passing of the Resolution. The Company has the right to rescind the Acquisition Agreement if a material adverse change occurs in relation to the assets or financial position of Amco prior to completion of the Acquisition and such change has caused or would cause a reduction in the value of the shares in Amco by 25 per cent. or more.

The Acquisition Agreement contains a variety of restrictive covenants from the Warrantors. The Warranty Deed contains certain warranties from the Warrantors in relation to Amco and its business. The other Vendors are giving warranties only as to their respective ownership of their shares in the capital of Amco. All warranties given by the Warrantors in the Warranty Deed are given on a joint and several basis and are subject to an aggregate financial cap of £7.5 million, with each Warrantor's liability being capped at his pro-rated share of £7.5 million.

Further details of the Acquisition Agreement and the Warranty Deed are set out in paragraph 15.1 of Part VIII of the document.

2.2 Financial effects of the Acquisition

An unaudited pro forma statement of consolidated net assets of the Enlarged Group, prepared for illustrative purposes only, showing the effect of the Acquisition is set out in Part VII of this document.

2.3 Benefits of the Acquisition for Shareholders

The Directors believe that the activities of Renew and Amco are complementary and that the Acquisition will be earnings enhancing for Shareholders. Furthermore, the Directors believe that:

- Amco operates as a specialist engineering business primarily in the rail and energy markets. Renew is already present in both of these markets and the acquisition of Amco will enable Renew to increase and broaden the scale of its operations, as well as adding to the range of services that the Enlarged Group can provide to its customers.
- Amco's activities in each of the rail and energy markets do not compete with the current activities of Renew.
- Historically, the margins earned by Amco have been higher than the average margins earned by Renew and the Board expects that the Acquisition will lead to an increase in the average margins achieved.
- Amco has historically not required material cash for either working capital or capital expenditure requirements. As a result, the Board expects that the activities of the Enlarged Group will be cash generative.
- The acquisition of Amco is firmly in line with the Group's stated strategy of growing its Specialist Engineering business. As a result of the Acquisition, in excess of 50 per cent. of revenue of the Enlarged Group will be derived from Specialist Engineering.
- The Acquisition will enable Renew to deploy part of its available cash reserves into an earnings enhancing acquisition.

3. INFORMATION RELATING TO RENEW

Renew is a specialist engineering and construction business with its operations based in the UK. In the year ended 30 September 2010, the Group had a turnover of £290.4m and a profit before tax of £4.0 million.

Renew's activities are concentrated in two business streams, Specialist Engineering and Specialist

Building. In Specialist Engineering, work is undertaken in the nuclear, water, rail and land remediation markets. In Specialist Building, activity is focussed on new build social housing, science and education, restoration and refurbishment, and retail. Further information on Renew is set out in Part II of this document.

4. INFORMATION RELATING TO AMCO

Amco is a specialist engineering business operating in the rail and energy markets. Amco provides an integrated service from feasibility, budget and design through to installation, commissioning and maintenance. In the nine months ended 30 September 2010, Amco's turnover was £59.8 million and its profit before tax was £4.2 million. Further information on Amco is set out in Part III of this document.

5. FINANCIAL INFORMATION ON THE ENLARGED GROUP

Copies of each of the 2008, 2009 and 2010 annual reports and accounts of the Company for the three years ended 30 September 2010 have been delivered to the Registrar of Companies and can also be obtained from the Company's website, www.renewholdings.com.

At 30 September 2010, the Amco Group is headed by Amco Group Holdings Limited. The immediate subsidiary of Amco Group Holdings Limited is Amco Group Limited, a holding company which has 100 per cent. shareholdings in Amalgamated Construction Limited, Amco Rail Limited and Amco Rail Engineering Limited.

Amco Group Holdings Limited was incorporated on 24 November 2008 and acquired Amco Group Limited on 22 February 2009.

As a result of Amco Group Holdings Limited not having control of the Amco Group prior to 22 February 2009, and not being in existence prior to 24 November 2008, the financial information for the Amco Group for all periods prior to and up to 22 February 2009 has been has been prepared by aggregating historic financial information for each of the businesses that formed part of the Amco Group during the historic period to this date.

From 22 February 2009, being the date that Amco Group Holdings Limited purchased Amco Group Limited, the financial information of the Amco Group consolidates that of Amco Group Holdings Limited and its subsidiaries.

The Amco Group financial information is for the financial years ended 31 December 2007, 2008 and 2009, the nine month period ended 30 September 2010 and the comparative nine month period ended 30 September 2009 and is presented in Part VI of this document.

An unaudited pro forma statement of consolidated net assets of the Enlarged Group, prepared for illustrative purposes only, showing the effect of the Acquisition is set out in Part VII of this document.

6. STRATEGY OF THE ENLARGED GROUP

It is the Board's intention to continue with the strategy of seeking to increase revenue in Specialist Engineering, both organically and by acquisition. In Specialist Engineering, the Group seeks to exploit its specialist skills in a range of industries which offer sustainable earnings opportunities and have high barriers to entry.

In Specialist Building, the Group's focus will remain on selectively accessing opportunities in targeted markets where the Group has knowledge and experience both of its clients and of similar projects.

7. CURRENT TRADING AND PROSPECTS

On 23 November 2010 the Group published its preliminary results for the year ended 30 September 2010.

On 26 January 2011 the Group released an AGM Statement which is set out below:

"Trading for the first quarter of the year has been satisfactory. The order book at 31 December 2010, not including the potential benefits from framework agreements or preferred bidder situations, remained strong at £283 million (31 Dec 2009: £200 million).

In Specialist Engineering, the Board is pleased to note continued success and confirms that Seymour (Civil Engineering Contractors) Limited ("Seymour"), Renew's principal operating subsidiary in the Water sector, has been appointed as a framework contractor by Northumbrian Water Limited ("NWL") for its future investment programme under AMP 5.

This programme will provide the opportunity to the selected contractors and consultants to win work to an estimated total value of £1.5 billion. The new framework agreement will come into effect from 1 April 2011 and last for up to ten years.

This appointment provides Seymour with a successful continuation of their long relationship with NWL, for whom they have worked under all 4 of the previous AMP programmes.

Renew remains debt free with available cash resources and, at 31 December 2010, the Group's net cash balance was in excess of £20 million.

The Group's interim results will be announced on Tuesday 24 May 2011."

Nothing in this document is intended to be a profit forecast and the statements in this document should not be interpreted to mean that the earnings per share for the current or future financial periods will necessarily be greater than those for the relevant preceding financial period.

8. DIRECTORS

The Board will remain unchanged as a result of the Acquisition and will therefore continue to comprise the following:

Roy Harrison OBE (Non-executive Chairman) (Age 63)

Roy was appointed to the Board as a Non-executive Director in November 2003. He was subsequently appointed executive Chairman in March 2004 before reverting to Non-executive Chairman with effect from 1 October 2005.

Roy is a former chief executive of the Tarmac Group and a former non-executive director of BSS Group Plc. He has a number of investing director positions in private construction materials companies. Roy is also governor and chairman of a number of City Academies.

John Bishop (Non-executive Director) (Age 65)

John joined the Board as a Non-executive Director in October 2006. John is a Chartered Accountant with over 20 years' public limited company experience at main board level. Before retiring in 2005, John spent 12 years at Morgan Sindall Plc as development director and latterly as finance director. John is a non-executive director of Beagle Aircraft Limited.

Brian May (Chief Executive Officer) (Age 59)

Appointed to the Board as Chief Executive Officer in June 2005, Brian is a chartered civil engineer who has held a number of senior positions in Tarmac and Mowlem plc before becoming chief executive of Laing Construction plc and more latterly HBG Construction Ltd.

John Samuel (Group Finance Director) (Age 54)

John qualified as a chartered accountant in 1981 with Deloitte, Haskins & Sells before serving as a partner with Baker Tilly from 1987 until 1991. John held a number of public company finance director positions before joining Renew in May 2006 as Group Finance Director.

9. CORPORATE GOVERNANCE

The importance of sound corporate governance is recognised by the Board and, as such, the Board has established several committees, including Remuneration, Audit and Nominations Committees to which it delegates clearly defined powers and carefully drafted terms of reference.

The Audit Committee consists of John Bishop and Roy Harrison and considers the adequacy and effectiveness of the risk management and control systems of the Group and reports the results to the Board.

The Remuneration Committee, which compromises Roy Harrison and John Bishop, determines and agrees with the Board the framework and policy for executive remuneration packages.

The Nominations Committee, which comprises the entire Board, monitors the composition of the Board and recommends the appointment of new directors.

During the financial year ended 30 September 2010, the Group has fully complied with the relevant provisions of the Combined Code 2003 ("Code") and the Turnbull guidance, save that, as the Company has had only one independent non-executive director within the meaning of the Code appointed to the Board (Roy Harrison's previous role as an executive director prevents him from being considered as independent), it has not been compliant with the requirement of the Code that more than half of the Board should be comprised of independent non-executive directors.

10. CREST

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles contain provisions concerning the transfer of shares which are consistent with the transfer of shares in dematerialised form under the CREST Regulations. Accordingly, settlement of transactions in the Ordinary Shares following Admission may continue to take place within the CREST system if Shareholders so wish. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

11. DIVIDEND POLICY

The Group has a progressive dividend policy and has maintained a dividend of 3p per share for the last three years. The Board intends to continue to pursue this policy, subject to the Group's future profitability and cash resources.

12. TAXATION

General information relating to UK taxation with regards to Admission is summarised in paragraph 11 of Part VIII of this document.

13. CANCELLATION AND RE-ADMISSION TO AIM AND DEALINGS

The Acquisition constitutes a reverse takeover under the AIM Rules and is therefore dependent upon the approval by Shareholders of the Resolution being proposed at the General Meeting, details of which are set out in paragraph 14 below. If the Resolution is duly passed at the General Meeting, the admission of the Company's Ordinary Shares to trading on AIM will be cancelled (immediately prior to Admission) and the Ordinary Shares will be re-admitted to trading on AIM. Application will be made to the London Stock Exchange for the Existing Ordinary Shares to be re-admitted to trading on AIM. Admission of the Ordinary Shares to trading on AIM is expected to take place on or around 25 February 2011.

14. GENERAL MEETING

The General Meeting has been convened for 10 a.m. on 23 February 2011 at the offices of DLA Piper UK LLP, Princes Exchange, Princes Square Leeds LS1 4BY. You will find set out at the end of this document the Notice of GM, convening the GM for the purpose of considering and, if thought fit, approving the Resolution.

15. IRREVOCABLE UNDERTAKINGS

Renew has received irrevocable undertakings to vote in favour of the Resolution at the General Meeting from those Directors who hold Ordinary Shares in respect of their entire holdings of Ordinary Shares, amounting, in aggregate, to 635,000 Ordinary Shares and representing approximately 1.1 per cent. of the Existing Ordinary Shares. In addition, Renew has also received an irrevocable undertaking to vote in favour of the Resolution at the General Meeting from Gartmore Investment Limited in respect of 10,055,222 Ordinary Shares and representing approximately 16.8 per cent. of the Existing Ordinary Shares. Accordingly, in total, Renew has received irrevocable undertakings to vote in favour of the Resolution at the General Meeting from Shareholders in respect of 10,690,222 Ordinary Shares and representing approximately 17.85 per cent. of the Existing Ordinary Shares.

Further details of the irrevocable undertakings received are set out in paragraph 5 of Part VIII of this document.

16. ACTION TO BE TAKEN

You will find enclosed with this document a Form of Proxy for use in connection with the General Meeting. Whether or not you intend to be present at the General Meeting, you are asked to complete the Form of Proxy in accordance with the instructions printed on it so as to be received by Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BK3 4TU, as soon as possible but in any event not later than 10 a.m. on 21 February 2011. Completion of the Form of Proxy will not preclude you from attending and voting at the General Meeting should you so wish.

17. RISK FACTORS

Shareholders should consider carefully the risk factors set out in Part IV of this document in addition to the other information provided.

18. FURTHER INFORMATION

Your attention is drawn to Parts II, III and VIII of this document which contain further information about Renew and Amco.

19. RECOMMENDATIONS

The Directors consider that the Acquisition is in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favour of the Resolution to be proposed at the General Meeting as they have irrevocably undertaken to do in respect of their own beneficial holdings, amounting, in aggregate, to 635,000 Ordinary Shares, representing approximately 1.1 per cent. of the Existing Ordinary Shares.

Yours faithfully,

R J Harrison OBE
Chairman

PART II

INFORMATION ON RENEW

1. INTRODUCTION

Renew is based in the UK and delivers specialist engineering and construction services through its branded businesses, which trade under established and well-respected brand names, operating in robust and sustainable markets.

The Group's activities are focused into two business streams: Specialist Engineering and Specialist Building. The Specialist Engineering markets in which the Group operates offer higher margins than Specialist Building markets and engage Renew's skilled workforce in industries which are mainly governed by regulation. Renew's skills are principally applied to the nuclear, water, land remediation and rail industries.

In Specialist Building, the Group targets markets appropriate to its skills and experience with contract selectivity part of a rigorous risk management approach. Currently the principal target markets are new build social housing, restoration and refurbishment (high quality residential), science and education, and retail.

2. HISTORY & BACKGROUND

Renew was founded originally as YJ Lovell Limited in 1960, was listed on the Official List in 1968 and became a public limited company in 1982. In the late 1990s the Group reorganised its activities substantially, selling various businesses and acquiring four companies, Allenbuild, Britannia, VHE and Shepley Engineers. On 29 October 2001, the Company transferred its listing from the Official List to AIM.

Following the appointment of Roy Harrison as Chairman in 2004 and of Brian May as Chief Executive in 2005, the Group was renamed Renew Holdings plc.

Renew's current strategy was established in 2006 and, in July of that year, the Group made its first acquisition since the appointment of Brian May, being that of P.P.S. Electrical, a specialist mechanical and electrical engineering business which works almost exclusively in the nuclear sector.

In 2007, Renew further developed its Specialist Engineering business by acquiring Seymour, an engineering services company specialising in the water industry and, in 2008 added further to this area of expertise with the acquisition by Seymour of C&A Pumps. In 2009, the Group made its latest Specialist Engineering acquisition by acquiring the business and assets of Mothersill Engineering, a specialist machining engineering business working almost exclusively in the nuclear industry.

Today, the Group is organised into two business streams: Specialist Engineering, with expertise in nuclear, rail, land remediation and water, through its subsidiaries Shepley Engineers, YJLI, VHE and Seymour; and Specialist Building, incorporating social housing, science and education, restoration and refurbishment (high quality residential) and retail, through its subsidiaries Allenbuild, Walter Lilly and Britannia.

3. OVERVIEW OF ACTIVITIES

3.1 Specialist Engineering

The Specialist Engineering markets in which the Group operates offer higher margins than the Specialist Building markets and engage its skilled workforce in industries which are mainly governed by regulation. Consequently, the Specialist Engineering activities have greater security of funding and more predictable work streams.

Although it may be several months before the detail of the Government's comprehensive spending review is finalised, its impact on the activities of the Group is expected to be limited. In the Specialist Engineering business, the nuclear budget has been reconfirmed. In the rail sector, where the Group operates primarily in the Greater London area, the Government remains committed to the maintenance and development of the rail and underground networks. The water activities are not expected to be materially affected by the comprehensive spending review. In the year ended 30 September 2010, the Group generated revenues of £127.4 million and operating profit of £4.2 million from Specialist Engineering.

3.1.1 Nuclear

Specialist Engineering within the nuclear sector is delivered through Shepley Engineers, a major mechanical and electrical contractor and project manager, and its subsidiaries.

Shepley Engineers' work at Sellafield, Springfield, Capenhurst, Chapelcross and Drigg licensed nuclear sites is split between operational asset support and the decommissioning and demolition of redundant facilities. Shepley Engineers has over 50 years experience on the Sellafield site and operates there as a contractor under a number of framework agreements. Additionally, Shepley Engineers has secured packages of work within various ongoing project programmes at the site. The majority of Shepley Engineers' work is undertaken on the Sellafield nuclear site, where they concentrate on high hazard programmes which carry sustainable funding.

3.1.2 Water

Seymour has extensive expertise in water infrastructure development and maintenance, flood alleviation, sea defences, land reclamation and other infrastructure services. Seymour's principal client is NWL, which has recently reappointed Seymour as a framework contractor to their AMP5 programme. Seymour has worked for NWL under all four of the previous AMP programmes and for over 20 years.

C&A specialises in mechanical & electrical installations and maintenance, pump sales and service for the water sector.

3.1.3 Land Remediation

VHE has over 20 years experience in the remediation of contaminated land, earthworks and highway infrastructure in the United Kingdom for clients such as National Grid, with which VHE has a framework agreement. Recent years have seen an increasing need for the development of brownfield sites and VHE continues to deliver a number of remediation projects under Part 2A of the Environmental Act. VHE is currently working with Cardiff Council on two separate projects involving over 50 individual domestic properties.

3.1.4 Rail

Based in London, YJLI delivers rail infrastructure projects for clients such as Network Rail, London Underground and Southern. Renew's principal market in the rail sector is within London and the Home Counties, where there are over 700 stations and 30 train maintenance depots. Security of funding for rail projects is more certain in this area following the Government's comprehensive spending review and subsequent announcements from the Mayor of London, which underpin the Board's view that the rail market will continue to offer opportunities.

3.2 Specialist Building

In Specialist Building, the Group targets markets appropriate to its skills and experience, with contract selectivity part of a rigorous risk management approach. This business stream has been impacted by the economic recession over the last two years, and during 2010 revenue reduced by 19.4 per cent. to £163.1 million and operating margins stabilised at 1.1 per cent. (£1.8 million).

In Social Housing, the Government has retained its ambition to construct 150,000 new build social housing units per annum. The lifting of the rent cap is expected to liberate the financial constraints under which several of the Housing Associations operate and it is expected that the demand for new build social housing in the South East, which is the only geographic area in which Renew carries out this activity, will continue.

The other markets which Renew targets in Specialist Building are largely privately financed, other than some school programmes within the science and education markets. The Group's exposure to the public sector in this area is already limited and the Board does not foresee a material impact on operations.

3.2.1 Social Housing

Renew's new build social housing capability is predominantly delivered by Allenbuild in the South East of England through 8 framework agreements in social housing with clients such as Genesis Housing, One Housing Group, Housing 21 and Notting Hill Housing.

3.2.2 Restoration & Refurbishment (High Quality Residential)

The Group's activity in the restoration and refurbishment sector has transitioned over the last two years to concentrate almost exclusively on the high quality residential market in London. Walter Lilly remains a major contractor for consultants in this sector, which is primarily funded by wealthy private individuals and long established London freehold estates. Walter Lilly is experienced in the provision of substantial temporary works which proves invaluable for the complex nature and locations of a large number of its projects. Walter Lilly also has particular skills in providing innovative solutions for extending properties underground, which is a requirement for many major residential refurbishment projects in London.

3.2.3 Science & Education

Many companies within the Group are highly experienced in delivering a range of science and education projects nationwide with longstanding clients including DEFRA, GlaxoSmithKline and Imperial College.

In 2010, Renew secured the £45.0 million contract to build new a campus for Kirklees College in Huddersfield, part of the Kirklees Council Waterfront Quarter development.

3.2.4 Retail

Retail projects are mainly undertaken by the Britannia business, for clients such as Tesco.

4. KEY STRENGTHS

The Directors believe the Group has many key strengths that are important to the future development and growth of the Enlarged Group:

4.1 Specialist expertise of businesses within the Group

Many of the businesses within the Group have specialist expertise allowing it to target particular markets which require experience and capabilities others have difficulty in replicating.

4.2 Strong Board and management team with significant industry experience

Renew has a strong Board and management team with extensive experience in the engineering and construction industries.

4.3 Local knowledge and strong relationships through the businesses within their region

Renew's subsidiaries trade under their own brand names and have been established in their markets and localities for many years. A substantial proportion of the Group's revenue is derived from repeat clients.

4.4 Robust and sustainable markets

In Specialist Engineering, the Group focuses on markets which are not dependent on large capital programmes, but which have regular workflows incorporating non-discretionary spend characteristics, in turn offering sustainable earnings. In Specialist Building, the Group targets markets which have secure funding and ongoing investment requirements.

4.5 Quality of earnings

The Group maintains a rigorous risk management process which operates from initial client enquiry throughout the contract, including post contract client satisfaction procedures. Key performance indicators include high levels of repeat client work and work obtained within the Group's specialist target markets. These policies combine to reduce risk and enhance the quality of earnings.

5. FINANCIAL INFORMATION

For the year ended 30 September 2010, Renew generated revenue of £290.4 million. For the same period, Renew made a profit before tax of £4.0 million producing a net profit for the year of £2.7 million.

As at 30 September 2010, Renew's net cash balances stood at approximately £16.2 million.

6. CURRENT TRADING

On 23 November 2010 the Group published its preliminary results for the year ended 30 September 2010. On 26 January 2011 the Group released an AGM Statement which is set out below:

"Trading for the first quarter of the year has been satisfactory. The order book at 31 December 2010, not including the potential benefits from framework agreements or preferred bidder situations, remained strong at £283 million (31 Dec 2009: £200 million).

In Specialist Engineering, the Board is pleased to note continued success and confirms that Seymour (Civil Engineering Contractors) Limited ("Seymour"), Renew's principal operating subsidiary in the Water sector, has been appointed as a framework contractor by Northumbrian Water Limited ("NWL") for its future investment programme under AMP 5.

This programme will provide the opportunity to the selected contractors and consultants to win work to an estimated total value of £1.5 billion. The new framework agreement will come into effect from 1 April 2011 and last for up to ten years.

This appointment provides Seymour with a successful continuation of their long relationship with NWL, for whom they have worked under all 4 of the previous AMP programmes.

Renew remains debt free with available cash resources and, at 31 December 2010, the Group's net cash balance was in excess of £20 million.

The Group's interim results will be announced on Tuesday 24 May 2011."

Nothing in this document is intended to be a profit forecast and the statements in this document should not be interpreted to mean that the earnings per share for the current or future financial periods will necessarily be greater than those for the relevant preceding financial period.

PART III

INFORMATION ON AMCO

1. INTRODUCTION

Amco is a specialist engineering company operating in the rail, energy, and engineering markets. The company provides an integrated service from feasibility, budget and design through to installation, commissioning and maintenance.

The business delivers through dedicated, service-focused business units retaining the specialist skills required for the particular needs of the markets in which it operates.

2. HISTORY & BACKGROUND

Formed in 1970, operating under the name of Amalgamated Construction Limited, Amco was originally an underground contractor in the UK coal industry, working on tunnelling, roadways and shafts. As the UK coal industry diminished in the 1980s and 1990s, emphasis shifted to new markets. From the early part of this century, Amco has worked primarily in the rail and engineering sectors (civil, mechanical and electrical) with an emerging energy business developed through its engineering operations.

By 2008, following a management buyout, Amco was established as a multi-discipline specialist engineering company operating in the rail, energy and engineering markets and serving a growing client base across both the public and private sectors. Amco's business activities are focused on markets and services where it can continue the profitable growth profile achieved over recent years and are balanced between asset creation, renewal and maintenance.

Amco continues to focus on securing long term frameworks with customers including Network Rail, Magnox, E-on, Scottish Power, Scottish and Southern Energy, and the Environment Agency. Current business activities are now focused on the rail sector, which accounts for approximately 52 per cent. of turnover, and the energy and engineering sectors which account for the balance.

3. KEY STRENGTHS

The Renew Board considers Amco's key strengths to be as follows:

- Delivery of multi disciplinary rail and engineering projects.
- A number of long standing client relationships, including framework positions.
- Strong in-house engineering skills and specialist resources.
- Large multi-skilled directly employed workforce.
- Work focused primarily in infrastructure markets backed by government spend.
- Operating within both defensible and growth markets – strong underlying rail and energy and specialist engineering market dynamics.
- Track record of profitability.
- Comprehensive range of services offered including feasibility and solution development, design, procurement, design management, design and construct, installation, commissioning and operation & maintenance.
- Exposure to the growing alternative fuel and renewable energy markets with significant investment expected to achieve the EU requirement for 20 per cent. of energy to come from renewable sources by 2020.

4. OVERVIEW OF ACTIVITIES

The Amco business is active in three specialist engineering markets being rail, energy and engineering:

4.1 Rail

Services to the rail sector, provided through Amco Rail, encompass civil engineering, building and mechanical & electrical engineering services to Network Rail and other rail clients nationally across the rail network. This business stream, with turnover in excess of £40 million, is underpinned by framework contracts for civil infrastructure repair and asset management works.

The rail business is focused on off-track civil engineering works, tunnel and shaft refurbishment, bridge and structures renewal and maintenance, station refurbishment, the renewal, maintenance and installation of mechanical and electrical plant, along with the delivery of a wide range of planned and reactive maintenance services.

Amco Rail has been operating for over 12 years and is principally aligned with certain of the Network Rail territories, namely London North East ("LNE"), London North West ("LNW") and Western. Amco Rail is a contractor in both rail minor works and traditional rail project delivery with over 350 dedicated rail staff and operatives. Framework agreements are currently held in respect of the LNE, LNW and Western regions.

4.2 Energy

Services to the energy sector encompass maintenance, refurbishment and new build, covering mechanical, electrical and civil engineering disciplines to power transmission, distribution and generation clients in the nuclear, fossil fuels and renewable sectors. Key customers include E-On, Magnox, National Grid, EDF Energy, SSE, Scottish Power, British Energy and specialist contractors serving those sectors.

In 2009, Amco was awarded two seven year framework contracts by E-On for electrical maintenance at Ratcliffe and Connah's Quay power stations. It was also awarded an engineering services framework for Scottish Power over three years.

In 2010, framework agreements were renewed with Magnox (electrical maintenance), Scottish and Southern Energy (civil engineering) and Eggborough Power (electrical and civil engineering).

Services are generally provided under long term framework agreements resulting in protracted relationships with customers and a predictable annual revenue flow. Small capital projects are regularly negotiated or tendered with these customers. Amco Energy is currently working in, or has recently worked on 12 of the UK's coal, gas and nuclear power stations, offering Amco significant cross-selling opportunities for its other services.

4.3 Engineering

Amco's engineering business encompasses mechanical, electrical and civil engineering services ranging from new build to renewal and maintenance for clients predominantly in the environmental, utilities, industrial and waterways sectors. In-house skills include design, installation, repair and maintenance of moving structures, bridges, lock gates and flood defence works. It also retains the knowledge of its mining heritage to undertake the repair and maintenance of underground installations for mining customers and has continued to utilise and develop this particular skill set to provide specialist engineering solutions to a new range of customers.

Amco Engineering also provides services to larger scale projects which require multi-discipline and design & construct services. In the energy, process, utilities and specialist civil engineering market it can add significant value to complex and challenging schemes.

Amco Engineering holds a number of regional framework contracts with the Environment Agency for both civil engineering and mechanical and electrical engineering works. All work with the exception of one repeat Norwegian mine services contract is undertaken in the UK.

5. FINANCIAL INFORMATION

For the nine month period ended 30 September 2010, Amco generated revenue of £59.8 million and made a profit before tax of £4.2 million.

6. CURRENT TRADING

There has been no material change to the financial position, trading or prospects of Amco since 30 September 2010, being the date of the last audited accounts.

PART IV

RISK FACTORS

Prior to making any decision to vote in favour of the proposed Resolution, Shareholders should carefully consider, together with the other information in this document, the specific risks described below. Investing in the Ordinary Shares may be subject to a number of risks.

If any of the following risks relating to the Enlarged Group were to materialise, the Enlarged Group's business, financial condition and results of future operations could be materially adversely affected. In such cases, the market price of the Ordinary Shares could decline and an investor may lose part or all of his, her or its investment.

The information below does not purport to be an exhaustive list. Additional risks and uncertainty not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the Company or the Enlarged Group. In addition to the usual risks associated with an investment in a company, the Directors consider the following risk factors to be significant to potential investors:

1. RISKS RELATING TO THE COMPLETION OF THE ACQUISITION

1.1 Failure to complete the Acquisition:

Completion of the Acquisition remains subject to Shareholders' approval of the Acquisition at the General Meeting. If Shareholders do not approve the Acquisition at the General Meeting, the Acquisition will not complete. If the Acquisition does not complete, Renew would nonetheless be obliged to pay approximately £1.0 million of costs (primarily due diligence and advisory fees) incurred in connection with the Acquisition. Failure to complete the Acquisition may adversely affect the trading price of the Ordinary Shares.

1.2 Adverse change in the financial condition of Amco prior to completion of the Acquisition:

Renew has limited rights to terminate the Acquisition Agreement in the period between exchange and completion of the Acquisition. Completion is expected to occur on 24 February 2011. Until completion, Renew will not own Amco and it is possible that there could be a material adverse event affecting Amco which would not give rise to a right for Renew to terminate the Acquisition Agreement. This could have an adverse effect on the business, financial condition and operating results of the Enlarged Group.

2. RISKS RELATING TO THE ENLARGED GROUP AND ITS BUSINESS

2.1 Management stretch

The Acquisition will continue to require significant management focus until the integration has been successfully completed. Expansion and change can place significant additional work on management and employees. The continued success of the Enlarged Group will depend on its ability to successfully manage this expansion and change.

2.2 Reliance on key customers

A large proportion of the revenue earned by the Enlarged Group is derived from a relatively small number of key customers, many of whom contract with the Enlarged Group on a non-exclusive basis. In particular, a significant amount of Amco's turnover is derived from Network Rail. A number of the Enlarged Group's key contracts can be terminated at short notice by the relevant customer on a change of control of the company. Loss of turnover from any one of its top customers (either as a result of external factors, such as mergers and acquisitions industry, or other factors such as performance on contracts) and/or expiry or termination without renewal of its major customer contracts could adversely affect the Enlarged Group's business and results.

2.3 Competitive environment

The Directors intend to continue to invest in the growth opportunities that they perceive to exist in the markets the Enlarged Group operates in. However, the Enlarged Group may face significant competition, including from domestic and overseas competitors which have greater capital and other resources and superior brand recognition than the Enlarged Group and which may be able to provide better services, adopt more aggressive pricing policies or pay higher prices to acquire businesses. There is no assurance that the Enlarged Group will be able to compete successfully in such environment.

2.4 Dependence on key executives and personnel

The Enlarged Group's future success is substantially dependent on retaining and incentivising its senior management and certain key employees. The loss of the services of key personnel could have an adverse impact on the Enlarged Group's business and relationships. Such key employees could leave the Enlarged Group for a variety of reasons, including leaving to work for one of the Enlarged Group's competitors.

3. RISKS RELATING TO THE ORDINARY SHARES

3.1 Liquidity of Ordinary Shares

Admission to AIM should not be taken as implying that a liquid market for the Ordinary Shares will either develop or be sustained following Admission. The liquidity of a securities market is often a function of the volume of the underlying Ordinary Shares that are publicly held by unrelated parties. If a liquid trading market for the Ordinary Shares does not develop, the price of the Ordinary Shares may become more volatile and it may be more difficult to complete a buy or sell order for such Ordinary Shares.

3.2 Official List

The Ordinary Shares will be traded on AIM rather than the Official List. The rules of AIM are less demanding than those of the Official List and an investment in Ordinary Shares traded on AIM may carry a higher risk than an investment in ordinary shares quoted on the Official List. In addition, the market in the Ordinary Shares on AIM may have limited liquidity, making it more difficult for an investor to realise its investment on AIM than to realise an investment in a company whose shares are quoted on the Official List. Investors should therefore be aware that the market price of the Ordinary Shares may be more volatile that that of shares quoted on the Official List, and may not reflect the underlying value of the net assets of the Enlarged Group. Investors may therefore not be able to sell at a price which permits them to recover their original investment.

3.3 Investment Risk

The share price of publically traded companies can be highly volatile and will be influenced by a large number of factors, some specific to the Company and its operations and some which may affect the industry as a whole or quoted companies generally. These factors include those referred to in this Part IV, as well as the Company's financial performance, stock market fluctuations, general economic conditions or changes in political sentiment. Share price volatility arising from such factors may adversely affect the value of an investment in the Ordinary Shares.

4. GENERAL RISKS

4.1 Taxation

Any change in the Company's tax status or in taxation legislation could affect the Company's ability to provide returns to Shareholders or alter post tax returns to Shareholders. Statements in this document concerning the taxation of investors in Ordinary Shares are based on current tax law and practice which is subject to change. The taxation of an investment in the Company depends on the individual circumstances of Shareholders.

4.2 Legislation and compliance

This document has been prepared on the basis of current legislation, rules and practice and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change.

4.3 Forward-looking statements

Certain statements contained in this document may constitute forward-looking statements. Any such forward-looking statements involve risks, uncertainties, and other factors that may cause the actual results, performance or achievements of the Enlarged Group to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are relevant only as of the date of this document. The Enlarged Group and the Directors expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein, save as required to comply with any legal or regulatory obligations to reflect any change in the Board's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

4.4 Dividends

There can be no assurance as to the level of any future dividends. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Shareholders or, in the case of interim dividends, to the discretion of the Directors at the time in question, and will depend upon, among other things, the Enlarged Group's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time.

4.5 Current operating results as an indication of future results

The Enlarged Group's operating results may fluctuate significantly in the future due to a variety of facts many of which are outside of its control. Accordingly, investors should not rely on comparisons with the Enlarged Group's results to date as an indication of future performance of the Enlarged Group. Factors that may affect the Enlarged Group's operating results include a downturn in the UK economy, increased competition, increased level of costs and expenses as it continues to expand its services, increased employment costs as the market in which the Enlarged Group operates improves, slower than expected take up by customers changes to its services and changes to the statutory and regulatory regime in which is operates. It is possible that, in the future, the Enlarged Group's operating results will fall below the expectations of securities analysts and investors. If this occurs, the trading price of the Ordinary Shares may decline significantly.

PART V

FINANCIAL INFORMATION ON RENEW

Incorporation of relevant information by reference

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

No.	Information	Source of Information
1.	Audited financial statements for the latest 3 financial years and the audit report in respect of each such financial year, including dividend per share for each financial year	**Renew annual report for the year ended 30 September 2010** 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. http://www.renewholdings.com/pdf/Renew_AR10.pdf
		Renew annual report for the year ended 30 September 2009 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. http://www.renewholdings.com/pdf/ar2009.pdf
		Renew annual report for the year ended 30 September 2008 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. http://www.renewholdings.com/pdf/ar2008.pdf
2.	Information on the number of employees of Renew as at 30 September 2010 and the average number of employees for the financial year ended 30 September 2010	**Renew annual report for the year ended 30 September 2010** 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. http://www.renewholdings.com/pdf/Renew_AR10.pdf

Renew will send within two Business Days, without charge, to each person to whom a copy of this document has been sent, on their request, a copy of any documents incorporated by reference in Part V of this document. Requests should be addressed to John Samuel at Renew Holdings plc, Yew Trees, Main Street North, Aberford, West Yorkshire LS25 3AA.

PART VI

FINANCIAL INFORMATION ON AMCO GROUP HOLDINGS LIMITED AND ITS SUBSIDIARIES FOR THE THREE YEARS ENDED 31 DECEMBER 2009 AND THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010

The historical financial information for Amco Group Holdings Limited is set out in section A of this Part VI. This financial information comprises information for Amco Group Holdings Limited and subsidiaries for the three years ended 31 December 2009 and the nine month period ended 30 September 2010.

The Directors are required to prepare the financial information in a form consistent with that which will be adopted in the Company's next published annual financial statements having regard to the accounting standards and policies and legislation applicable to such annual financial statements.

In accordance with the legislation applicable within the United Kingdom, the financial information is required to give a true and fair view of the state of affairs of Amco Group Holdings Limited and subsidiaries for that period.

In preparing that financial information, the Directors are required to:

(a) select suitable accounting policies and apply them consistently;

(b) make judgements and estimates that are reasonable and prudent; and

(c) prepare the financial information on the going concern basis unless it is inappropriate to presume that Amco Group Holdings Limited and subsidiaries will continue in business.

Section B of this Part VI sets out a report from KPMG Audit Plc, the Reporting Accountants, required by paragraph (a) or Schedule Two of the AIM Rules and given for the purpose of complying with that paragraph and for no other purpose.

Section A: Financial information relating to Amco Group Holdings Limited

Group income statements

		12 months to 31 December 2007		12 months to 31 December 2008		12 months to 31 December 2009		9 months to 30 September 2009 (unaudited)		9 months to 30 September 2010	
	Note	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Revenue	5		60,963		75,662		67,912		49,643		59,787
Cost of sales		(57,027)		(61,159)		(58,169)		(43,054)		(51,454)	
Gross profit		3,936		14,503		9,743		6,589		8,333	
Administrative expenses		(3,903)	33	(7,587)	6,916	(4,688)	5,055	(3,738)	2,851	(4,362)	3,971
Operating profit pre group overheads			33		10,341		6,662		3,909		4,781
Group overheads	6		–		(3,425)		(1,607)		(1,058)		(810)
Operating profit			33		6,916		5,055		2,851		3,971
Finance costs	10		–		(217)		(105)		(88)		(29)
Other finance income/(charges)	10		4		77		142		–		211
Profit on ordinary activities before taxation	6		37		6,776		5,092		2,763		4,153
Income tax expense	11		(11)		(2,000)		(1,503)		(701)		(1,213)
Profit from continuing operations			26		4,776		3,589		2,062		2,940
Post tax profits from discontinued operations	8		5,027		6,816		439		431		–
Profit for the period attributable to equity holders of the parent company			5,053		11,592		4,028		2,493		2,940
Illustrative EPS (p)	12										
Basic and diluted earnings per share – continuing operations			5.8		1,061.3		797.6		458.2		653.3
Basic and diluted earnings per share – Total operations			1,122.9		2,576.0		895.1		554.0		653.3

Group Statements of Comprehensive Income

	Note	2007 £'000	12 months to 31 December 2008 £'000	2009 £'000	9 months to 30 September 2009 £'000	2010 £'000
Profit for the financial period attributable to equity holders of the parent company		5,053	11,592	4,028	2,493	2,940
Other comprehensive income						
Gain on initial recognition of pension surplus	26	–	238	–	–	–
Actuarial (loss)/gain recognised in the pension schemes	26	–	307	213	–	(28)
Movement on deferred tax relating to defined benefit pension scheme	21	–	(153)	(60)	–	8
Total other comprehensive (expense)/income (net of income tax)		–	392	153	–	(20)
Total comprehensive income for the period attributable to equity holders of the parent company		5,053	11,984	4,181	2,493	2,920

Group balance sheets

	Note	31 December 2007 £'000	31 December 2007 £'000	31 December 2008 £'000	31 December 2008 £'000	31 December 2009 £'000	31 December 2009 £'000	30 September 2010 £'000	30 September 2010 £'000
Assets									
Non-current assets									
Property, plant and equipment	13		1,291		1,279		1,304		1,288
Retirement benefit assets	26		–		1,140		1,989		2,565
Deferred tax assets	21		362		303		249		212
			1,653		2,722		3,542		4,065
Current assets									
Assets held for sale	8	38,301		50,066		–		–	
Inventories	15	29		48		41		34	
Trade and other receivables	16	16,730		15,404		25,103		25,669	
Income tax assets		229		–		–		–	
Cash and cash equivalents	20	242		2,000		1,224		1	
			55,531		67,518		26,368		25,704
Total assets			57,184		70,240		29,910		29,769
Liabilities									
Non-current liabilities									
Interest bearing loans and borrowings	19		–		(2,217)		–		–
Deferred tax liabilities	21		–		(319)		(557)		(718)
			–		(2,536)		(557)		(718)
Current liabilities									
Liabilities held for sale	8	(24,322)		(36,520)		–		–	
Interest bearing loans and borrowings	19	–		(1,270)		(717)		(1,149)	
Obligations under finance leases	19	–		–		–		(50)	
Trade and other payables	18	(17,399)		(13,723)		(14,935)		(18,915)	
Income tax liabilities		–		(1,079)		(469)		(785)	
			(41,721)		(52,592)		(16,121)		(20,899)
Total liabilities			(41,721)		(55,128)		(16,678)		(21,617)
Net assets			15.463		15,112		13,232		8,152
Capital and reserves									
Share capital	23		–		–		450		450
Retained earnings			–		–		12,782		7,702
Invested capital			15,463		15,112		–		–
			15,463		15,112		13,232		8,152

Group statement of cashflows

	Note	12 months to 31 December 2007		12 months to 31 December 2008		12 months to 31 December 2009		9 months to 30 September 2009 (unaudited)		9 months to 30 September 2010	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Operating activities											
Group profit for the period from continuing operations			26		4,776		3,589		2,062		2,940
Adjustments for:											
Depreciation on tangible fixed assets	13		180		104		75		56		52
Current service cost in respect of defined benefit pension scheme			–		(227)		(7)		–		–
Cash contributions to defined benefit pension scheme			–		(639)		(501)		(464)		(393)
Profit on sale of property, plant and equipment	13		(16)		–		–		–		(9)
Income tax expense			11		2,000		1,503		701		1,213
Finance cost			–		217		105		88		29
Finance income			(4)		(77)		(142)		–		211
(Increase)/decrease in inventories			(11)		(19)		7		(17)		7
(Increase)/decrease in trade and other receivables			(4,519)		1,326		(9,699)		(8,321)		(566)
(Increase)/decrease in trade and other payables			4,909		1,028		2,322		1,402		3,560
Interest paid			–		(217)		(105)		(88)		(29)
Income tax paid			(679)		(621)		(1,854)		(1,339)		(692)
Net cash inflow/(outflow) from operating activities			(103)		7,651		(4,707)		(5,920)		6,323
Net cash inflow from operating activities											
Investing activities											
Interest received		4		–		–		–		–	
Purchases of property, plant and equipment	13	(28)		(93)		(99)		(77)		(58)	
Proceeds on disposal of property, plant and equipment		16		1		–		–		30	
Net cash inflow from investing activities			(8)		(92)		(99)		(77)		(28)
Financing activities											
Inception of hire purchase		–		–		–		–		50	
Bank, funding and other loans		–		9,950		–		–		–	
Share capital (issued)/redeemed		–		450		–		–		(8,000)	
Net dividends received		–		–		6,800		5,500		–	
Repayment of interest loans and borrowings		–		(6,467)		(2,767)		(2,450)		(717)	
Acquisition of investment (see below)		–		(9,737)		–		–		–	
Net cash (outflow)/inflow from financing activities			–		(5,804)		4,033		3,050		(8,667)
Net (decrease)/increase in cash and cash equivalents			(111)		1,755		(773)		(2,947)		(2,372)
Cash and cash equivalents at start of period	20		353		242		1,997		1,997		1,224
Cash and cash equivalents at end of period	20		242		1,997		1,224		(950)		(1,148)

Cash flows from discontinuing operations are provided in note 6.

The acquisition of investment of £9,737,000 relates to the acquisition of Amco Group Limited (see note 6).

Group statements of changes in equity

	Invested capital £'000	Share capital £'000	Retained Earnings £'000	Total equity £'000
Balance at 1 January 2007	10,410	–	–	10,410
Total comprehensive income for the period				
Profit for period	5,053	–	–	5,053
Balance at 31 December 2007	15,463	–	–	15,463
Profit for period	11,592	–	–	11,592
Gain on initial recognition of pension surplus	238			238
Actuarial gain recognised in the pension schemes	307			307
Deferred tax on pension movements	(153)			(153)
	11,984			11,984
Transactions recorded directly in equity				
Shares issued on incorporation of Amco Group Limited	450	–	–	450
Invested capital of acquired businesses	(1,330)	–	–	(1,330)
Invested capital of businesses disposed of	(11,455)	–	–	(11,455)
	(12,335)	–	–	(12,335)
Balance at 31 December 2008	15,112	–	–	15,112
Transactions recorded directly into equity				
Invested capital of acquired businesses	(599)	–	–	(599)
Invested capital of businesses disposed of	(2,812)	–	–	(2,812)
Shares issued on incorporation of Amco Group Holdings	450	–	–	450
	(2,961)	–	–	(2,961)
Adjustment for change in basis of preparation (from aggregation to consolidation)	(12,151)	450	8,601	(3,100)
Total comprehensive income for the period				
Profit for the period	–	–	4,028	4,028
Other comprehensive income				
Actuarial gain recognised in the pension schemes	–	–	213	213
Deferred tax on pension movements	–	–	(60)	(60)
Total other comprehensive income for the period	–	–	153	153
Balance at 31 December 2009	–	450	12,782	13,232
Total comprehensive income for the period				
Profit for the period	–	–	2,940	2,940
Other comprehensive income				
Actuarial gain recognised in the pension scheme	–	–	(28)	(28)
Deferred tax on pension movements	–	–	8	8
Total other comprehensive income for the period	–	–	(20)	(20)

Group statements of changes in equity (continued)

	Invested capital £'000	Share capital £'000	Retained Earnings £'000	Total equity £'000
Transactions recorded directly into equity				
Bonus shares issued	–	8,000	(8,000)	–
Repurchase of own shares	–	(8,000)	–	(8,000)
Total contributions by owners	–	–	(8,000)	(8,000)
Balance at 30 September 2010	–	450	7,702	8,152
Reconciliation for the 9 months ended 30 September 2009 (unaudited)				
Balance at 1 January 2009	15,112	–	–	15,112
Transactions recorded directly into equity				
Invested capital of acquired businesses	(599)	–	–	(599)
Invested capital of businesses disposed of	(2,812)	–	–	(2,812)
Shares issued on incorporation of Amco Group Holdings	450	–	–	450
	(2,961)	–	–	(2,961)
Adjustment for change in basis of preparation (from aggregation to consolidation)	(12,151)	450	8,601	(3,100)
Profit for the period	–	–	2,493	2,493
Balance at 30 September 2009	–	450	11,094	11,544

Notes
(forming part of the financial statements)

1. Business environment

General information

At 30 September 2010 the 'Amco Group' is headed by Amco Group Holdings Limited. The immediate subsidiary of Amco Group Holdings Limited is Amco Group Limited, a holding company, which has 100 per cent. shareholdings in Amalgamated Construction Limited, Amco Rail Limited and Amco Rail Engineering Limited (formerly Amco Property Investments Limited).

The Amco Group delivers multi-disciplinary specialist engineering services to the rail, engineering and energy sectors serving a growing blue chip client base across the public and private sectors. Amco Group provides an integrated service from feasibility, budget and design through to construction, installation, commissioning and maintenance.

Amco Group Holdings Ltd was incorporated on 24 November 2008 and is domiciled in the United Kingdom. The Amco Group's headquarters are located at Whaley Road, Barugh, Barnsley, South Yorkshire S75 1HT.

2. Basis of preparation

The Amco Group financial information ("the financial information") is for the financial years ended 31 December 2007, 2008 and 2009, the nine month period ended 30 September 2010 and the comparative nine month period ended 30 September 2009 (together 'the historical period').

The Amco Group's financial information has been prepared for the purposes of the Circular in accordance with the requirements of the Listing Rules and in accordance with the basis of preparation set out below and in a form consistent with the accounting policies adopted in the most recent annual accounts of Renew Holdings plc. The financial information has been prepared under the historical cost convention.

The basis of preparation describes how the financial information has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("Adopted IFRS") except as described below.

The financial information is presented in pounds sterling rounded to the nearest thousand since this is the currency in which the majority of the Group's transactions are denominated.

Period between 1 January 2007 and 22 February 2009

Amco Group Holdings Limited was incorporated on 24 November 2008 and acquired Amco Group Limited on 22 February 2009.

As a result of Amco Group Holdings Limited not having control of the Amco Group prior to 22 February 2009 and not being in existence prior to 24 November 2008 the financial information for the Amco Group for all periods prior to and up to 22 February 2009 has been has been prepared by aggregating historic financial information for each of the businesses that formed part of the Amco Group during the historic period to this date.

Adopted IFRS does not provide for the preparation of aggregated financial information or for the specific accounting treatment in relation to share capital and reserves set out below and accordingly in preparing the combined financial information certain accounting conventions commonly used for the preparation of historical financial information for inclusion in investment circulars as described in the Annexure to SIR 2000 (Investment Reporting Standard applicable to public reporting engagements on historical financial information) ("SIR 2000") issued by the UK Auditing Practices Board have been applied. The application of these conventions results in the following material departures from Adopted IFRS. In other respects Adopted IFRS has been applied.

During the period of 1 January 2007 to 22 February 2009 the Amco Group was not a separate legal group headed by Amco Group Limited. It would not, therefore, be meaningful to present share capital. Instead "invested funding" represents the aggregated funding of the entities making up the group during this period.

As a result of the above matter, no statement of compliance with IFRSs as adopted by the EU is included in respect of the financial information presented herein for this period.

The financial information for the period between 22 February 2009 and 30 September 2010 has been prepared in accordance with Adopted IFRS as applied by Renew Holdings plc.

Intra-group transactions, including sales, profits, receivables and payables, have been eliminated when combining the financial information.

IAS 33 requires that earnings per share is calculated as the profit or loss attributable to ordinary equity holders of the parent entity (numerator) by the weighted average number of shares outstanding during the period (denominator). As Amco Group Holdings Limited was not part of the group until February 2009 and given the aggregation basis adopted prior to this, the share capital of Amco Group Holdings has been used as the denominator in all periods for illustration purposes.

The results and cashflows of entities and operations which no longer form part of the Amco Group at 30 September 2010 and which meet the relevant criteria of IFRS 5 at 30 September 2010 have been disclosed as discontinued operations in the financial information. Further details of the entities that made up the Amco group during the historic period are provided in Note 14.

Period between 22 February 2009 and 30 September 2010

On 22 February 2009, Amco Group Holdings Limited obtained control of the Amco Group and therefore from this date the financial information of the Amco Group consolidates that of Amco Group Holdings Limited and its subsidiaries.

On this date Amco Group Holdings Limited received shares in Amco Group Limited in return for the issue of shares to investors. This has been treated as a common control transaction. No fair value adjustments were made and no goodwill arose on this transaction.

The results of subsidiaries acquired in the historical period are included in the income statement from the date that control is transferred to the Amco Group. On acquisition, all of the subsidiaries' assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date.

Intra-group transactions, including sales, profits, receivables and payables, have been eliminated in the consolidation. Subsidiaries are deconsolidated from the date that the Amco Group ceases to have control.

This is the first financial information prepared under IFRS as adopted by the EU. Transitional tables are provided in Note 27.

Responsibility for preparation

The underlying financial information used was originally prepared for Amco Group consolidation purposes from the underlying books and records of the businesses that comprise the Amco Group during the period. The underlying information was prepared under UK GAAP and therefore in preparing the financial information appropriate adjustments have been made to the underlying financial information to ensure that it is in accordance with Adopted IFRS as applied by Renew Holdings plc in its latest annual report.

The directors of Renew Holdings plc are responsible for preparing the financial information which has been derived from the underlying financial information and for making appropriate adjustments to the underlying financial information to ensure that it is in accordance with Adopted IFRS.

3. Accounting estimates and judgements

In the preparation of the financial information certain judgements and estimates have been made, which impact the measurement of various assets and liabilities in the Group balance sheet, the value of transactions recorded in the Group income statement and the movements in equity as shown in the Group statement of changes in equity. The actual financial outcomes may ultimately differ from that which is indicated by these judgements and estimates.

Estimates and judgements are reviewed on an ongoing basis and changes which may arise in them are reflected in the financial statements for the period in which such changes are made.

The following areas are those in which estimates and judgements have been made and where material impacts could arise in the financial information were such estimates and judgements to be varied.

(a) Accounting for construction contracts in accordance with IAS 11 "Construction Contracts"

IAS 11 requires management to estimate the total expected costs on a contract and the stage of contract completion in order to determine both the revenue and profit to be recognised in an accounting period. The Amco Group has control and review procedures in place to monitor, and evaluate regularly, the estimates being made to ensure that they are consistent and appropriate. This includes reviewing the independent certification of the value of work done, the progress of work against contracted timescales and the costs incurred against plan.

(b) Accounting for the defined benefit pension scheme in accordance with IAS 19 "Employee Benefits"

The independent actuary to the Amco Group Pension Scheme calculates the Group's liability or asset in respect of the defined benefit scheme. The actuary makes assumptions as to discount rates, salary escalations, expected returns on scheme assets, future pension increases, mortality rates applicable to members and future rates of inflation. These assumptions are made under the Amco Group's direction. The Amco Group determines the appropriateness of these assumptions by benchmarking them against those used by other schemes and by taking advice from the independent actuary. If the actual experience of the scheme is different from the assumptions used then the pension liability may differ from that show in these financial statements. More information is given in Note 26 to these financial statements.

4. Significant accounting policies

The principal accounting policies applied in the preparation of this consolidated financial information are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The following new standards and interpretations which have been issued but have not yet been adopted by the EU have not been applied in the financial information:

IAS 27 (amendment) "Consolidated and separate financial statements".
IAS 39 (amendment) "Eligible hedged items".
IAS 24 (revised) "Related Party Disclosure"

The application of these standards and interpretations is not expected to have a material impact on the Amco Group's reported financial performance or its financial position. No standards or interpretations have been adopted early in preparing this financial information.

(i) Revenue

Revenue, which excludes intra-group revenue and Value Added Tax, comprises value of work executed during the year on construction contracts based on monthly valuations

(ii) Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. Contract revenue and expenses are recognised in accordance with the stage of completion of the contract. The stage of completion is determined by surveys of work performed. Contract costs incurred that relate to future activities are deferred and recognised as amounts recoverable on contracts. When it is probable that the total contract costs will exceed contract revenue, the expected loss is recognised as an expense immediately. To the extent that progress billings exceed costs incurred plus recognised profits (less recognised losses) they are recognised as amounts due to construction contract customers.

(iii) Segment reporting

The determination of the Amco Group's operating segments has been based on the components that the Amco Group's Board, the Amco Group's principal decision-making body (the CODM), monitors in making decisions about operating matters. Such components are identified on the basis of information that is provided internally in the form of monthly management account reporting, budgets and forecasts to formulate allocation of resource to segments and assess performance. It has been concluded that the Amco Group has one operating segment being specialist engineering.

(iv) Property, plant and equipment

Property, plant and equipment are recorded at cost less provision for impairment if required.

Depreciation is provided on all property, plant and equipment, other than freehold land. Provision is made at rates calculated to write off the cost of each asset, less estimated residual value, evenly over its expected useful life as follows:

Group occupied property	–	fifty years
Freehold land	–	no depreciation charge
Plant and vehicles	–	three to ten years
Office equipment	–	two to seven years

(v) Inventories

Inventories comprise consumables and spares and are stated at the lower of cost and net realisable value.

Where necessary, provision is made for obsolete slow moving and defective inventories.

(vi) Trade receivables

Trade receivables do not carry any interest and are initially recognised at their fair value and then at amortised cost.

(vii) Trade payables

Trade payables on normal terms are not interest bearing and are initially recognised at their fair value and then at amortised cost.

(viii) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, including bank deposits with original maturities of less than three months, net of bank overdrafts. Bank overdrafts are included within borrowings within current liabilities in the balance sheet.

(ix) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event and where it is probable that an outflow will be required to settle that obligation and where the amount can be reliably estimated.

(x) Leasing commitments

Assets held under finance leases, where substantially all the benefits and risks of ownership of an asset have been transferred to the Amco Group, are capitalised and are depreciated in accordance with the depreciation policy for the relevant class of asset or the lease term if shorter. The interest element of the rental obligation is charged to the income statement and represents a constant proportion of the balance of capital repayments outstanding. Rentals under operating leases are charged to the income statement on a straight-line basis over the term of the lease.

(xi) Defined benefit pension scheme

The pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increase in the present value of liabilities within the Amco Group's defined benefit scheme expected to arise from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in other finance income. Actuarial gains and losses are recognised in the Group statement of comprehensive income. Pension scheme surpluses, to the extent they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet.

(xii) Defined contribution pension plans

Contributions to the Amco Group's stakeholder pension plans are charged to the income statement as incurred.

(xiii) Taxation

The tax charge is composed of current tax and deferred tax, calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Current tax and deferred tax are charged or credited to the income statement, except when they relate to items charged or credited directly to equity, in which case the relevant tax is also dealt with in equity. Current tax is based on the profit for the year. Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax on such assets and liabilities is not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Amco Group intends to settle its current assets and liabilities on a net basis.

(xiv) Foreign currencies

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

All other exchange differences are taken to the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(xv) Financial instruments

Financial assets are divided into the following categories: trade receivables and financial assets at fair value. Financial assets are assigned to each category on initial recognition dependant on the purpose for which the asset was acquired. The categorisation of these assets is reconsidered at each reporting date at which a choice of categorisation or accounting treatment is available. All financial assets are recognised whenever the Amco Group becomes party to the contractual provisions of the financial instrument. All such assets are initially recognised at fair value.

Derecognition of such assets occurs when the Amco Group's right to receive cash flows from the asset ceases or the rights and rewards of ownership have been transferred. All such assets are reviewed for impairment at least annually. Interest and other cash flows which arise from holding a financial asset is recognised in the income statement in accordance with IAS39. Financial assets at fair value include assets classified as held for trading, and changes in fair value are recognised through the income statement. Trade receivables are non-derivative financial assets with expected receipts which are not quoted in an active market and they arise when the Amco Group provides goods or services. A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated cash flows discounted at the original effective interest rate. All impairment losses are recognised in the income statement. Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. All interest related charges are recognised as an expense in the income statement. Bank loans and hire purchase liabilities are entered into to provide financing for the Group's operations and are recognised as funds are received. Financial liabilities are measured at amortised cost.

(xvi) Finance income and expense

Finance income comprises interest income on funds invested and gains on hedging instruments that are recognised in income or expense. Interest income is recognised as it accrues in income or expense, using the effective interest method.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions and losses on hedging instruments that are recognised in income or expense. All borrowing costs are recognised in income or expense using the effective interest method.

(xvii) Discontinued operations and non- current assets held for sale

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income and income statement are re-presented as if the operation had been discontinued from the start of the comparative period.

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less cost to sell.

(xviii) Illustrative EPS

Illustrative basic earnings per share (“EPS”) data is presented in the financial information, based on retained profit for each period presented and illustrative weighted average number of ordinary shares outstanding for the period

As noted above in the Basis of Preparation section Amco Group Holdings Limited did not have control of the Amco Group prior to 22 February 2009 and as such the financial information for periods prior to 22 February 2009 have been prepared on an aggregation basis and without share capital.

Historical illustrative weighted average number of shares outstanding for period prior to 19 February 2009 have for the purposes of calculating illustrative basis EPS been taken as the share capital outstanding as at 22 February 2009.

Basic EPS is calculated by dividing the retained profit for the financial period by the weighted average number of shares outstanding for the period

5. Segmental analysis

The Chief Operating Decision Maker (“CODM”) is responsible for the overall resource allocation and performance assessment of the Amco Group. The Amco Board approves all major capital expenditure. The Amco Board assesses the performance of the Amco Group and its progress against the strategic plan through monitoring of key performance indicators. The Amco Board also determines key financing decisions such as raising equity, all loan or bank borrowing arrangements and the granting of security over the Amco Group’s assets. As such the Amco Group considers that the Amco Board is the CODM.

Operating segments have been identified based on the internal reporting information provided to the CODM. From such information Specialist Engineering has been determined to represent the Amco Group’s one operating segment.

Specialist Engineering comprises the Amco Group’s engineering activities which are characterised by the use of the Amco Group’s skilled engineering workforce, supplemented by specialist subcontractors where appropriate, in a range of civil, mechanical and electrical engineering applications.

Group revenue from continuing operations is analysed as follows;

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 £000	9 months to 30 September 2010 £000
Specialist engineering	60,963	75,662	67,912	49,643	59,787

Group operating profit from continuing operations is analysed as follows;

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Specialist engineering	33	10,032	6,200	3,235	4,464
Central activities	–	(3,116)	(1,145)	(384)	(493)
Operating profit	33	6,916	5,055	2,851	3,971
Net finance (expense)/income	4	(140)	37	(88)	182
Profit before tax	37	6,776	5,092	2,763	4,153

Balance sheet analysis of business segments	As at 31 December 2007 Assets £000	Liabilities £000	Net assets £000	As at 31 December 2008 Assets £000	Liabilities £000	Net assets £000
Specialist Engineering	18,883	(17,399)	1,484	28,341	(15,726)	12,615
Property & central activities	–	–	–	10,837	(12,975)	(2,138)
Retirement benefits	–	–	–	1,140	(319)	821
Group eliminations	–	–	–	(20,144)	10,412	(9,732)
Group net assets	18,883	(17,399)	1,484	20,174	(18,608)	1,566

Balance sheet analysis of business segments	As at 31 December 2009 Assets £000	Liabilities £000	Net assets £000	As at 30 September 2010 Assets £000	Liabilities £000	Net assets £000
Specialist Engineering	26,967	(15,271)	11,696	31,359	(16,765)	14,594
Property & central activities	12,632	(9,228)	3,404	7,286	(3,182)	4,104
Retirement benefits	1,989	(557)	1,432	2,565	(718)	1,847
Group eliminations	(11,678)	8,378	(3,300)	(11,441)	(952)	(12,393)
Group net assets	29,910	(16,678)	13,232	29,769	(21,617)	8,152

(b) Geographical analysis

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
United Kingdom	58,766	73,735	66,037	47,768	58,190
Rest of Europe	1,927	1,927	1,875	1,875	1,597
	60,963	75,662	67,912	49,643	59,787

In the 9 month period £32,883,000 of revenue was received from one individual customer (September 2009: £31,772,000, December 2009: £43,464,000, December 2008: £45,397,000, December 2007: £33,530,000).

6 Profit before taxation

a) Profit before tax is stated after charging/(crediting):

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Fees payable to the company's auditor for the audit of the company's accounts	–	25	25	–	25
Fees payable to the company's auditor and its associates for other services:					
the audit of the company's subsidiaries	–	16	18	–	–
tax services	–	6	14	–	14
Depreciation of owned tangible fixed assets	180	104	75	56	52
Profit on disposal of tangible fixed assets	16	–	–	–	9
Other operating income	–	–	(1,220)	–	–
Operating lease charges:					
plant and machinery	3,380	4,287	3,991	2,993	4,322
land and buildings	329	400	367	275	270
other	1,087	1,305	1,419	1,064	1,026

6. **b) Profit before taxation (continued)**

Group overheads

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Legal and professional fees	–	1,652	582	501	261
Costs recharged by owners	–	1,172	240	180	180
Personnel costs	–	547	743	339	358
Other costs	–	54	42	38	11
	–	3,425	1,607	1,058	810

Group overheads represent the costs of Amco Group Limited. These costs are not expected to recur post acquisition and so have been disclosed separately on the face of the Group Income Statement.

Legal and Professional costs relate to costs incurred in the historical period primarily in relation to group restructuring. Costs charged by owners relate to fees charged for management services. In the year ended 2008 these management services were in relation to the management buy out which took place in April 2008 (see note 8). Personnel costs relate to Directors remuneration and associated expenses.

7. **Other operating income**

Other operating income in the year ended 31 December 2009 related to the one off net gain on return insurance premiums received in the period.

8. **Discontinued operations and assets held for sale**

On 11 April 2008 Amco Group Limited, owned by a management team of former Amco Corporation Plc Group employees and Endless LLP, purchased Amalgamated Construction Ltd, Amco Developments Ltd (and its subsidiaries), Amco Drilling Ltd, Amco Property Investments Ltd (name changed on 5 January 2011 to Amco Rail Engineering Limited), Amco Plastics Ltd and a number of other companies from Amco Corporation Plc for £9,737,000 (including expenses). In February 2009, following the reconstruction of the former Amco Group, Amco Group Holdings received shares in Amco Group Limited in return for the issue of shares to investors. The principal subsidiary of Amco Group Limited is Amalgamated Construction Ltd.

The discontinued activities in these accounts in 2007 represent the activities of Billington Structures Limited (which was a subsidiary of Amco Property Investments until April 2008 when it was transferred to Amco Corporation Plc), Amco Plastics Limited (which transferred to Amco Group Limited but was sold to its management in October 2008), the inter group property rental business of Amco Property Investments Ltd and the overseas drilling activities of Amalgamated Construction which were transferred to a fellow Group company at 1 January 2008.

The discontinued activities in 2008 represent the activities of Billington Structures Limited until March 2008 and Amco Plastics Limited until October 2008, the inter group property rental business of Amco Property Investments Ltd for the full year and the activities of the Amco Drilling and Amco Developments groups of companies which were purchased from Amco Corporation Plc in April 2008 but were transferred to separate holding companies following the Group reconstruction in 2009.

The discontinued activities in 2009 constitute the results of the Amco Drilling and Amco Development groups until the demerger, and the full year activities of the inter group property rental business, which was effectively dormant by the year end.

There are no discontinued operations in the 9 month period to 30 September 2010. All discontinued operations were disposed of during 2009.

8. Discontinued operations and assets held for sale (continued)

The discontinued operations results were as follows:

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000
Revenue	68,524	33,581	2,971	2,971
Raw materials and consumables	(39,818)	(13,766)	(1,084)	(1,084)
External charges	(3,920)	(4,906)	(481)	(481)
Staff costs	(12,926)	(5,108)	(419)	(419)
Depreciation of owned assets	(1,930)	(1,941)	(308)	(308)
Overheads	(2,861)	(1,133)	(108)	(107)
Other operating income	–	1,072	–	–
	(61,455)	(25,782)	(2,400)	(2,399)
Total operating profit	7,069	7,799	571	572
Finance costs	(590)	(21)	(11)	(11)
Finance income	–	–	28	28
Profit on ordinary activities before taxation	6,479	7,778	588	589
Income tax on profit on ordinary activities	(1,452)	(962)	(149)	(158)
Profit transferred to reserves	5,027	6,816	439	431

Cash flows from discontinued operations were as follows:

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000
Net cash flow from operating activities	2,973	3,214	(725)	(718)
Net cash flow from investing activities	(894)	(2)	–	–
Net cash flow from financing activities	0	0	(2,895)	(2,895)
Net increase/(decrease) in cash and cash equivalents	2,079	3,212	(3,620)	(3,613)

The cash flows in respect of the discontinued operations are not included within the consolidated cash flow statement.

An analysis of assets and liabilities held for sale is as follows:

	As at 31 December 2007 £000	As at 31 December 2008 £000
Assets held for sale		
Property, plant and equipment	12,596	5,535
Investment in joint ventures	914	59
Deferred tax assets	121	56
Inventories and work in progress	9,576	11,376
Trade and other receivables	14,680	29,393
Cash and cash equivalents	414	3,647
	38,301	50,066

8. Discontinued operations and assets held for sale (continued)

	As at 31 December 2007 £000	As at 31 December 2008 £000
Liabilities held for sale		
Short term borrowings	6	27
Current portion of long term borrowings	618	1,521
Trade and other payables	23,543	32,014
Current tax payable	155	432
Long term borrowings	–	2,526
	24,322	36,520

All discontinued operations were disposed of during 2009.

9. Employee numbers and remuneration

The average monthly number of employees, including Directors, employed in continuing activities during the year was;

	12 months to 31 December 2007 Number	12 months to 31 December 2008 Number	12 months to 31 December 2009 Number	9 months to 30 September 2009 (unaudited) Number	9 months to 30 September 2010 Number
Production	672	708	636	635	641
Administrative	49	73	69	70	67
	721	781	705	705	708

The aggregate payroll costs of these persons are as follows:

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Wages and salaries	21,222	24,792	25,178	18,509	20,196
Social security costs	2,078	2,425	2,369	1,743	1,880
Pension costs	397	296	684	543	413
	23,697	27,513	28,231	20,795	22,489

Directors' emoluments

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Aggregate emoluments	392	514	550	412	226
Pension contributions	30	35	39	29	29
	422	549	589	441	255

During the period two directors participated in a defined contribution pension scheme (All other periods: two directors).

9. **Employee numbers and remuneration (continued)**

The amounts set out above include remuneration in respect of the highest paid director as follows:

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Aggregate emoluments	219	261	280	210	113
Pension contributions	13	17	19	14	15
	232	278	299	224	128

10. **Finance income and expenses**

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Interest payable					
On loans and overdrafts	–	217	105	88	29
Interest receivable	4	–	–	–	–

Other finance charges – defined benefit scheme

	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Interest cost on defined benefit scheme	(885)	(560)	–	(411)
Expected return on Scheme assets	962	702	–	622
Other finance income	77	142	–	211

Further information on the defined benefit pension scheme is set out in note 26 to the accounts.

11. **Income Tax expense**

(a) Analysis of expense in the year

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Current tax					
UK corporation tax on profits for the year	(89)	1,908	1,279	571	1,007
Adjustments in respect of previous periods	(180)	(133)	(8)	–	–
Total current tax charge	(269)	1,775	1,271	571	1,007
Total deferred tax charge	280	225	232	130	206
Income tax expense	11	2,000	1,503	701	1,213

11. Income Tax expense (continued)

The tax assessed for the period differs from the standard rate of corporation tax in the United Kingdom for each period. The differences are explained as follows:

(b) Factors affecting income tax expense for the year

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Profit on ordinary activities before tax	37	6,776	5,092	2,345	4,153
Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 28% for all periods	10	1,897	1,425	657	1,162
Effects of:					
Expenses not deductible for tax purposes	20	60	39	–	40
Adjustments to tax charge in respect of prior periods	(180)	(133)	(8)	–	–
Timing differences not provided in deferred tax	161	176	47	44	11
Income tax expense	11	2,000	1,503	701	1,213

12. Illustrative earnings per share

As per the basis of preparation set out in Note 2, the illustrative earnings per share calculations have used the share capital of Amco Group Holdings as the denominator in the earnings per share calculations in all periods.

	12 months to 31 December 2007 £000	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2009 (unaudited) £000	9 months to 30 September 2010 £000
Total basic earnings	5,053	11,592	4,028	2,493	2,940
Continuing basic earnings	26	4,776	3,589	2,062	2,940
Weighted average number of shares (000s)	450	450	450	450	450
Continuing -illustrative EPS (p)	5.8	1,061.3	797.6	458.2	653.3
Total illustrative EPS (p)	1,122.9	2,576.0	895.1	490.0	653.3

13. Property, plant and equipment

	Plant & Equipment £000	Freehold property £000	Motor vehicles £000	Total £000
Cost or valuation				
At 1 January 2007	11,411	990	128	12,529
Additions	28	–	–	28
Disposals	(1)	–	–	(1)
At 1 January 2008	11,438	990	128	12,556
Additions	92	–	–	92
Disposals	(8,608)	–	(124)	(8,732)
At 1 January 2009	2,922	990	4	3,916
Additions	100	–	–	100
At 1 January 2010	3,022	990	4	4,016
Additions	7	–	50	57
Disposals	–	(21)	–	(21)
At 30 September 2010	3,029	969	54	4,052
Depreciation				
At 1 January 2007	10,957	–	128	11,085
Charge for the period	180	–	–	180
Disposals	–	–	–	–
At 1 January 2008	11,137	–	128	11,265
Charge for the period	104	–	–	104
Disposals	(8,608)	–	(124)	(8,732)
At 1 January 2009	2,633	–	4	2,637
Charge for the period	75	–	–	75
Disposals	–	–	–	–
At 1 January 2010	2,708	–	4	2,712
Charge for the period	52	–	–	52
At 30 September 2010	2,760	–	4	2,764
Net book value at 30 September 2010	269	969	50	1,288
Net book value at 31 December 2009	314	990	–	1,304
Net book value at 31 December 2008	289	990	–	1,279
Net book value at 31 December 2007	301	990	–	1,291

The net book value of assets under hire purchase arrangements at the 30 September 2010 was £50,000. No assets are held under hire purchase prior to this date. These relate to vehicles purchased shortly before 30 September 2010 and therefore no depreciation has been charged to date. Freehold property above includes £969,000 in respect of land which is not subject to depreciation (2009 and previous periods: £990,000).

14 Investments

The principal trading companies which formed part of the Amco Group during the historic period are detailed below. All of these trading companies only had ordinary shares in issue and except where disclosed were registered in England and Wales.

	Activity	Proportion of shares held by Group %
At 31 December 2007		
Amco Property Investments Limited	Property investment	100
Amalgamated Construction Limited	Specialist engineering	100
Billington Structures LimitedStructural steel	100	
Amco Plastics Limited	Plastics products	100
Checkhire Limited	Property development	50
Amco (Hull) Limited	Dormant	100
Amco Pension Scheme	Dormant	100
At 31 December 2008		
Amalgamated Construction Limited	Specialist engineering	100
Amco Drilling Limited	Drilling Services	100
Amco Drilling Guinee SARL (registered in Guinea)	Drilling Services	100
Amco Developments Limited	Property development	100
Amco Developments (Arundel Street) Limited	Property development	100
Amco Developments (Blackburn) Limited	Property development	100
Amco Strata Limited	Property development	50
Amco Strata (Barnsley) Limited	Property development	50
Amco/Ashtenne Westmoreland St LLP	Property development	50
Amco Developments (Summerfield St.) Limited	Property development	100
Amco Developments (Dewsbury) Limited	Property development	100
Amco Property Investments Limited	Property investment	100
Amco Interinvest Limited	Intra group leasing	100
Amco Insurance Company Limited (registered in Guernsey)	Self insurance	100
At 30 September and 31 December 2009		
Amco Group Holdings Limited		
Amco Group Limited	Inter group services	100
Amalgamated Construction Limited	Specialist engineering	100
Amco Property Investments Limited	Dormant	100
At 30 September 2010		
Amco Group Holdings Limited		
Amco Group Limited	Inter group services	100
Amalgamated Construction Limited	Specialist engineering	100
Amco Property Investments Limited (named changed on 5 January 2011 to Amco Rail Engineering Limited)	Dormant	100

15 Inventories

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
Consumables and plant spares	29	48	41	34

16. Trade and other receivables

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
Amounts falling due within one year				
Trade receivables	4,595	2,447	2,982	3,903
Amounts recoverable on contracts	10,080	10,062	12,176	12,702
Amounts owed from related companies	879	2,478	9,439	8,390
Other receivables	–	79	72	19
Prepayments and accrued income	1,176	338	434	655
	16,730	15,404	25,103	25,669

Related Parties relates to businesses owned by the shareholders of Amco Group Holdings Limited.

All of the Group's trade and other receivables have been reviewed for indicators of impairment. No provision is required. Some of the unimpaired trade receivables are past due at the reporting date. The age of the financial assets past due but not impaired is as follows:

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
60-90 days	194	8	–	118
90-365 days	228	61	–	130
	422	69	–	248

17. Construction contracts

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
Amounts recoverable on contracts	10,080	10,062	12,176	12,702
	3333	3333	3333	3333
Contract costs incurred plus recognised profits less recognised losses to date	149,574	208,105	220,272	219,828
Less: Progress billings	(139,494)	(198,043)	(208,096)	(207,126)
	10,080	10,062	12,176	12,702

At 30 September 2010, retentions held by customers amounted to £735,000 (2009: £597,000, 2008: £1,189,000, 2007: £1,222,000).

Amounts due from construction contract customers which are past due to reporting date are equal to the trade debtors for continuing operations at each period end.

Contract revenue recognised in the year is equal to the revenue from continued operations for each period.

18. Trade and other payables

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
Trade payables	2,257	2,951	3,914	3,686
Amounts owed to related companies	–	–	882	3,805
Social security and other taxes	2,485	2,590	2,025	3,004
Other payables	11,983	7,669	7,218	7,678
Accruals and deferred income	674	513	896	742
	17,399	13,723	14,935	18,915

Related Parties relates to businesses owned by the shareholders of Amco Group Holdings Limited.

As security for the bank borrowings the bank hold a fixed and floating charge over the assets of the company and the group.

19. Interest bearing loans and borrowings

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
Current liabilities				
Bank loans and overdrafts	–	1,270	717	1,149
Obligations under finance leases	–	–	–	50
	–	1,270	717	1,199
Non-current liabilities				
Bank loans and overdrafts	–	2,217	–	–

As security for the overdraft facility the bank hold a fixed and floating charge over the assets of the company and the group.

The maturity of bank loans and overdrafts is as follows`;

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
Within one year	–	1,270	717	1,199
between one and two years	–	1,267	–	–
between two and five years	–	950	–	–
	–	3,487	717	1,199

The Group and company charged certain freehold and long leasehold properties to secure bank borrowings. Interest on borrowings was charged at 2 per cent. over LIBOR. All long term loans were fully repaid in 2010 and the security released.

20. Cash and cash equivalents

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
Cash at bank and in hand	242	2,000	1,224	1
Overdraft	–	(3)	–	(1,149)
Cash and cash equivalents	242	1,997	1,224	(1,148)

21. Deferred tax and liabilities

Movement in deferred tax during the period:

Deferred tax provided in the financial statements is set out below;

	As at 31 December 2007 £000	As at 31 December 2008 £000	As at 31 December 2009 £000	As at 30 September 2010 £000
Balance at beginning of the period	642	362	(16)	(308)
Recognised in income	(280)	(225)	(232)	(206)
Recognised in equity	–	(153)	(60)	8
Balance at end of the period	362	(16)	(308)	(506)
Deferred tax assets are attributable to the following:				
Tangible assets - Depreciation in excess of capital allowances	292	250	210	161
Other timing differences	70	53	39	51
Total deferred tax	362	303	249	212
Deferred tax liabilities are attributable to the following:				
Retirement benefits	–	(319)	(557)	(718)

22. Financial instruments

The Amco Group is primarily engaged in construction activities in the UK. The Amco Group uses financial instruments comprising bank loans, cash obligations under finance leases and various items such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Amco Group's operations.

Financial assets

Financial assets are all categorised as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables comprise trade and other receivables and cash and cash equivalents.

Cash and cash equivalents comprise short term cash deposits with major United Kingdom clearing banks earning floating rates of interest based upon bank base rates or rates linked to LIBOR. There is no difference between the book and fair values of the financial assets.

22. Financial instruments (continued)

Financial liabilities

Financial liabilities are all categorised as other financial liabilities. Other financial liabilities are measured at amortised costs. Other financial liabilities comprise 'interest bearing loans and borrowings' and 'trade and other payables'. All borrowings are at floating rates. Interest is paid at 2.5 per cent. above base on the current overdraft. In previous periods bank loan interest was paid at 2 per cent. over LIBOR.

Fair value of financial instruments

The fair value of the financial assets and liabilities for all periods are not considered materially different to that of the book value. On this basis, the carrying amounts have not been adjusted to fair values.

Financial risks

The Amco Group uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Amco Group's operations. The main risks arising from the financial instruments are interest rate risk, liquidity risk and credit risk. Policies for managing each of these risks are summarised below. The policies have remained unchanged from previous periods.

Interest rate risk

Operations are financed through a mixture of retained profits, inter-company accounts and bank borrowings. Exposure to interest rate fluctuations on borrowings is managed on a Group basis by the use of both fixed and floating facilities. A change in 1 per cent. in the average interest rates during the periods, applied to the average net cash/debt position of the Amco Group during the period is not material.

This assumes that all other variables remain unchanged. Calculations are performed on the same basis as the prior period. There is no impact on equity with the 1 per cent. change in interest rates.

Liquidity risk

Financial risk is managed by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts or through loans. Short term flexibility is achieved by overdraft facilities.

Foreign currency risk

The majority of the Amco Group's continuing transactions are denominated in Sterling. Where operations require purchases in foreign currencies transaction exposures are hedged when known, mainly using the forward hedge market.

Credit risk

Principal credit risk arises from the possibility of customers and counter parties failing to meet their obligations. In order to manage credit risk credit limits are set for customers based on payment history and third party credit references. In addition bad debt insurance is maintained to reduce credit risk to an acceptable level.

Investments of cash surpluses and borrowings are made through major United Kingdom clearing banks. Maximum exposure to credit risk is considered to be equivalent to the total trade and other receivables of £25,669,000 (September 2009: £23,725,000, December 2009: £25,103,000, December 2008: £15,404,000, December 2007: £16,730,000) and cash and cash equivalents of £1,000 (September 2009: £nil, December 2009: £1,224,000, December 2008: £2,000,000, December 2007: £242,000).

23. Share capital

	Number of shares thousands	Ordinary share capital £000
Allotted and fully paid – all periods from 22 February 2009 to 30 September 2010		
Ordinary shares of £1 each	215	215
"A" Ordinary shares of £1 each	235	235
	450	450
Movements during the historic period:		
Ordinary shares of £1 each:		
At 22 February 2009, 30 September 2009 and 1 January 2010	215	215
Issue of bonus shares	3,815	3,815
Repurchase of own shares	(3,815)	(3,815)
At 30 September 2010	215	215
"A" Ordinary shares of £1 each:		
At 22 February 2009, 30 September 2009 and 1 January 2010	235	235
Issue of bonus shares	4,185	4,185
Repurchase of own shares	(4,185)	(4,185)
At 30 September 2010	235	235

Ordinary and "A" Ordinary shares carry equal voting rights and rank pari passu in all respects.

During the 9 month period ended 30 September 2010 the company issued 3,815,396 ordinary shares of £1 each and 4,184,604 A ordinary shares of £1 each as bonuses to existing shareholders. The Company then repurchased shares for total consideration of £8,000,000.

As noted in the basis of preparation Amco Group Holdings Limited only obtained control of the Amco Group on 22 February 2010 and as such the financial information is only prepared on a consolidated based and share capital shown from that date.

From this date the capital structure of the Group has consisted of equity attributable to equity holders of the parent, comprising issued share capital and retained earnings. The Group's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. There were no changes to the Group's approach to capital management during the historic period.

24. Commitments

Undiscounted total future minimum rentals payable under non-cancellable operating leases are as follows:

	As at 31 December 2007		As at 31 December 2008		As at 31 December 2009		As at 30 September 2010	
	Land & buildings £000	Other £000	Land & buildings £000	Other £000	Land & buildings £000	Other £000	Land & buildings £000	Other £000
Within one year	155	1,175	171	1,373	160	1,420	173	1,223
Between one and five years	389	–	383	–	478	–	525	136
	544	1,175	544	1,373	638	1,420	698	1,359

At 31 December 2009, the group had a commitment to purchase 720,000 Norwegian Krone at a cost of £77,000 in order to satisfy a foreign currency liability. At each of the balance sheet dates there were no other foreign currency contracts in place.

25. Related party transactions

Transactions with key personnel

In addition to their salaries, the Group also provides non-cash benefits to directors and senior management and contributes to pension schemes on their behalf (see note 9 for details). Ian Swire and David Jackson who are directors of the Amco Group holdings Limited control 16.4 per cent. and 16.4 per cent. of the shares respectively.

Other related parties

The Amco Group has related parties in respect of a number of entities owned by the shareholders of Amco Group Holdings Limited. It provides corporate support activities to these entities. In addition the Amco Group has paid monetary fees to Endless LLP and its shareholders during the period.

Amco Drilling	**As at 31 December 2007 £000**	**As at 31 December 2008 £000**	**As at 31 December 2009 £000**	**As at 30 September 2010 £000**
Transactions with related parties (sales)	–	428	877	587
Amounts owed at the period end	–	–	(3,581)	(3,000)
Amounts due at the period end	125	213	882	2,307

Amco Development Group	**As at 31 December 2007 £000**	**As at 31 December 2008 £000**	**As at 31 December 2009 £000**	**As at 30 September 2010 £000**
Transactions with related parties (sales)	2,454	2,777	2,823	2,340
Amounts owed at the period end	–	–	(5,998)	(5,390)
Amounts due at the period end	105	176	140	1,498

Endless	**As at 31 December 2007 £000**	**As at 31 December 2008 £000**	**As at 31 December 2009 £000**	**As at 30 September 2010 £000**
Transactions with related parties (sales)	–	(1,172)	240	180

Amco Rail Engineering Limited	**As at 31 December 2007 £000**	**As at 31 December 2008 £000**	**As at 31 December 2009 £000**	**As at 30 September 2010 £000**
Amounts owed at period end	1,848	3,432	–	–

26 Pension commitments

In 2007, the Amco group was part of the defined benefit scheme operated by Amco Corporation Plc but was unable to identify its share of the underlying assets or liabilities and as such the multi-employer exemption was taken and no pension asset or deficit recognised in the Group's balance sheet. During 2008 on transfer out of the other participating companies, the Group's share of underlying assets and liabilities were transferred to the Amco Group pension scheme. From this date a pension asset/deficit has been recognised and measured and recognised.

The Amco Group operates funded pension schemes for certain employees and directors. The total cost of all pensions to the Amco Group is disclosed in note 9.

The Amco Group Pension Scheme (the Scheme) is a final salary pension scheme. The Scheme was closed to future accrual of benefits on 31 January 2009.

The Scheme assets are held in a separate trustee-administered fund to meet long term liabilities. The trustees are required to act in the best interests of the Scheme's beneficiaries.

In accordance with IAS 19, the liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid out by the Scheme using the projected unit method, which is an accrued benefits valuation method.

The liabilities set out in this note have been calculated by an independent actuary based on the most recent full actuarial valuation at 31 December 2007, updated to each of the respective balance sheet dates. The results of the calculations and key financial and demographic assumptions used are shown below.

The company has agreed to pay contributions at the rate of £150,000 per annum until 31 March 2013. In addition some additional employer contributions were paid to the Scheme during the year ended 31 December 2009 in respect of other companies that ceased to participate in the Scheme.

Based on a review of the rules of the Amco Group Pension Scheme, the view has been taken that the Group has an unconditional right to a surplus, consequently the Group recognises retirement benefit assets as they arise.

Key financial assumptions

	12 months to 31 December 2008 %	**12 months to 31 December 2009 %**	**9 months to 30 September 2010 %**
Discount rate	5.7	5.7	5.0
Inflation	3.7	3.7	3.3
Salary increases	4.7	4.7	4.3
Expected return on assets	7.0	7.0	6.0

The expected return on assets is a weighted average of the individual asset categories and their expected rates of return which are determined by consideration of historical experience and current market factors.

The rates of return assumed are 7.5 per cent. per annum on equities (2009: 8.0 per cent., 2008: 6.5 per cent.), 5.0% per annum on corporate bonds (2009: 5.5 per cent., 2008: 7.5 per cent.), 3.5% per annum on government bonds (2009: 4.5 per cent., 2008: 3.5 per cent.) and 2.5 per cent. per annum on other investments (2009: 3.0 per cent., 2008: 3.5 per cent.).

Pensions in payment in respect of service from 5 April 1997 to 5 April 2005, and deferred pensions subject to statutory revaluation, have been assumed to increase in line with future price inflation.

The mortality assumption adopted for the purposes of the calculations at 30 September 2010 and 31 December 2009 is based on the "92 Series" base table with future mortality improvements at 270 per cent. of the base table with medium cohort projections from 1992 onwards.

26. Pension commitments (continued)

Average life expectancies

	As at 31 December 2008	As at 31 December 2009	As at 30 September 2010
Male retiring at reporting date at age 62 (in years)	17. 7	17.7	17. 8
Male retiring at reporting date +20 years at age 62 (in years)	19.2	19.2	19.2

Members are assumed to retire at the earliest age at which they can take their full pension unreduced and are assumed to commute pension to obtain a retirement lump sum equal to 90 per cent. of the maximum permitted.

Amounts recognised in the income statement

	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2010 £000
Interest cost	(885)	(560)	(411)
Expected return on Scheme assets	962	702	622
Other finance income	77	142	211
Current service cost	(228)	(7)	–
Gain on settlements	107	–	–
Total charge recognised in the income statement before deduction for tax	(44)	135	211

Amounts recognised in the statement of other comprehensive income

	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2010 £000
Actuarial (loss)/gain on scheme assets	(3,903)	1,578	691
Actuarial gain/(loss) on pension liabilities	4,210	(1,365)	(719)
Net actuarial gain/(loss)	307	213	(28)

Reconciliation of defined benefit obligation

	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2010 £000
Defined benefit obligation at start of period	–	9,898	9,848
Liabilities recognised on transfer of scheme	17,715	–	–
Current service cost	228	7	–
Interest cost	885	560	411
Contributions by Scheme members	54	7	–
Actuarial loss	(4,210)	1,365	719
Payments to transferors pension schemes	(4,199)	(1,399)	–
Benefits paid	(575)	(590)	(461)
Defined benefit obligation at end of period	9,898	9,848	10,517

26. Pension commitments (continued)

Reconciliation of fair value of Scheme assets

	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2010 £000
Fair value of Scheme assets at start of period	–	11,038	11,837
Assets recognised on transfer of scheme	17,953	–	–
Expected return on assets	962	702	622
Actuarial gain	(3,903)	1,578	691
Contributions by employer	639	501	393
Contributions by Scheme members	54	7	–
Payments to transferors pension schemes	(4,092)	(1,399)	–
Benefits paid	(575)	(590)	(461)
Fair value of Scheme assets at end of period	11,038	11,837	13,082

Reconciliation to balance sheet

	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2010 £000
Fair value of Scheme assets	11,038	11,837	13,082
Actuarial value Scheme liabilities	(9,898)	(9,848)	(10,517)
Surplus on Scheme	1,140	1,989	2,565
Related deferred tax liability	(319)	(557)	(718)

Analysis of assets

	%	12 months to 31 December 2008 £000	%	12 months to 31 December 2009 £000	%	9 months to 30 September 2010 £000
Equities	68%	7,548	65%	7,734	53%	6,952
Bonds	26%	2,884	34%	3,981	45%	5,924
Other	6%	606	1%	122	2%	206
Total assets	100%	11,038	100%	11,837	100%	13,082

Actual return on assets

	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2010 £000
Expected return on assets	962	702	622
Actuarial gains/ (losses)	(3,903)	1,578	691
Actual return on assets	(2,941)	2,280	1,313

26. Pension commitments (continued)

History of experience gains and losses

	12 months to 31 December 2008 £000	12 months to 31 December 2009 £000	9 months to 30 September 2010 £000
Gain on scheme assets	(3,903)	1,578	691
Experience gain/(loss) on scheme liabilities	710	(230)	13
Loss on change in assumptions (financial and demographic)	3,500	(1,135)	(732)
Total actuarial gain recognised in Statement of Comprehensive Income	307	213	(28)

27. Transition to IFRS

The Group has applied IFRS 1 "First time adoption of International Financial Reporting Standards" to provide a starting point for reporting under IFRS.

On adoption of IFRS the Group has recognised the pension surpluses after review of IAS 19 'Employee benefits' and IFRIC 14 'The Limit on the Defined Benefit Asset, Minimum Funding Requirements and their interaction'. The transition adjustments below relate solely to the recognition of the retirement benefit assets and the related deferred tax balances and movements.

There are no transition differences in the financial period ended 31 December 2007.

The adoption of IFRS has resulted in the following transition adjustments to the Group's accounting policies from its former basis of accounting ("UK GAAP"):

		31 December 2008	
	UK GAAP	**Adjustments**	**IFRS**
Balance Sheet			
Share Capital	–	–	–
Retained earnings	–	–	–
Invested capital	14,294	818	15,112
Total equity	14,294	818	15,112
Statement of Comprehensive Income			
Profit for the period	11,592	–	11,592
Gain on initial recognition of pension surplus	238	–	238
Actuarial gain recognised in the pension schemes	307	–	307
Deferred tax on pension movement	166	(319)	(153)
Adjustment for unrecognised pension surplus	(1,137)	1,137	–
	(426)	818	392
Total Comprehensive Income	11,166	818	11,984

	31 December 2009		
	UK GAAP	Adjustments	IFRS
Balance Sheet			
Share Capital	450	–	450
Retained earnings	11,350	1,432	12,782
Total equity	11,800	1,432	13,232
Statement of Comprehensive Income			
Profit for the period	4,206	(178)	4,028
Actuarial gain recognised in the pension schemes	213	–	213
Deferred tax on pension movement	1	(61)	(60)
Adjustment for unrecognised pension surplus	(853)	853	–
	(639)	792	153
Total Comprehensive Income	3,567	614	4,181

	30 September 2010		
	UK GAAP	Adjustments	IFRS
Balance Sheet			
Share Capital	450	–	450
Retained earnings	5,855	1,847	7,702
Total equity	6,305	1,847	8,152
Statement of Comprehensive Income			
Profit for the period	3,108	(168)	2,940
Actuarial gain recognised in the pension schemes	(28)	–	(28)
Deferred tax on pension movement	–	8	8
Adjustment for unrecognised pension surplus	(575)	575	–
	(603)	583	(20)
Total Comprehensive Income	2,505	415	2,920

Section B: Accountants Report on Amco Group Limited and its Subsidiaries

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The Directors
Renew Holdings plc
Yew Trees
Main Street North
Aberford
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LS25 3AA

1 February 2011

Dear Sirs

Amco Group Holdings Limited

We report on the financial information set out in Part VI, Section A. This financial information has been prepared for inclusion in the AIM Admission Document dated 2 February 2011 of Renew Holdings plc on the basis of the accounting policies set out in note 2. This report is required by Paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

We have not audited or reviewed the financial information for the comparative nine month period ended 30 September 2009 and accordingly do not express an opinion thereon.

Responsibilities

The Directors of the Company are responsible for preparing the financial information on the basis of preparation set out in note 2 to the financial information.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the Admission Document.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the AIM Admission Document dated 2 February 2011, a true and fair view of the state of affairs of Amco Group Holdings Limited as at the dates stated and of its profits/losses, cash flows and changes in equity for the periods then ended in accordance with the basis of preparation set out in note 2.

We have not audited or reviewed the financial information for the comparative nine month period ended 30 September 2009 and accordingly do not express an opinion thereon.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the AIM Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the AIM Admission Document in compliance with Schedule Two of the AIM Rules for Companies

Yours faithfully

KPMG Audit Plc

PART VII

UNAUDITED PRO FORMA FINANCIAL INFORMATION ON ENLARGED GROUP

Pro forma statement of net assets

The following unaudited pro forma statement of net assets for the Enlarged Group has been prepared on the basis of the notes set out below to illustrate the effect of the Acquisition on the net assets of Renew Holdings plc as if it had been completed on 30 September 2010.

The pro forma statement of net assets has been prepared for illustrative purposes only and, because of its nature, the pro forma statement addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results following the Acquisition.

Pro forma consolidated balance sheet

	Renew consolidated net assets 30 September 2010 £000	Amco consolidated net assets 30 September 2010 £000	Pre-acquisition transactions £000	Payment of cash consideration and transaction costs £000	Consolidation adjustments £000	Pro forma £000
Non-current assets						
Intangible assets – goodwill	9,558	–	–	–	18,142	27,700
Intangible assets – other	154	–	–	–	–	154
Property, plant and equipment	4,690	1,288	611	(1,580)	–	5,009
Retirement benefit assets	1,060	2,565	187	–	–	3,812
Deferred tax assets	3,283	212	–	–	–	3,495
	18,745	4,065	798	(1,580)	18,142	40,170
Current assets						
Inventories	8,570	34	–	–	–	8,604
Trade and other receivables	69,997	17,279	–	–	–	87,276
Related party receivables	–	8,390	(8,390)	–	–	–
Current tax assets	169	–	–	–	–	169
Cash and cash equivalents	16,376	1	3,639	(11,575)	–	8,434
	95,112	25,704	(4,751)	(11,575)	–	104,490
Total assets	113,857	29,769	(3,953)	(13,155)	18,142	144,660
Non-current liabilities						
Obligations under finance leases	–	–	–	–	–	–
Retirement benefit obligations	–	–	–	–	–	–
Deferred tax liabilities	(424)	(718)	–	–	–	(1,142)
Provisions	(520)	–	–	–	–	(520)
	(944)	(718)	–	–	–	(1,662)
Current liabilities						
Borrowings	(131)	(1,149)	–	(14,700)	–	(15,980)
Trade and other payables	(98,175)	(15,110)	576	–	–	(112,709)
Loans from related parties	–	(3,805)	3,805	–	–	–
Obligations under finance leases	(6)	(50)	–	–	–	(56)
Current tax liabilities	(607)	(785)	183	–	–	(1,209)
Provisions	(832)	–	–	–	–	(832)
	(99,751)	(20,899)	4,564	(14,700)	–	(130,786)
Total liabilities	(100,695)	(21,617)	4,564	(14,700)	–	(132,448)
Net assets	13,162	8,152	611	(27,855)	18,142	12,212

Notes

(1) The consolidated net assets of Renew Holdings plc as at 30 September 2010 have been extracted without material adjustment from its audited report and accounts for the year ended 30 September 2010.

(2) The consolidated net assets of Amco have been extracted from the financial information of Amco set out in Part VI of this document.

(3) The other adjustments are as follows:

Pre-acquisition transactions

As noted below part of the consideration payable for the Acquisition will be funded by pre-acquisition transactions in respect of the repayment of amounts owed to Amco by related parties to the Amco Group and through the transfer of Amco's head office property to Amco Shareholders at market value.

Also pursuant to the terms of the acquisition are a number of permitted leakages in respect of bonus, pension contributions and holiday pay payments where related liabilities and contributions will be settled by Amco pre-acquisition.

Adjustments have therefore been made as follows:

- An adjustment of £4,585k has been made to reflect the settlement of amounts owed to Amco by other companies owned by the Amco Shareholders.
- An adjustment of £611k has been made to reflect the difference between the book value of the Amco head office property of £969k and its market value of £1,580k.
- An adjustment of £946k has been made to reflect the settlement of the permitted leakages. This amount includes pension contributions of £187k the accounting for which results in an asset not being recognised.

Payment of cash consideration and transaction costs

Total acquisition consideration payable of £26,905k will to be funded through; a new term loan of £15,000k, £5,739k of existing Renew cash reserves, £4,586k of proceeds from the repayment of amounts owed to Amco by related parties to the Amco group and £1,580k of proceeds from the transfer of Amco's head office property to Amco shareholders at market value.

Estimated transaction costs total £1,250k of which £950k has been expensed and £300k of costs have been capitalised and offset against the £15,000k new term loan. The costs capitalised represent those costs incurred directly in raising the new term loan.

The total cash adjustment in the pro forma balance sheet above of £11,575k is therefore calculated as the £5,739k of existing Renew cash reserves, £4,586k of proceeds from the repayment of amounts owed to Amco by related parties to the Amco Group and the total estimated transaction costs of £1,250k.

The total consideration payable for Amco of £26,905k includes an amount of £925k payable in respect of earnings between 30 September 2010 and the actual acquisition date. No adjustment has been made in the pro forma statement in respect of the impact of these post 30 September 2010 earnings on Amco's net assets or the goodwill calculated below.

For the purposes of the pro forma statement of net assets, the difference between consideration and net assets of Amco is treated as goodwill and amounts to £18,142k. This amount has been calculated as follows:

	£000
Consideration payable for Amco	26,905
Net assets of Amco (inc the impact of pre-acquisition transactions of £611,000)	(8,763)
Goodwill	18,142

No account has been taken of any fair value adjustments to the net assets of Amco upon its acquisition by Renew Holdings plc that will be required to be accounted for in the Enlarged Group's next published financial statements.

(4) No account has been taken of the trading of the Renew Holdings plc group or the Amco Group since 30 September 2010.

PART VIII

ADDITIONAL INFORMATION

1. INTRODUCTION

1.1 The Directors, whose names appear on page 12 of this document, and the Company accept responsibility for the information contained in this document. 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. All the Directors accept individual and collective responsibility for compliance with the AIM Rules.

2. THE COMPANY

2.1 The Company was incorporated and registered in England and Wales with registered number 00650447 on 24 February 1960 under the Companies Act 1948, as a private company limited by shares under the name Y.J. Lovell (Holdings) Limited. On 1 March 1982 the Company was re-registered as a public limited company with the name Y.J. Lovell (Holdings) Plc. On 17 June 1999 the Company changed its name to YJL PLC and on 19 March 2001 the Company changed its name to Montpellier Group PLC. The Company changed its name to Renew Holdings plc on 12 January 2006.

2.2 The principal legislation under which the Company operates is the Act and regulations made under the Act. The liability of the Company's members is limited.

2.3 The Company is domiciled in the United Kingdom. The registered office and principal place of business of the Company is at Yew Trees, Main Street North, Aberford, West Yorkshire, LS25 3AA (telephone number 0113 281 4200).

2.4 The following are the important events in the development of the Company's business:

2.4.1 The Company's Ordinary Shares were admitted to the Official List in 1968. On 29 October 2001 the Company transferred its listing to AIM.

2.4.2 In 2006, the Group acquired P.P.S. Electrical, a specialist mechanical and electrical engineering business which works in the nuclear sector for £700,000.

2.4.3 In 2007, the Company acquired Seymour for a total net consideration of £5.9 million, an engineering services company specialising in the water industry and in 2008 added to this area of expertise with the acquisition by Seymour of C&A Pumps for a total consideration of £1.8 million.

2.4.4 In 2009, the Group made its latest Specialist Engineering acquisition by acquiring the business and assets of Mothersill Engineering, a specialist machinery engineering business working almost exclusively in the nuclear industry for a total consideration of 0.4 million.

2.5 The Group focuses on two business streams: Specialist Engineering with expertise in nuclear, rail, land remediation and water through its subsidiaries Shepley Engineers, YJLI, VHE and Seymour and Specialist Building incorporating retail, social housing, science & education and restoration and refurbishment (high quality residential) through its subsidiaries Allenbuild, Britannia and Walter Lilly.

3. SUBSIDIARIES

The Company is the holding company of the Group. The principal activity of the Group during the year ended 30 September 2010 was construction and construction related activities. The following table contains details of the Company's principal subsidiaries:

Company name	*Principal activity*	*Country of incorporation*	*Percentage ownership*
YJL Limited	Holding company	England and Wales	100%
Allenbuild Limited	General construction and civil engineering	England and Wales	100%*
Britannia Construction Limited	General construction and civil engineering	England and Wales	100%*
Walter Lilly & Co Limited	General construction and civil engineering	England and Wales	100%*
YJL Infrastructure Limited	General construction and civil engineering.	England and Wales	100%*
VHE Construction Plc	General construction and civil engineering	England and Wales	100%*
Shepley Engineers Limited	General construction and civil engineering	England and Wales	100%*
Seymour (Civil Engineering Contractors) Limited	General construction and civil engineering	England and Wales	100%*

*owned by a subsidiary

Amco and its subsidiaries, details of which are set out below, will, conditional on completion of the Acquisition, become subsidiaries of Renew with effect from the date of completion of the Acquisition.

Company name	*Principal activity*	*Country of incorporation*	*Percentage ownership*
Amco Group Limited	Holding Company	England and Wales	100%
Amco Rail Engineering Limited	Dormant Company	England and Wales	100%
Amalgamated Construction Limited	General construction and civil engineering	England and Wales	100%
Amco Rail Limited	Dormant Company	England and Wales	100%
Amco Engineering Limited	Dormant Company	England and Wales	100%

4. THE COMPANY

4.1 Set out below are details of the issued share capital of the Company as at the date of this document and as it will be immediately following Admission:

	Number	*Nominal value (£)*
Existing Ordinary Shares	59,898,927	£0.10

4.2 There have been no changes to the Existing Ordinary Shares during the period covered by the historical financial information (ie. since 30 September 2007).

4.3 The following is a reconciliation of the number of Existing Ordinary Shares at the beginning and end of the financial year of the Company ended 30 September 2010:

Description	*Issued Ordinary Shares*
Balance at start of year	59,898,927
Issue of shares	0
Balance at end of year	59,898,927

4.4 The following table shows the number of Ordinary Shares under option pursuant to terms of the Schemes as at 1 February 2011 (being the last practicable date before publication of this document):

Share Scheme	*Number of Ordinary Shares under option*	*Earliest date of exercise*	*Expiry date*	*Exercise price*
Renew Holdings 2004 Executive Share Option Scheme granted 7 June 2006	761,904	07/06/2009	07/06/2016	52.5p
Renew Holdings 2004 Executive Share Option Scheme granted 26 November 2008	829,403	26/11/2011	26/11/2018	54.5p
Renew Holdings 2004 Executive Share Option Scheme granted 25 November 2009	1,312,319	25/11/2012	26/11/2019	34.5p

4.5 The Ordinary Shares in issue are capable of being held in uncertificated form. In the case of Ordinary Shares held in uncertificated form, the Articles permit the holding and transfer of Ordinary Shares under CREST. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument. The Directors have re-applied for the Ordinary Shares to be admitted to CREST. The records in respect of Ordinary Shares held in uncertificated form will be maintained by Euroclear UK & Ireland Limited and the Company's registrar, Capita Registrars (details of whom are set out on page 8).

4.6 The International Security Identification Number ("ISIN") of the Ordinary Shares is GB0005359004 and the Stock Exchange Daily Official List ("SEDOL") number is 0535900.

4.7 The Ordinary Shares are denominated in sterling.

4.8 Save as disclosed in this paragraph 4.8, as at the date of this document:

4.8.1 the Company did not hold any treasury shares and no Ordinary Shares were held by, or on behalf of, any member of the Group;

4.8.2 no shares have been issued otherwise than as fully paid;

4.8.3 the Company had no outstanding convertible securities, exchangeable securities or securities with warrants;

4.8.4 the Company has given no undertaking to increase its share capital; and

4.8.5 no capital of any member of the Group is under option or is agreed, conditionally or unconditionally, to be put under option.

5. IRREVOCABLE UNDERTAKINGS

As at the close of business on 1 February 2011 (being the latest practicable date prior to the posting of this document) irrevocable undertakings to vote in favour of the Resolution have been given by the following Directors and their immediate families, related trusts and connected persons and certain other shareholders of Renew in respect of the following numbers of Ordinary Shares in which they are interested:

Name of Shareholder giving irrevocable undertaking to vote in favour of the Resolution	*Total number of Ordinary Shares in respect of which undertaking is given*	*Percentage of Existing Ordinary Shares*
Directors*:		
Roy James Harrison OBE	60,000	0.10%
Brian Ward May	355,000	0.59%
John William Strachan Samuel FCA	210,000	0.35%
John Michael Bishop FCA	10,000	0.02%
Sub-total	635,000	1.06%
Other Shareholders:		
Gartmore Investment Limited "Gartmore"	10,055,222	16.79%
Total irrevocable undertakings given to vote in favour of the Resolution	10,690,222	17.85%

* Together with their immediate families, related trusts and connected persons.

The undertakings in respect of the Directors and their immediate families, related trusts and connected persons, and the other Shareholders listed above will cease to be binding in the event that:

(a) as from 5 p.m. on 15 February 2011 (or 25 February 2011 in respect of Gartmore), in the event that this document is not posted to Shareholders by that time;

(b) in the event that a subsequent announcement is made after the date of this document in relation to the Acquisition or the GM which is materially different to, or changes anything in any material respect from that set out in the announcement of the Acquisition made on the date of this document;

(c) as from 5 p.m. on 8 March 2011 (or 25 February 2011 in respect of Gartmore), in the event that the GM has not been concluded by that time; or

(d) in the event that the financial terms of the Acquisitions are varied so as to differ from those set out in this document.

and, in each case, the termination of the obligations of those persons giving undertakings have not been waived in writing.

6. MEMORANDUM AND ARTICLE OF ASSOCIATION

6.1 Memorandum of Association

6.1.1 The Act significantly reduces the constitutional significance of a company's memorandum. The Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Act the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in the company's articles of association but a company can remove these provisions by special resolution.

6.1.2 As the Company has not removed the provisions of the memorandum, the objects are treated as restrictions and are summarised below:

- to carry on business as a holding company and investment company;
- to carry on any other trade or business which can be advantageously carried on in connection with any business of the Company;

- to carry the office and duties of trustee and similar roles;
- to hold, manage, buy and sell any real or personal property;
- to carry on a business as industrial financial and business advisers and consultants;
- to carry on business as dealers or agents or manufacturers in goods, or as bankers;
- to purchase or acquire freehold or leasehold property and build/alter any property;
- to apply/register/maintain intellectual property;
- to acquire any other undertaking, business, assets or goodwill of another company;
- to invest and deal with issues of the Company;
- to borrow and raise money in any manner and lend any monies or enter into any guarantee or other security and execute and issue cheques and other negotiable or transferable instruments;
- to apply for and promote any Act of Parliament and enter into any arrangement with a government authority;
- to subscribe for or purchase any shares in another company;
- to remunerate any person;
- to establish and maintain any pension scheme or any share incentive scheme;
- to purchase and maintain insurance;
- to control, manage, provide services to any company in which the Company has an interest;
- to promote the Company and any subsidiaries;
- to grant any rights over real or personal property;
- to distribute to members or creditors of the Company any property; and
- to do all such things referred to above in any part of the world and to do all such things that are incidental or conducive to the attainment of any of the above.

The purpose of the Company is to be a public company.

6.2 Articles of Association

The Articles include provisions to the following effect:

6.2.1 Voting rights

6.2.1.1 Subject to any rights or restrictions attached to any shares, at any general meeting:

(a) every shareholder who is present in person and each duly appointed person shall, on a show of hands, have one vote;

(b) on a poll every member present or person or by proxy shall have one vote for each share of which he is the holder.

6.2.1.2 Where there are joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote or votes of the other joint holder or holders. Seniority is determined by the order in which the names of the holders stand in the register.

6.2.1.3 Unless the Board otherwise determines, a shareholder shall not be entitled to vote unless all calls or other sums due from him in respect of shares in the Company have been paid.

6.2.2 Dividends

6.2.2.1 Subject to the Act and the Articles, the Company may by ordinary resolution declare dividends, but no such dividends shall exceed the amount recommended by the

Board. Subject to the Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Board to be justified by the profits of the Company available for distribution.

6.2.2.2 Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up or credited as paid up (other than amounts paid in advance of calls) on the shares in respect of which the dividend is paid and shall be apportioned and paid proportionately to the amounts paid up on such shares during any portion or portions of the period in respect of which the dividend is paid.

6.2.2.3 All dividends unclaimed for a period of 12 years after having been declared or becoming due for payment shall be forfeited and cease to remain owing by the Company.

6.2.2.4 The Board may, with the authority of an ordinary resolution of the Company offer holders of Ordinary Shares the right to elect to receive further Ordinary Shares, credited as fully paid, instead of cash in respect of all or part of any dividend or dividends specified by the ordinary resolution.

6.2.2.5 There are no fixed or specified dates on which entitlements to dividends payable by the Company arise.

6.3 Pre-emption rights

In certain circumstances, shareholders may have statutory pre emption rights under the Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to offer new shares for allotment by existing shareholders on a pro rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre emption rights would be set out in the documentation by which such shares would be offered to shareholders.

6.4 Distribution of assets on a winding-up

On a winding-up, the liquidator may, with the authority of a special resolution of the Company and any other sanction required by law, divide among the shareholders in specie or in kind the whole or any part of the assets of the Company and may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, transfer any part of the assets of the Company to trustees on such trusts for the benefit of shareholders as he may determine. The liquidator shall not, however (except with the consent of the shareholder concerned) distribute to a shareholder any asset to which there is attached a liability or potential liability for the owner.

6.5 Transfer of shares

6.5.1 Every transfer of shares which are in certificated form must be in writing in any usual form or in any form approved by the Board and shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee.

6.5.2 Every transfer of shares which are in uncertificated form must be made by means of a relevant system (such as CREST).

6.5.3 The Board may, in its absolute discretion and without giving any reason, refuse to register any transfer of certificated shares if it is in respect of a share which is not fully paid up (provided that the refusal does not prevent dealings in the Company's shares from taking place on an open and proper basis).

6.5.4 The Board may, in its absolute discretion and without giving any reason, refuse to register any transfer of shares which is in favour of: (a) a child, bankrupt or person of unsound mind; or (b) more than four joint transferees.

6.6 Suspension of Rights

If a shareholder or any person appearing to be interested in shares held by such a shareholder has been duly served with a notice under section 793 of the Act and has failed in relation to any shares ("default shares") to give the Company the information thereby required within the prescribed period, then, unless the Board otherwise determines, the shareholder shall not be entitled to vote or exercise any right conferred by membership in relation to meetings of the Company in respect of such default shares. Where the holding represents more than 0.25 per cent. of the issued shares of that class (excluding any shares of that class held as treasury shares), the payment of dividends may be withheld and such shareholder shall not be entitled to transfer such shares unless the transfer is an approved transfer or unless the shareholder himself is not in default as regards supplying the information requested and the transfer is of part only of the shareholders holding and when presented for registration is accompanied by a certificate by the member in a form satisfactory to the directors.

6.7 Untraced Shareholders

6.7.1 The Company is entitled to sell any share of a shareholder who is untraceable, provided that no communication has been received by the Company and for a period of not less than 12 years (during which at least three cash dividends have been payable on the share), no cheque, warrant or money order sent to the shareholder has been cashed or all funds sent electronically have been returned.

6.7.2 The Company shall be indebted to the former shareholder for an amount equal to the net proceeds of any such sale.

6.8 Variation of Class Rights

6.8.1 Subject to the Act, all or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated in such manner (if any) as may be provided by such rights, or, in the absence of any such provision, either with the consent in writing of the holders of at least three-quarters of the nominal amount of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of such holders of shares of that class, but not otherwise. The quorum at any such meeting (other than an adjourned meeting) is two persons holding or representing by proxy at least one third in nominal amount of the issued shares of the class in question.

6.8.2 The rights attached to any class of shares shall not, unless otherwise expressly provided in the rights attaching to such shares, be deemed to be varied or abrogated by the creation or issue of shares ranking pari passu with or subsequent to them or by the purchase or redemption by the Company of any of its own shares.

6.9 Share Capital, Changes in Capital and Purchase of Own Shares

6.9.1 Subject to the Act and to the Articles, the power of the Company to allot and issue shares shall be exercised by the Board at such times and on such terms and conditions as the Board may determine.

6.9.2 Subject to the Articles and to any rights attached to any existing shares any share may be issued with such rights or restrictions as the Company may from time to time determine by ordinary resolution.

6.10 General Meetings

6.10.1 The Board may convene a general meeting whenever it thinks fit.

6.10.2 Pursuant to the Act, an annual general meeting shall be called on not less than 21 clear days' notice. All other general meetings shall be called by not less than 14 clear days' notice.

6.10.3 The quorum for a general meeting is two qualifying persons present and entitled to attend and vote.

6.11 Appointment of Directors

6.11.1 Unless otherwise determined by ordinary resolution, there shall be no maximum number of directors, but the number of directors shall not be less than two.

6.11.2 Subject to the Act and the Articles, the Company may by ordinary resolution appoint any person who is willing to act as a director either as an additional director or to fill a vacancy. The Board may also appoint any person who is willing to act as a director, subject to the Act and the Articles. Any person appointed by the Board as a director will hold office only until conclusion of the next annual general meeting of the Company, unless he is re-elected during such meeting.

6.11.3 The Board may appoint any director to hold any employment or executive office in the Company and may also revoke or terminate any such appointment (without prejudice to any claim for damages for breach of any service contract between the director and the Company).

6.12 Remuneration of Directors

6.12.1 The total of the fees paid to the directors for their services must not exceed £200,000 a year, unless otherwise determined by ordinary resolution. The Board may decide to pay additional remuneration to any director who is resident outside the United Kingdom and not holding full-time salaried employment with the Company.

6.12.2 Any director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity), or who serves on any committee of the directors, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such remuneration or extra remuneration by way of salary, commission or otherwise as the directors may determine.

6.12.3 Each director is entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director.

6.13 Retirement and Removal of Directors

6.13.1 At each annual general meeting of the Company, one-third of the directors (or the number nearest to but not exceeding one-third if the number of directors is not a multiple of three) shall retire from office.

6.13.2 Without prejudice to the provisions of the Act, the Company may by ordinary resolution of which special notice has been given remove any director before the expiration of his period of office and may appoint by ordinary resolution appoint another director in his place.

6.14 Directors' Interests

6.14.1 Provided that sections 177 and 182 of the Act are complied with, a director notwithstanding his office:

6.14.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

6.14.1.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;

6.14.1.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate; and

6.14.1.4 no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

6.14.2 Save as provided in the Articles, a director shall not vote in respect of any transaction or arrangement or any other proposal whatsoever in which he has an interest which is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A director shall not be counted in the quorum at the meeting in relation to any resolution on which he is debarred from voting.

6.14.3 Subject to the Act a director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:

6.14.3.1 the giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;

6.14.3.2 the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

6.14.3.3 any transaction or arrangement by a director to participate in the underwriting or sub-underwriting of any offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription, purchase or exchange;

6.14.3.4 any transaction or arrangement concerning any other company in which the director does not to his knowledge hold an interest in shares (as that term is used in Part 22 of the Act) representing 1 per cent. or more of either any class of the equity share capital, or the voting rights, in such company. For the purpose of this paragraph there shall be disregarded any shares held by a director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the director is interested only as a unit holder;

6.14.3.5 any arrangement for the benefit of the employees of the Company or any of its subsidiaries which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;

6.14.3.6 any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of inter alia any directors; or

6.14.3.7 any proposal for the Company (i) to provide him with an indemnity permitted by the Companies Acts, (ii) to provide him with funds in circumstances permitted by the Companies Acts to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category or relief referred to in Part 10 of the Act or (iii) to do anything to enable him to avoid incurring any such expenditure.

6.14.3.8 Subject to the provisions of the Articles, a director shall not vote or be counted in the quorum present on any resolution concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.

6.15 Powers of the Directors

6.15.1 The business of the Company shall be managed by the Board, which may exercise all the powers of the Company whether relating to the management of the business or not.

6.15.2 Subject to the provisions of the Act, the Board may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property and uncalled capital, to issue debentures and other securities and to give security, either outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Board shall restrict the borrowings of the Company and, insofar as it is able, of its subsidiary undertakings, so as to procure that the aggregate principal amount outstanding in respect of borrowings by the Group shall not, without an ordinary resolution of the Company, exceed a sum equal to three times the aggregate of the amount paid up or credited as paid up on the Company's issued share capital and the total amount standing to the credit of the capital and revenue reserves of the Group as shown in the latest audited balance sheet of the Group, after such adjustments and deductions as are specified in the Articles.

6.16. Directors' Indemnity and Insurance

6.16.1. Subject to the Act, each director of the Company and of any associated company may be indemnified against any liability.

6.16.2. Subject to the Act, the Board may purchase and maintain insurance against any liability for any director of the Company or of any associated company.

7. SHARE SCHEMES

7.1 The Company operates a share option scheme, the Renew Holdings 2004 Executive Share Option Scheme ("**Scheme**"). The Scheme has both an "**Approved**" and "**Unapproved**" element (the "**Approved Scheme**" and "**Unapproved Scheme**"). The difference between the two elements is that the Approved Scheme has the advantage of certain HMRC tax benefits.

7.2 Approved Scheme

Introduction

The Approved Scheme is only open to those persons who are classed as "eligible employees" under the relevant Company Share Option Plan ("CSOP") legislation and includes any bona fide employee of the Company who satisfies the requirement as to commitment of working time by spending 25 hours per week on the business of the Group and satisfies the "no material interest" requirement which means the person either alone or together with a related party does not have a material interest in any member of the Group which broadly means more than 25 per cent. of the share capital of that company.

Grant of options

The Board has absolute discretion as to the selection of persons to whom a CSOP option is granted. The Company may grant CSOP options within 42 days of the announcement of its annual or half-yearly results but may only grant options to a qualifying employee and shall not grant options to any other person.

In relation to each option the Board shall determine at the date of grant the basis upon which the option shall vest and may be conditional on things such as the Company's performance.

The grant of an options shall be effected by the Company issuing an option certificate executed as a deed containing information which specifies inter alia the date of the grant, the number of shares in respect of which the option is granted, the exercise price, details of performance conditions and the last date on which the options may be exercised.

Relationship of the plan to employment or engagement

The grant of an option does not form part of the grantee's entitlement to remuneration or benefits pursuant to the grantee's contract of employment or contract for services (if any). The grant of an option shall not afford the grantee any rights or additional rights to compensation or damages. Neither the grant nor any benefit which may accrue shall form part of that grantee's pensionable remuneration for the purposes of any pension scheme.

Non-transferability of option

An option may only be exercised by the individual grantee (or by his personal representatives in the case of death). Any attempts to transfer or assign an option shall result in the immediate lapse of the option.

Exercise of Options

An option may be exercised on or after the third anniversary of the date of grant but may not be exercised later than midnight on the day preceding the tenth anniversary of the date of grant.

Options shall cease to be exercisable where the optionholder ceases to be an employee except where it is by reason of retirement, injury or disability, redundancy, sale of the relevant business or any other circumstances in the absolute discretion of the Board. Where the exercise of an option is subject to a performance condition the option shall not be exercisable unless the relevant performance condition has been satisfied to the reasonable satisfaction of the Board or the Board decides to waive or amend such performance condition upon the occurrence of an event which causes the Board to consider that the condition could not be fairly or reasonably met.

An option will lapse upon the earliest occurrence of either the tenth anniversary of the date of grant, six months after an optionholder ceasing to be an eligible employee as a result of a reason mentioned above (retirement, injury or redundancy) or immediately on ceasing to be an employee for any other reason, upon the expiry of 12 months of the optionholder's death, upon the expiry of any period in which the optionholder is able to exercise as a result of a takeover or liquidation of the Company or where the optionholder has been adjudicated bankrupt.

If a person obtains control of the Company as a result of an offer to acquire the whole of the issued share capital, or as a result of a court approved scheme of reconstruction or is bound or entitled to acquire shares in the Company under applicable takeover legislation then all options may be exercised within six months of such change of control or court approval of the reconstruction scheme or during any period in which that other person is bound or entitled to acquire shares. The Company has the right, provided it obtains the acceptance of the person obtaining control over the Company to substitute the existing options for new options in the acquiring company.

Manner of exercise of options

Options may be exercised in whole or in part. They may not be exercised over less than 10 per cent. of the shares under option without either approval of the Board or where such lesser amount represents all the outstanding rights under the option. Share will be issued within 30 days of the exercise date of the notice and, where shares are listed on the London Stock Exchange, an application will be made for them to be admitted to trading.

The allotment of any shares is subject to the Company's Memorandum and Articles of Association. If the shares are listed at the time of exercise the Company shall apply to the exchange or market for such shares to be admitted.

Overall limit on the granting of options

A qualifying CSOP option may not be granted to a qualifying employee if it would cause the aggregate market value of the shares subject to all qualifying CSOP options and any option granted under any other scheme to that employee to exceed £30,000.

A qualifying CSOP option may not be granted if as a result of such grant the aggregate number of shares issued under or subject to any share scheme would exceed 5 per cent. of the issued share capital, unless the market value of outstanding options is less than £500,000 or certain performance conditions are met, in which case it shall not exceed 10 per cent.

Where a qualifying employee has been cumulatively granted EMI options with an aggregate market value equal to or greater than £120,000, any further option granted within three years is to be treated as an unapproved option.

Taxation

In any circumstances in which taxation becomes payable in respect of the CSOP option then the optionholder shall pay to the Company such amount as is required to discharge that taxation liability in cleared funds no later than the 25th day after the exercise date. If the optionholder does not make such payment then the Company is entitled to withhold the amount of such tax liability from any payment it makes to the optionholder and is further entitled to appoint any person as trustee of the optionholder in order to sell so many of the shares as are required in order to meet such tax liability.

Variation of share capital

In the event of any alteration of the ordinary share capital by way of capitalisation or rights issue, or sub-division, consolidation or reduction or any other variation in the share capital of the Company or any purchase by the Company of its own share, if the Board so chooses, it may alter the number or amount of shares that are the subject of an option and the exercise price of those shares provided the exercise price is not reduced below the nominal value of the share (unless it is able to capitalize the deficit), the aggregate amount payable on exercise is not increased, approval is obtained from HMRC and the relevant CSOP legislation is adhered to.

The Board shall be entitled to amend any or all of the provisions of the Scheme except that no alterations shall be made to the advantage of existing or new participants in the Scheme without an ordinary resolution of the Company (other than minor amendments of a consequential or administrative nature or in order to continue in compliance with the CSOP legislation).

There should also be no alteration to the Scheme if such alteration would materially prejudice the holders of existing options without consulting with all holders of existing options and obtaining the approval of the majority of them.

Administration

The plan shall be administered by the Board acting on behalf of the Company. The Board may make and vary such regulations as they think fit. In the event of any dispute or disagreement the decision of the Board is final and binding.

Termination

The Scheme shall continue until such time as either the Board or the Company in a general meeting decides to terminate the Scheme. Termination will not affect the rights of existing optionholders. No option may be granted under the Scheme after 11 March 2014 in any event.

7.3 The Unapproved Scheme

The Unapproved Scheme rules contain the same basic criteria for as the Approved Scheme save for the following:

The Unapproved Scheme is open to those persons who are classed as “employees” of the Group. The grant of an unapproved option is affected by the Company executing as a deed and issuing the grantee an unapproved option certificate containing an undertaking by the grantee to be executed as a deed of acceptance that the grantee agrees to be bound by the Scheme rules.

The Unapproved Scheme is not subject to a limit of £30,000 in relation to the market value of options granted to any one individual.

Optionholders under an Unapproved Scheme also agree to bear the costs of any employers’ National Insurance Contributions and provisions on taxation in the Approved Scheme are amended to include reference to such National Insurance Contributions.

8. DIRECTORS' AND OTHER INTERESTS

8.1 As at the date of this document and immediately following Admission, the interests (all of which are beneficial unless otherwise stated), whether direct or indirect, of the Directors and their families (within the meaning set out in the AIM rules) in the issued share capital of the Company and the existence of which is known to or could, with reasonable diligence, be ascertained by that Director, are as follows:

Director	*Number of Ordinary Shares*	*Percentage of Existing Shares*
John Bishop	10,000	0.02%
Roy Harrison	60,000	0.10%
Brian May*	355,000	0.59%
John Samuel**	210,000	0.35%

* The Ordinary Shares beneficially held by Brian May are registered in the name of his wife, Margaret May.

** In respect of the Ordinary Shares beneficially held by John Samuel, 50,000 Ordinary Shares are registered in the name of his wife, Alexandra Samuel, 79,000 Ordinary Shares are registered in the name of the trustees of the John Samuel 1991 Settlement and 81,000 Ordinary Shares are registered in the name of the trustees of the Alexandra Samuel 1991 Settlement.

8.2 As at the date of this document, the following options over Ordinary Shares had been granted pursuant to the Schemes to the following Directors:

	2010 Scheme	*2009 Scheme*	*2006 Scheme*	*Total*
Brian May	831,884	525,963	476,190	1,834,037
John Samuel	480,435	303,440	285,714	1,069,589
Date of award	25 November 2009	26 November 2008	7 June 2006	
Exercise Price (£)	0.345	0.545	0.525	
Earliest Exercise Date	25 November 2012	26 November 2011	7 June 2009	
Expiry of Exercise Period	25 November 2019	26 November 2018	7 June 2016	

8.3 Save as disclosed in paragraphs 8.1 and 8.2 above, none of the Directors has any interest in the share capital of the Company or of any of its subsidiaries nor does any member of his family (within the meaning set out in the AIM rules) have any such interest, whether beneficial or non-beneficial.

8.4 As at 1 February 2011 (being the last practicable date prior to the publication of this document) and so far as the Directors are aware, the only persons (other than any Director) who are or will be interested, directly or indirectly, in 3 per cent. or more of the issued share capital of the Company prior to and immediately following Admission are as follows:

Shareholder	*Number of Ordinary Shares*	*Percentage of issued share capital*
Gartmore Investment Limited	10,055,222	16.79%
Octopus Investments Nominees Limited	7,218,094	12.05%
Brewin Dolphin	3,620,498	6.04%
Hargreave Hale Limited	2,581,900	4.31%

8.5 Save as disclosed in paragraph 8.4 above, the Company and the Directors are not aware of (i) any persons who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company, nor (ii) any arrangements the operation of which may at a subsequent date result in a change in control of the Company.

8.6 The voting rights of the persons listed in paragraph 8.4 above do not differ from the voting rights of any other holder of Ordinary Shares.

8.7 There are no outstanding loans granted by any member of the Group to any Director nor are there any guarantees provided by any member of the Group for the benefit of any Director.

8.8 The Directors hold the following directorships and are partners in the following partnerships and have held the following directorships and been partners in the following partnerships within the five years prior to the date of this document:

Director	*Current*	*Previous*
John Bishop	Beagle Aircraft Limited Renew Holdings plc	Allied Investment Securities Limited[1] Sotham Engineering Services Limited Primary Medical Property Limited Primary Medical Property Investments Limited The Kingswood Trust CLC Group Limited CSPC 3PD Limited DK Properties (Woolston) Limited Medi-care Developments Limited Inhoco 4129 Limited
Roy Harrison OBE	Telford City Technology College Trust Limited Renew Holdings plc Sandwell Academy Trust Limited Domotec (Europe) Limited Victoria & Albert Baths Limited Madeley Academy Trust Limited Walsall City Academy Trust	The BSS Group plc P.A. Venter Shopfitters (Pty) Ltd
Brian May	Renew Holdings plc Renew Corporate Director Limited Renew Nominees Limited Renew Property Developments Limited Walter Lilly and Co Limited	None in the last five years
John Samuel	Ilkley Toy Museum Limited West Wynd Wood Limited Renew Holdings plc Renew Corporate Director Limited Renew Nominees Limited Renew Pension Trustee Company Limited Renew Civil Engineering Limited VHE Equipment Services Limited VHE Land Projects Limited YJLI London Limited Britannia Group Limited Allenbuild (North West) Limited Inhoco 3520 Limited BB (Walsall) Limited Kass Holdings Limited Cornerbite Limited Allenbuild (West Midlands) Limited Architectural Fabrication Systems Limited Arle Court Developments Limited B B Plant Limited B B Properties Limited B B Stone Limited BB Engineering Limited BB Konstruction Limited BB Wyke Limited BG Aggregates Limited Britannia Homes (Cheltenham) Limited Britannia Homes (Western) Limited British Building & Engineering Services Limited	IHT Free Investments Limited

John Samuel *continued*	Cherrydown Construction Limited Clifton Homes (Cotswolds) Limited Clifton Homes (Southern) Limited Clifton Retirement Homes Limited Contractors' Scaffolding and Formwork Limited David Eshelby Limited Detour Limited Exbirco 1 Limited Exbirco 2 Limited Exbirco 3 Limited Exhatch Limited Exsimpil Limited Geodur UK Limited Hadley Grange (Residents) Management Limited Kass Build Limited Pasuda Services Limited Promenade Investments (Whittington) Limited Promenade Investments Limited Prospect Homes Limited Renew Construction Limited Renew Group Limited Renew Limited Renew Specialist Services Limited Sovereign Canal and Estate Management Company Limited T.W. Ward (Industrial Dismantling) Limited Triple R Environmental Limited VHE (Civil Engineering) Limited VHE Technology Limited YJL (Overseas) Limited YJL Building Limited YJL Construction Limited YJL Developments Limited YJL Homes Limited YJL Limited YJL Partnerships Investments Limited YJL Specialist Treatments Limited Ex Brit Join Limited

1. John Bishop acted as a non-executive director for Allied Investment Securities Limited from 1989 to 1991. Mr Bishop resigned his position with Allied in 1991, however, his resignation has not been recorded with Companies House correctly and he consequently is still showing up as a director of Allied Investment Securities on the Companies House records.

8.9 As at the date of this document no Director:

8.9.1 has any unspent convictions in relation to any indictable offences; or

8.9.2 has been bankrupt or entered into an individual voluntary arrangement; or

8.9.3 was a director of any company at the time of or within 12 months preceding any receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors; or

8.9.4 has been a partner in a partnership at the time of or within 12 months preceding any compulsory liquidation, administration or partnership voluntary arrangement of such partnership; or

8.9.5 has had his assets the subject of any receivership or has been a partner of a partnership at the time of or within 12 months preceding any assets thereof being the subject of a receivership; or

8.9.6 has been subject to any public criticism by any statutory or regulatory authority (including any designated professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

9. DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

9.1 Each of the executive Directors has a service agreement with the Company, and each non executive Director has a letter of appointment with the Company. Details of these agreements are set out below:

9.1.1 The Company's policy is for all of the Directors to have twelve month rolling service contracts that provide for a 12 month notice period. The fees of Non-executive Directors are determined by the full Board within the limits set out in the Articles.

9.1.2 The service contracts/letters of appointment of the Directors include the following terms:

Directors	*Executive/ Non-executive*	*Date of contract*	*Current salary (per annum)*	*Notice period (months)*
John Bishop	Non-executive	1 September 2008	£30,000	12
Roy Harrison	Non-executive	1 February 2009	£55,000	12
Brian May	Executive	20 June 2005	£287,000	12
John Samuel	Executive	17 May 2006	£221,000	12

9.1.3 Brian May and John Samuel are each entitled to benefits including car allowances of £22,000 and £16,500 respectively, and certain medical cover for himself and his immediate family. They are each entitled to payments in lieu of Company pension contributions, at a level of 10 per cent. of their basic salary, which is paid through payroll and taxed as salary. Both Brian May and John Samuel are participants in an annual bonus scheme, the terms of which are set out by the Remuneration Committee and which include performance targets.

9.1.4 The non-executive Directors are not eligible for bonuses, pension benefits, share options or other benefits.

9.1.5 The Directors are indemnified to the full extent permitted by Statute under the Articles.

9.2 Save as disclosed in paragraph 9.1, there are no existing or proposed service agreements or consultancy agreements between any of the Directors and the Company which cannot be terminated by the Company without payment of compensation within 12 months.

9.3 The aggregate of the remuneration paid and benefits in kind (including bonus payments) granted to the Directors by any member of the Group in respect of the financial year ended 30 September 2010 was approximately £957,000.

9.4 There are no arrangements under which any Director has waived or agreed to waive future emoluments nor have there been any such waivers of emoluments during the financial year immediately preceding the date of this document.

10. RELATED PARTY TRANSACTIONS

10.1 No Director has any interest, direct or indirect, in any assets which have been acquired by, disposed of by, or leased to, any member of the Group or which are proposed to be acquired by, disposed of by, or leased to, any member of the Group.

11. TAXATION

11.1 The following information is intended only as a general guide to current UK tax legislation and published HMRC practice as it applies to holding or disposing of ordinary shares. It is intended only for Shareholders who are resident and, in the case of individuals, ordinarily resident in the UK for tax purposes and who hold Ordinary Shares beneficially as investments. The comments do not address the position of certain classes of shareholder such as dealers in securities.

This section is not intended, and shall not be construed to be, legal or taxation advice to any particular Shareholder. Any Shareholder who is in any doubt as to their tax position, or who is subject to tax in a jurisdiction other than the United Kingdom, should consult their professional adviser.

11.2 Taxation of Dividends

11.2.1 The Company is not required to deduct tax at source from dividends paid.

11.2.2 Individual Shareholders who are resident in the UK for tax purposes should generally be entitled to a tax credit in respect of any dividend received equal to one ninth of the amount of the dividend paid or 10 per cent. of the combined amount of the tax credit and the dividend. The amount of the dividend received by such an individual Shareholder and the associated tax credit form part of the individual Shareholder's income for UK tax purposes.

11.2.3 The rate of income tax on dividends is 10 per cent. for individuals not liable to tax at a rate above the basic rate. The tax credit therefore discharges the income tax liability of such a Shareholder. UK resident individuals who are higher rate taxpayers are liable to tax on dividends at the rate of 32.5 per cent., so that, after taking account of the tax credit, such Shareholders will have further tax to pay equal to 22.5 per cent. of the combined amount of the dividend and the tax credit.

11.2.4 Under the Finance Act 2010, a new top rate of income tax of 50 per cent. (the "additional rate") applies from 6 April 2010 to those with incomes above £150,000 in a tax year, and under the Finance Act 2009, a new 42.5 per cent. rate of tax on dividends (the "dividend additional rate") replaced the 32.5 per cent. rate for such taxpayers in relation to dividends paid on or after 6 April 2010. This means that those taxpayers will have further tax to pay on dividends equal to 32.5 per cent. of the combined amount of the dividend and the tax credit, equivalent to 36.11 per cent. of the net dividend received/receivable.

11.2.5 Trustees of discretionary trusts, who are liable to income tax on dividend income at the rate applicable to trusts, will be liable to income tax on dividends at a special "dividend trust rate". For tax years 2004/05 to 2009/10, the dividend trust rate was 32.5 per cent. However, under provisions in the Finance Act 2009, this increased to 42.5 per cent. for dividends paid on or after 6 April 2010. For the purposes of charging this additional income tax, the trustees will be treated as having received gross income which, when reduced by income tax at the rate of ten per cent., is the same as the amount of the cash dividend received.

However, in most cases, to the extent that the income of the trust (including the gross dividend income) for the tax year in question does not exceed £1,000, the trustees will have no further tax to pay in respect of a dividend.

11.2.6 Shareholders who are not liable to UK tax on dividends, such as pension funds and charities, are no longer entitled to reclaim the tax credit attaching to dividends paid by the Company.

11.2.7 With effect from 1 July 2009, and subject to certain exceptions for traders, a UK resident corporate Shareholder will generally be exempt from corporation tax on any dividend paid by the Company, subject to certain anti-avoidance provisions.

11.2.8 Whether a Shareholder who is not resident in the UK is entitled to a tax credit in respect of dividends paid by the Company will depend, in general, on the terms of any double tax treaty between the UK and their country of residence. However, where a non-resident Shareholder is entitled to claim payment of any part of a tax credit, the amount payable will generally be less than one per cent. of the dividend to which it relates. A non UK resident Shareholder may also be subject to foreign taxation on dividend income. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

11.3 Capital Gains

11.3.1 A disposal of Ordinary Shares by a Shareholder who is either resident or, in the case of an individual, ordinarily resident for tax purposes in the UK, may, depending upon the Shareholder's circumstances and subject to available exemptions or reliefs, give rise to a chargeable gain or allowable loss for the purposes of the UK taxation of chargeable gains.

11.3.2 For UK resident and ordinarily resident individual Shareholders, any chargeable gain arising after taking account of reliefs and exemptions (for example after taking the benefit of entrepreneurs' relief if available) will be subject to capital gains tax at the rate of 18 per cent. or, for higher rate taxpayers, personal representatives and trustees 28 per cent.

11.3.3 For UK resident Shareholders within the charge to corporation tax, an indexation allowance may be available to reduce the amount of the chargeable gain realised on a disposal of the Ordinary Shares.

11.4 Stamp Duty and Stamp Duty Reserve Tax

Except in relation to depositary arrangements and clearance services and agreements made by broker dealers and market makers in the ordinary course of their business (where special rules apply):

11.4.1 the transfer of Ordinary Shares will generally give rise to a liability on the purchaser to stamp duty at the rate of 0.5 per cent. of the consideration (rounded up to the nearest multiple of £5), or, if an unconditional agreement to transfer such shares is not completed by a duly stamped transfer, SDRT, generally at the rate of 0.5 per cent. of the consideration. However, stamp duty only applies where the consideration for the transfer is £1,000 or more;

11.4.2 no stamp duty or SDRT will arise on a transfer of Ordinary Shares into CREST, unless such transfer is made for a consideration in money or money's worth, in which case a liability to stamp duty or SDRT will arise, usually at the rate set out in paragraph 11.4.1 of this Part VIII; and

11.4.3 a transfer of Ordinary Shares effected on a paperless basis within CREST will generally be subject to SDRT at the rate of 0.5 per cent. of the consideration.

12. WORKING CAPITAL

The Directors are of the opinion, having made due and careful enquiry, taking into account available bank and other facilities that the working capital available to the Enlarged Group is sufficient for its present requirements, that is for at least the next 12 months from the date of Admission.

13. SIGNIFICANT CHANGE

13.1 Renew

There has been no significant change in the financial or trading position of the Group since 30 September 2010, the date to which the Group's last audited financial statements were published.

13.2 Amco

There has been no significant change in the financial or trading position of the Amco Group since 30 September 2010, the date to which the financial information contained in Part VI of this document was made up.

14. LITIGATION

14.1 Renew

14.1.1 Save as disclosed in paragraph 14.1.2 of this Part VIII, no member of the Group is involved in any legal or arbitration proceedings which are having or may have a significant effect on the Group's financial position nor, so far as the Company is aware, are any such proceedings pending or threatened by or against any member of the Group.

14.1.2 By a decision dated 21 September 2009, the OFT has imposed a fine of £0.5 million on Allenbuild and Renew, and a fine of £3 million on Bullock Construction Limited ("**Bullock**"), a former subsidiary of Renew, and Renew. Renew has appealed against the decision and the fines imposed on Renew and Allenbuild. The result of such appeals remain outstanding. During the financial year ended 30 September 2009, Renew accrued £0.5 million in respect of the Allenbuild fine as an exceptional item. During the financial year ended 30 September 2010, an exceptional charge of £0.2 million was incurred by the Group in respect of legal costs.

The fine imposed on Renew and Allenbuild was levied as a result of the OFT's investigation into historic contract tenders and Allenbuild's admission of participation in cover pricing activities which occurred in 2003 and 2004 in the (now closed) Midlands office of Allenbuild. The OFT found that Renew should be held jointly and severally liable for the fine of £0.5 million imposed on Allenbuild. The fine imposed on Renew and Bullock relates to similar conduct by Bullock in 2000. Bullock was sold in September 2005 to a company controlled by Bullock's management. The OFT found that Renew should be held jointly and severally liable for the fine of £3 million imposed on Bullock.

Renew has appealed both penalties on the grounds that the OFT erred in basing its calculation of both aspects of the penalty on turnover in the year preceding its decision rather than the year preceding the infringement. Given the time lag between the infringements and the decision, the OFT's choice of approach had the effect of increasing the penalty imposed on the parties. Renew has also appealed the decision on the basis that the minimum deterrence threshold (a calculation used to adjust a penalty upwards where the OFT is not satisfied with the deterrent effect of the penalty) has been inappropriately applied resulting in a penalty which bears no relationship to the seriousness of the infringements in question. It is the view of Renew's legal advisers that the effect of these grounds of appeal, which relate to the amount of the fine which should be imposed, taken together but without assuming that all would have to succeed, could reduce Renew's liability for the Bullock infringement to around £500,000. Renew has been advised that these grounds of appeal, taken together, are more likely than not to succeed.

Renew has been advised that if the question of how much Renew should contribute to the payment of the Bullock fine was put to a Court, a Court may consider the parties equally liable for the Bullock penalty and require each party to pay 50 per cent. of whatever the final penalty is. However, again this will be subject to the views of the particular Court who might place more weight on the fact that Bullock was the company that committed the infringement, or on the fact that Renew has higher turnover and therefore contributed more to the level of the penalty.

Additionally, in relation to the Bullock infringement only, Renew has appealed on the basis that the OFT's decision to address the decision to it, and to impose a penalty on it, in relation to the infringing conduct of Bullock, was, for no explained reason, inconsistent with the approach taken by the OFT in the case of another party to the OFT's decision and previous case law. In each of those cases, the OFT chose to ignore the existence of a large parent company which owned 100 per cent. of the shares in the participant company at the time of the infringements and to address its decision to, and impose a penalty based solely on the turnover of, the participant company. Yet in Renew's case, the present decision in respect of Bullock's infringement was addressed to Renew (as Bullock's former parent company) and a fine was imposed on Renew. On the basis of this unexplained difference of treatment, Renew submitted that to impose a penalty on it infringed the principle of equal treatment.

Renew has been advised that if successful in relation to the equal treatment ground of appeal, the only means of achieving equal treatment is to reduce the Renew portion of the fine imposed in relation to the Bullock infringement to nil. Renew has been advised that this ground of appeal is more likely than not to succeed. However, Renew has also been advised that litigation is always subject to risk and it is always impossible to see what final outcomes might be.

14.2 Amco

No member of the Amco Group is involved in any legal or arbitration proceedings which are having or may have a significant effect on the Amco Group's financial position nor, so far as the Company is aware, are any such proceedings pending or threatened by or against any member of the Amco Group.

15. MATERIAL CONTRACTS

15.1 Renew

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into in the two years preceding the date of this document by any member of the Group and are, or may be, material to the Group or have been entered into by any member of the Group and containsany provision under which any member of the Group has any obligation or entitlement which is material to the Group at the date of this document:

15.1.1 The Acquisition Agreement

15.1.1.1. Pursuant to the Acquisition Agreement, Renew has conditionally agreed to purchase and the Vendors have conditionally agreed to sell the entire issued share capital of Amco. Completion of the Acquisition Agreement ("**Completion**") is conditional upon the approval of the Shareholders at the General Meeting. The Completion date is anticipated to be on or around 24 February 2011.

15.1.1.2. The consideration ("**Consideration**") payable by the Company under the Acquisition Agreement is twenty six million nine hundred and five thousand six hundred and fifteen pounds (£26,905,615) comprising:

(a) an initial cash consideration of £19,814,000 ("**Initial Cash Consideration**");

(b) a "locked box payment" of £925,615 ("**Locked Box Payment**");

(c) £1,580,000 in respect of a freehold property ("**Property Consideration**"); and

(d) deferred consideration being £4,586,000 ("**Deferred Consideration**"),

(together the "**Consideration**"),

plus interest calculated at an annual rate of 1 per cent. per annum in respect of the Initial Cash Consideration and the Locked Box Payment and paid, pro rata, in respect of the period from 1 February 2011 to the date of Completion.

15.1.1.3. The Consideration will be payable as follows:

(a) as to the sum of £20,739,615 plus an amount equal to the total interest accrued on the Initial Cash Consideration and the Locked Box Payment (calculated as set out in paragraph 15.1.1.2 above), in cash to the Vendors at Completion;

(b) as to the Property Consideration, immediately on receipt by the Company (on behalf of Amco Group Limited) of a sum equal to the amount of the Property Consideration from the Vendors in consideration for the transfer of a freehold property by Amco Group Limited to another company owned by the Vendors; and

(c) as to the Deferred Consideration, immediately on receipt by the Company (on behalf of Amco Group Limited) of a sum equal to the amount of the Deferred Consideration from the Vendors in repayment of sums owed to the Amco Group by entities being retained by the Vendors.

The Consideration shall be adjusted, post Completion, to the extent that any sums have been/are paid out, assets transferred and/or liabilities assumed or incurred by any member of the Amco Group to any of the Vendors or their connected parties, between 30 September 2010 and Completion.

15.1.1.4. During the period between the date of the Acquisition Agreement and Completion, the Company may elect to terminate the Acquisition Agreement in the event of a "material adverse change", which term includes:

(a) HSBC withdrawing the facility it has agreed to provide to the Company to fund part of the Consideration; and/or

(b) any other event or circumstance occurring which has an adverse effect on the Amco Group which has caused or would cause a reduction in the value of the shares of Amco of 25 per cent. or more.

15.1.1.5. The Acquisition Agreement provides that the Warrantors shall procure that each member of the Amco Group complies with certain pre Completion restrictions and pre Completion obligations during the period between the date of the Acquisition Agreement and Completion.

15.1.1.6. The Acquisition Agreement also provides:

(a) for warranties relating to capacity and title to the shares in Amco to be provided by the Vendors;

(b) for indemnities (which are not unusual for an agreement of this nature) to be provided by the Vendors to protect against certain liabilities; and

(c) that the Warrantors will provide non-compete and non-solicitation covenants which will apply for a period of two years post Completion.

15.1.2 The Warranty Deed

15.1.2.1. In addition to the Acquisition Agreement, there is a separate Warranty Deed which has been entered into between the Warrantors and the Company, pursuant to which additional warranties (which are not unusual for a transaction of this nature) are provided by the Warrantors to the Company in relation to the business of the Amco Group and including, *inter alia*, in relation to accounting, assets, commercial and trading, property, employment, pensions, environment, health and safety matters.

15.1.2.2. The Warranty Deed provides:

(a) that the aggregate liability of the Warrantors under the warranties contained in the Warranty Deed and the tax warranties and tax indemnity contained in the Acquisition Agreement shall not exceed £7,500,000;

(b) that the Warrantors shall not be liable for any individual claim under the warranties contained in the Warranty Deed or any of the tax warranties contained in the Acquisition Agreement under £5,000 and shall not be liable until the aggregate liability for all such claims exceeds £250,000; and

(c) for usual limits on liability of the Warrantors in respect of claims for breach of any warranty in the Warranty Deed.

15.1.3 The Mothersill Engineering agreement

15.1.3.1. Pursuant to an agreement dated 22 May 2009, entered into between (1) Craig Howard Mothersill and Howard Mothersill and (2) Mothersill Engineering ("MEL") (a subsidiary of Shepley Engineers Limited, which is a subsidiary of the Company), MEL acquired the business of 'Mothersill Engineering' carried on by the sellers for a total consideration of £432,476, payable in cash on completion.

15.1.3.2. The sellers provided warranties that are usual for a transaction of this nature, liability in respect of which has now expired. Each seller also entered into a restrictive covenant that prohibits each of them from competing with the business, soliciting any customers or accepting any orders from any customers of such business; or interfering with the continuance of supplies to the business for a two year period until 22 May 2011.

15.1.3.3. MEL gave an indemnity to the sellers against any losses incurred after 22 May 2009 in connection with the employees that transferred to MEL save where such losses are as a direct result of an act of or omission by the sellers prior to 22 May 2009.

15.2 Amco

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into in the two years preceding the date of this document by any member of the Amco Group and are, or may be, material to the Amco Group or have been entered into by any member of the Amco Group and contain any provision under which any member of the Amco Group has any obligation or entitlement which is material to the Amco Group at the date of this document:

15.2.1 a section 110 liquidation agreement entered into between (1) Amberhold Limited (in liquidation) ("**Amberhold**"); (2) Adrian Peter Berry and Christopher Richard Frederick Day as joint liquidators; (3) Amco Drilling (UK) Limited; (4) Amber Two Limited (now called Amco Developments Group Limited); (5) Amber Three Limited (now called Amco Group Holdings Limited) (6) Endless Fund IIA and Others and (7) Amco Drilling Limited dated 22 February 2009, pursuant to which Amberhold (acting by its liquidators) distributed its shareholding in, *inter alia*, Amco Group Limited ("**AGL**") to Amco and the Vendors (who at the time held shares in Amberhold) transferred their shareholdings in Amberhold in consideration for the allotment of shares in Amco. There were no warranties given pursuant to this agreement. An indemnity was provided to the liquidators but this expired after one year;

15.2.2 an agreement for the sale and purchase of the entre issued share capital of Amco Plastics Limited ("**APL**") entered into between (1) Amco Property Investments Limited ("**API**"); (2) Amco Plastics Holdings Limited ("**APH**") and (3) AGL, acting as guarantor, dated 31 October 2008. The consideration for the shares was £650,000, which was paid in cash on completion. API provided a limited set of warranties to APH. The liability in respect of most of these warranties expired on 31 October 2009, however, API remains liable to APH under warranties relating to corporation tax payments made in respect of the three years ended 31 December 2007, until 31 October 2011. API also remains liable under an indemnity provided to APH to pay API any taxation for which APL is liable as a consequence of being associated with any member of API's group, until 31 October 2011. Liability of API and AGL is capped at the total amount of consideration paid. API also agreed to procure that Amco Insurance Company Limited ("**AICL**") shall at all times continue to meet and discharge the applicable excess from time to time on each and every successful claim whenever such claim may be brought by APL or a member of its group under either (i) employer's liability insurance in respect of the period from 1 November 1994 to 31 October 2006 and (ii) public liability insurance in respect of the period from 1 November 1994 to 31 October 2008, and, where required by APL, shall put APL in funds to meet and discharge the same where it is to be borne by APL or any member of APL's group;

15.2.3 an agreement for the sale and purchase of the entire issued share capital of, inter alia API, and Amco Rail Limited between (1) AGL and (2) Amco Corporation plc (now called Billington Holdings plc ("**Billington**")) dated 11 April 2008 ("**MBO Agreement**"). There are certain ongoing liabilities under this agreement in relation to the Amco Group, which are summarised below:

15.2.3.1 Billington has historically provided certain parent company guarantees in relation to construction contracts made between Network Rail Infrastructure Limited ("**Network Rail**") and Amalgamated Construction Limited ("**ACL**") in relation to the installation, maintenance and minor works at various sites. Pursuant to the MBO Agreement, AGL has agreed to indemnify Billington in the event that Network Rail makes a claim against Billington under the guarantees for all costs, claims, demands, liabilities, expenses, damages or losses directly arising due to a breach by ACL under the existing contracts. Such liability potentially continues until 31 March 2018. Furthermore, for so long as such liability continues, AGL undertakes to maintain (or procure that ACL maintains) such insurance as is required by Network Rail under and in accordance with the Network Rail contracts and, on the relevant renewal date, make available for inspection at its registered office and on reasonable notice, the original or a copy of such insurance policies and a receipt evidencing payment of the premium. AGL must also, where its brokers confirm it is possible to do so, procure that Billington's interest is noted on such insurance policies. Billington has not been released by Network Rail from the guarantees and AGL, therefore, remains liable to Billington. The Target Group does, in any event, remain directly liable to Network Rail under the contracts. The construction contracts to which the guarantees relate have all been completed;

15.2.3.2 in relation to the guarantees referred to at 15.2.4.1 above, AGL is obliged to deposit a maximum amount of £300,000 into an escrow account as security for Billington's obligations under the guarantees if AGL does not satisfy certain requirements. These requirements are:

(a) in respect of each financial year to 31 December 2012, the provision of a copy of the relevant audited accounts and a covenant test certificate confirming that the financial covenant tests have been met; and

(b) failure to meet the financial covenant tests; and

15.2.3.3 there is an ongoing obligation on AGL to procure that AICL shall at all times continue to meet and discharge the applicable excess from time to time on each and every successful claim whenever such claim may be brought by Billington or a member of its group under either (i) employer's liability insurance in respect of the period from 1 November 1994 to 31 October 2006 and (ii) public liability insurance in respect of the period from 1 November 1994 to 31 October 2008, and, where required by Billington, shall put Billington in funds to meet and discharge the same where it is to be borne by Billington or any member of Billington's group.

16. CONSENTS

16.1 KPMG has given and not withdrawn its consent to the issue of this document with the inclusion herein of its report in Part III of this document and the references to such report and to its name in the form and context in which they appear and has authorised the contents of Part III of this document.

16.2 Brewin Dolphin has given and not withdrawn its consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.

17. MANDATORY BIDS, SQUEEZE-OUT AND SELL-OUT RULES RELATING TO THE ORDINARY SHARES

17.1 Mandatory bid

The Takeover Code applies to the Company. Under the Takeover Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer (and depending on the circumstances, its concert parties) would be required, except with the consent of the Panel on Takeovers and Mergers, to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by an acquisition of shares by a person holding (together with its concert parties) shares carrying between 30 and 5 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights.

17.2 Squeeze-out

Under the Act, if an offeror were to acquire 90 per cent. of the Ordinary Shares within four months of making the offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer.

17.3 Sell-out

The Act also gives minority shareholders in the Company a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares, any holder of shares to which the offer relates who has not accepted the offer can require the offeror to acquire his shares. The offeror would be required to give any shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises its rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

18. GENERAL

18.1 The total costs and expenses of, or incidental to, the Admission, all of which are payable by the Company, are estimated to be approximately £1.3 million (exclusive of value added tax).

18.2 No person (other than the Company's professional advisers named in this document and trade suppliers) has at any time within the 12 months preceding the date of this document received, directly or indirectly, from the Company or any other member of the Group or entered into any contractual arrangements to receive, directly or indirectly, from the Company or any other member of the Group on or after Admission any fees, securities in the Company or any other benefit to the value of £10,000 or more.

18.3 The auditors of the Company are KPMG, chartered accountants and registered auditors, who have audited the Company's accounts for each of the three financial years ended 30 September 2008, 2009 and 2010. The audit reports were unqualified and did not contain a statement under sections 498(2) or (3) of the Act.

18.4 The Company currently has no significant investments in progress and the Company has made no firm commitments concerning future investments.

18.5 The Directors are not aware of any patents or other intellectual property rights, licences, particular contracts or manufacturing processes on which the Company is dependent.

18.6 Save in connection with the application for Admission, none of the Ordinary Shares has been admitted to dealings on any recognised investment exchange and no application for such admission has been made and it is not intended to make any other arrangements for dealings in the Ordinary Shares on any such exchange.

19. AVAILABILITY OF THIS DOCUMENT

Copies of this document will be available free of charge from the Company's registered office and at the offices of Brewin Dolphin, 12 Smithfield Street, London EC1A 9BD during normal business hours on any weekday (Saturdays and public holidays excepted) and shall remain available for at least one month after Admission.

PART IX

NOTICE OF GENERAL MEETING

Notice is given that a general meeting of Renew Holdings plc ("**Company**") will be held at the offices of DLA Piper UK LLP, Princes Exchange, Princes Square, Leeds LS1 4BY on 23 February 2011 at 10 a.m. for the purposes of considering and, if thought fit, passing the following resolution which will be proposed as an ordinary resolution.

ORDINARY RESOLUTION

THAT THE ACQUISITION BY THE COMPANY OF THE ENTIRE ISSUED SHARE CAPITAL OF AMCO GROUP HOLDINGS LIMITED ("**ACQUISITION**") ON THE TERMS AND CONDITIONS DESCRIBED IN THE ADMISSION DOCUMENT OF THE COMPANY OF WHICH THIS NOTICE FORMS PART BE AND IS HEREBY APPROVED FOR THE PURPOSES OF RULE 14 OF THE AIM RULES FOR COMPANIES AND THE DIRECTORS BE AND ARE HEREBY AUTHORISED, FOR AND ON BEHALF OF THE COMPANY, TO SIGN ALL DOCUMENTS RELATING TO THE ACQUISITION AND TO DO ALL OTHER MATTERS PROVIDED THEREIN OR RELATED TO THE ACQUISITION AND, IN THEIR ABSOLUTE DISCRETION, TO AMEND, WAIVE, VARY AND/OR EXTEND ANY OF THE TERMS OF ANY DOCUMENT RELATED TO AND/OR CONNECTED WITH THE ACQUISITION IN WHATEVER WAY THEY MAY CONSIDER TO BE NECESSARY AND/OR DESIRABLE OR DO ALL SUCH ACTS AND/OR THINGS AS THEY MAY CONSIDER NECESSARY AND/OR DESIRABLE IN CONNECTION WITH THE ACQUISITION.

By order of the Board

……………………………………

John Samuel
Secretary

2 February 2011

Registered office
Yew Trees, Main Street North, Aberford LS25 3AA

Registered in England and Wales No. 00650447

Entitlement to attend and vote

1. **THE RIGHT TO VOTE AT THE MEETING IS DETERMINED BY REFERENCE TO THE REGISTER OF MEMBERS. ONLY THOSE SHAREHOLDERS REGISTERED IN THE REGISTER OF MEMBERS OF THE COMPANY AS AT 6.00PM ON 21 FEBRUARY 2011 (OR, IF THE MEETING IS ADJOURNED, 6.00PM ON THE DATE WHICH IS TWO WORKING DAYS BEFORE THE DATE OF THE ADJOURNED MEETING) SHALL BE ENTITLED TO ATTEND AND VOTE AT THE MEETING IN RESPECT OF THE NUMBER OF SHARES REGISTERED IN THEIR NAME AT THAT TIME. CHANGES TO ENTRIES IN THE REGISTER OF MEMBERS AFTER THAT TIME SHALL BE DISREGARDED IN DETERMINING THE RIGHTS OF ANY PERSON TO ATTEND OR VOTE (AND THE NUMBER OF VOTES THEY MAY CAST) AT THE MEETING.**

Proxies

2. **A SHAREHOLDER IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS OR HER PROXY TO EXERCISE ALL OR ANY OF HIS OR HER RIGHTS TO ATTEND AND TO SPEAK AND VOTE AT THE MEETING. A PROXY NEED NOT BE A SHAREHOLDER 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. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of shares held by the shareholder may result in the proxy appointment being invalid.

A proxy may only be appointed in accordance with the procedures set out in notes 3 to 4 below and the notes to the proxy form.

The appointment of a proxy will not preclude a shareholder from attending and voting in person at the meeting.

3. **A FORM OF PROXY IS ENCLOSED. WHEN APPOINTING MORE THAN ONE PROXY, COMPLETE A SEPARATE PROXY FORM IN RELATION TO EACH APPOINTMENT. ADDITIONAL PROXY FORMS MAY BE OBTAINED BY CONTACTING THE COMPANY'S REGISTRAR ON 08716640300 OR THE PROXY FORM MAY BE PHOTOCOPIED. STATE CLEARLY ON EACH PROXY FORM THE NUMBER OF SHARES IN RELATION TO WHICH THE PROXY IS APPOINTED.**

To be valid, a proxy form must be received by post or (during normal business hours only) by hand at the offices of the Company's registrar, Capita Registrars of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, no later than 10 a.m. on 21 February 2011 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).

4. **CREST MEMBERS WHO WISH TO APPOINT A PROXY OR PROXIES FOR THE MEETING (OR ANY ADJOURNMENT OF IT) THROUGH THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE MAY DO SO BY USING THE PROCEDURES DESCRIBED IN THE CREST MANUAL. CREST PERSONAL MEMBERS OR OTHER CREST SPONSORED MEMBERS, AND THOSE CREST MEMBERS WHO HAVE APPOINTED A VOTING SERVICE PROVIDER(S), SHOULD REFER TO THEIR CREST SPONSOR OR VOTING SERVICE PROVIDER(S), WHO WILL BE ABLE TO TAKE THE APPROPRIATE ACTION ON THEIR BEHALF.**

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 (ID RA10) no later than 10 a.m. on 21 February 2011 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp 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 CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST 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(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

A shareholder which is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.

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