

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006. THIS DOCUMENT CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF TRADING IN LINCAT SHARES ON AIM. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT OR WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN INDEPENDENT FINANCIAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER DULY AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED) IF YOU ARE RESIDENT IN THE UNITED KINGDOM, OR, IF YOU ARE NOT, FROM ANOTHER APPROPRIATELY AUTHORISED FINANCIAL ADVISER.

If you have sold or otherwise transferred all of your Lincat Shares, please forward this document (but not the personalised Forms of Proxy) as soon as possible to the buyer or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was made for onward delivery to the buyer or transferee. However, such documents should not be mailed, transmitted or distributed, in whole or in part, in, into or from any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred part only of your holding of Lincat Shares, you should retain these documents and consult the stockbroker, bank manager or other agent through whom the sale or transfer was effected.

The distribution of this document and the accompanying documents in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document and the accompanying documents come should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

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## Recommended cash acquisition

by

**Middleby Holding UK Ltd**  
(a wholly-owned subsidiary of The Middleby Corporation)

of

**Lincat Group plc**

to be effected by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006

**Circular to Shareholders and Explanatory Statement under section 897  
of the Companies Act 2006, Notice of Court Meeting and Notice of General Meeting**

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Lincat Shareholders should read the whole of this document. In addition, this document should be read in conjunction with the accompanying blue and white Forms of Proxy. Definitions of certain terms used in this document are set out in Part VII of this document.

Your attention is drawn to the letter from the Chairman of Lincat set out in Part I of this document, which contains the unanimous recommendation of the Lincat Board that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolution to be proposed at the General Meeting. An explanatory statement from Livingstone Partners explaining the Scheme is set out in Part II of this document.

Notices of the Court Meeting and the General Meeting, each of which will be held at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS on 5 May 2011, are set out in Parts VIII and IX of this document. The Court Meeting will start at 11.00 a.m. and the General Meeting at 11.15 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned).

The action to be taken in respect of the Meetings is set out on pages 6 to 8 and also in paragraph 19 of Part II of this document. Lincat Shareholders will find accompanying this document a blue Form of Proxy for use in connection with the Court Meeting and a white Form of Proxy for use in connection with the General Meeting. Whether or not you intend to attend the Meetings in person, please complete and sign each of the Forms of Proxy in accordance with the instructions printed thereon and return them by post or by hand to Lincat's registrars, Computershare, as soon as possible and, in any event, so as to be received no later than 48 hours before the time appointed for the relevant Meeting. If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll. However, in the case of the General Meeting, unless the white Form of Proxy is returned by the time mentioned in the instructions printed thereon, it will be invalid. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at the Meetings or any adjournments thereof, if you so wish and are so entitled.

Livingstone Partners LLP, which is authorised and regulated in the United Kingdom by the FSA, is acting exclusively as financial adviser to Lincat and for no one else in connection with the Acquisition and will not be responsible to anyone other than Lincat for providing the protections afforded to clients of Livingstone Partners LLP nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this document.

Cenkos Securities plc, which is authorised and regulated in the United Kingdom by the FSA, is acting exclusively as corporate broker to Lincat and for no one else in connection with the Acquisition and will not be responsible to anyone other than Lincat for providing the protections afforded to clients of Cenkos Securities plc nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this document.

KPMG Corporate Finance, a division of KPMG LLP which is authorised and regulated by the FSA for investment business activities, is acting for Middleby and Bidco as financial adviser in relation to the Acquisition and is not acting for any other person in relation to such Acquisition. KPMG Corporate Finance will not be responsible to anyone other than Middleby and Bidco for providing the protections afforded to its clients or for providing advice in relation to the contents of this document or any offer or arrangements referred to herein.

## IMPORTANT NOTICE

The release, publication or distribution of this document and the accompanying documents in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document and the accompanying documents come should inform themselves about, and observe, any applicable restrictions or requirements. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. This document and the accompanying documents have been prepared for the purposes of complying with English law, the Code and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this document and the accompanying documents had been prepared in accordance with the laws and regulations of any jurisdiction outside of England and Wales.

The availability of the Acquisition to persons who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not so resident should inform themselves about and observe any applicable requirements in those jurisdictions. The attention of Overseas Shareholders is drawn to paragraph 15 of Part II of this document.

This document and the accompanying documents do not constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document does not comprise a prospectus or a prospectus equivalent document.

The statements contained herein are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of Lincat or the Lincat Group, or of Middleby, Bidco or the Middleby Group, or of the Enlarged Group, except where otherwise stated.

### **Notice to US holders of Lincat Shares**

The Scheme relates to the shares of an English company that is a “foreign private issuer” as defined under Rule 3b-4 under the US Exchange Act and will be governed by English law. Neither the proxy solicitation rules nor the tender offer rules under the US Exchange Act will apply to the Scheme. Moreover, the Scheme will be subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. Except in respect of Middleby, financial information included or referred to in this document, or which may be incorporated by reference into this document, has been or will have been prepared in accordance with International Financial Reporting Standards that may not be comparable to the accounting standards applicable to financial statements of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. If Bidco elects to implement the acquisition of the Lincat Shares by way of an Offer, the Offer will be made in compliance with applicable US tender offer and securities laws and regulations.

Lincat and Bidco are each organised under the laws of England. Some or all of the officers and directors of Lincat and Bidco are residents of countries other than the United States. It may not be possible to sue Lincat and Bidco in a non-US court for violations of US securities laws. It may be difficult to compel Lincat, Bidco and their respective affiliates to subject themselves to the jurisdiction and judgment of a US court.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Middleby, Bidco and/or their nominees, or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase Lincat Shares outside of the United States, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory Information Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com/prices-and-news/pricesnews/home.htm>.

## **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This document, oral statements made regarding the Acquisition and other information published by Middleby, Bidco or Lincat may contain certain statements that are or may be forward-looking. These statements are based on the current expectations of the management of Middleby, Bidco and/or Lincat (as applicable) and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained herein may include statements about the expected effects of the Acquisition, the expected timing and scope of the Acquisition, anticipated earnings enhancements, estimated cost savings and other synergies, costs to be incurred in achieving synergies, potential disposals and other strategic options and all other statements in this document other than historical facts. Forward-looking statements include, without limitation, statements that typically contain words such as: “will”, “may”, “should”, “could”, “continue”, “believes”, “expects”, “intends”, “estimates”, “anticipates”, “aims”, “targets”, “plans” and “forecasts” or similar words or expressions. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the ability of the person making the statement to control or estimate precisely, such as future market conditions and the behaviour of other market participants. Other unknown or unpredictable factors could also cause actual results to differ materially from those in the forward looking statements. Therefore, undue reliance should not be placed on such statements (which speak only as at the date of this document) as a prediction of actual results. No member of the Middleby Group, including Bidco, or the Lincat Group undertakes any obligation to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable law.

## **DISCLOSURE REQUIREMENTS**

Under Rule 8.3(a) of the Code, any person who is “interested” (directly or indirectly) in 1 per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an “Opening Position Disclosure” following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified.

An “Opening Position Disclosure” must contain details of the person’s interests and short positions in, and rights to subscribe for, any “relevant securities” of each of (i) the offeree company and (ii) any paper offeror. An “Opening Position Disclosure” by a person to whom Rule 8.3(a) of the Code applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an “Opening Position Disclosure” must instead make a “Dealing Disclosure”.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of “relevant securities” of the offeree company or of any paper offeror must make a “Dealing Disclosure” if the person deals in any “relevant securities” of the offeree company or of any paper offeror. A “Dealing Disclosure” must contain details of the “dealing” concerned and of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8 of the Code. A “Dealing Disclosure” by a person to whom Rule 8.3(b) of the Code applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an “interest” in “relevant securities” of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

“Opening Position Disclosures” must also be made by the offeree company and by any offeror and “Dealing Disclosures” must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel’s website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel’s Market Surveillance Unit on +44 (0)20 7638 0129.

Terms in quotation marks are defined in the Code, which can also be found on the Panel’s website. If you are in any doubt as to whether or not you are required to disclose a “dealing” under Rule 8 of the Code, you should contact an independent financial adviser authorised by the FSA under FSMA or consult the Panel’s website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk) or contact the Panel on telephone number +44 (0)20 7638 0129.

#### **PUBLICATION OF THIS DOCUMENT**

A copy of this document has been made available on the Lincat website at [www.lincatgroup.co.uk](http://www.lincatgroup.co.uk) and will also be made available on the Middleby website at [www.middleby.com](http://www.middleby.com). Neither the content of the websites nor the content of any other website accessible from hyperlinks on the websites is incorporated into, or forms part of, this document.

**This document is dated 11 April 2011.**

## TO VOTE ON THE ACQUISITION

**This page should be read in conjunction with the ACTION TO BE TAKEN, set out on pages 6 to 8 of this document, and the rest of the document.**

Whether or not you plan to attend the Meetings, please:

1. Complete, sign and return the blue Form of Proxy for the use at the Court Meeting, so as to be received by no later than 11.00 a.m. on 3 May 2011; and
2. Complete, sign and return the white Form of Proxy for use at the General Meeting, so as to be received by no later than 11.15 a.m. on 3 May 2011.

**If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll. However, in the case of the General Meeting, if the white Form of Proxy is not returned so as to be received by the time mentioned above and in accordance with the instructions on that Form of Proxy, it will be invalid.**

**If you require assistance, please telephone Computershare on 0870 707 1118 (from within the UK) or +44 870 707 1118 (from outside the UK) between 9.00 a.m. and 5.00 p.m., Monday to Friday. Calls to the 0870 707 1118 number cost 5.1 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and monitored for security and training purposes.**

**Please note that, for legal reasons, the helpline cannot provide advice on the merits of the Acquisition or give any legal, tax or financial advice.**

**Copies of this document (and any information incorporated into it by reference to another source) sent to persons in electronic form or by means of being published on Middleby's and/or Lincat's websites and all future documents, announcements and information required to be sent to persons in relation to the Acquisition may be requested to be received by such persons in hard copy form by writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or by calling Computershare on telephone number 0870 707 1118 (or +44 870 707 1118 from outside of the UK) on Monday to Friday. A hard copy of this document will not otherwise be sent to persons who have received it only in electronic form or by means of a website notification unless so requested.**

The completion and return of Forms of Proxy will not prevent you from attending and voting at the Court Meeting and/or the General Meeting, or any adjournments thereof, in person should you wish to do so and should you be so entitled.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY AS SOON AS POSSIBLE.**

## ACTION TO BE TAKEN

Detailed instructions on the action to be taken are set out in paragraph 19 of Part II of this document and are summarised below.

The Court Meeting and the General Meeting will be held at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS on 5 May 2011 at 11.00 a.m. and 11.15 a.m. respectively (or, in the case of the General Meeting, if later, as soon as the Court Meeting has been concluded or adjourned). The Scheme requires approval at both of these Meetings.

Please check that you have received the following with this document:

- a blue Form of Proxy for use in respect of the Court Meeting; and
- a white Form of Proxy for use in respect of the General Meeting.

If you have not received all of these documents, please contact Computershare on the helpline telephone number indicated below.

### To vote on the Scheme:

**Whether or not you intend to attend the Meetings, please complete and sign both the blue and white Forms of Proxy and return them to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible, but in any event to be received by no later than 11.00 a.m. on 3 May 2011 in the case of the Court Meeting (blue form) and by no later than 11.15 a.m. on 3 May 2011 in the case of the General Meeting (white form) (or in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).** This will enable your votes to be counted at the Meetings in the event of your absence. If the blue Form of Proxy for use at the Court Meeting is not returned by 11.00 a.m. on 3 May 2011 (or, in the case of an adjournment, not later than 48 hours before the time and date fixed for the holding of the adjourned meeting), it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll. However, in the case of the General Meeting, unless the white Form of Proxy is returned by the time mentioned in the instructions printed thereon, it will be invalid.

If you hold your Lincat Shares in uncertificated form (that is, in CREST), you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notes for the notices convening the Court Meeting and the General Meeting set out in Part VIII and Part IX respectively of this document). Proxies submitted through CREST (under CREST participant ID 3RA50) must be received by Computershare no later than 11.00 a.m. on 3 May 2011 in the case of the Court Meeting and by 11.15 a.m. on 3 May 2011 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).

The completion and return of the relevant Form of Proxy will not prevent you from attending and voting in person at the Court Meeting and/or the General Meeting, or any adjournments thereof, should you wish to do so and should you be so entitled.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY AS SOON AS POSSIBLE.**

You are entitled to appoint a proxy in respect of some or all of your Lincat Shares. You are also entitled to appoint more than one proxy. A space has been included in the Forms of Proxy to allow you to specify the number of Lincat Shares in respect of which that proxy is appointed. If you return the Forms of Proxy duly executed but leave this space blank, you will be deemed to have appointed the proxy in respect of all of your Lincat Shares.



### Multiple proxy voting instructions

If you wish to appoint more than one proxy in respect of your shareholding, you should photocopy the Forms of Proxy, as required. You may appoint more than one proxy in relation to each Meeting, provided that each proxy is appointed to exercise the rights attached to a different Lincat Share or Shares held by you. The following principles shall apply in relation to the appointment of multiple proxies:

- (a) Lincat will give effect to the intentions of members and include votes wherever and to the fullest extent possible.
- (b) Where a proxy does not state the number of Lincat Shares to which it applies (a “**blank proxy**”) then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of Lincat Shares registered in the name of the appointing member (the “**member’s entire holding**”). In the event of a conflict between a blank proxy and a proxy which does state the number of Lincat Shares to which it applies (a “**specific proxy**”), the specific proxy shall be counted first, regardless of the time it was delivered or received (on the basis that, as far as possible, the conflicting Forms of Proxy should be judged to be in respect of different Lincat Shares) and the remaining Lincat Shares will be apportioned to the blank proxy (*pro rata* if there is more than one).
- (c) Where there is more than one proxy appointed and the total number of Lincat Shares in respect of which proxies are appointed is no greater than the member’s entire holding, it is assumed that proxies are appointed in relation to different Lincat Shares, rather than that conflicting appointments have been made in relation to the same Lincat Shares. That is, there is only assumed to be a conflict where the aggregate number of Lincat Shares in respect of which proxies have been appointed exceeds the member’s entire holding.
- (d) When considering conflicting proxies, later proxies will prevail over earlier proxies and a later proxy will be determined on the basis of which proxy is last sent (or, if Lincat is unable to determine which is last sent, last received). Proxies in the same envelope will be treated as sent and received at the same time.
- (e) If conflicting proxies are sent or (where relevant) received, at the same time in respect of (or deemed to be in respect of) an entire holding and if Lincat is unable to determine which was sent or (where relevant) received last, none of them will be treated as valid.
- (f) Where the aggregate number of Lincat Shares in respect of which proxies are appointed exceeds a member’s entire holding and Lincat is unable to determine which was sent or (where relevant) received last (or they were all sent or (where relevant) received at the same time) the number of votes attributed to each proxy shall be reduced *pro-rata*.
- (g) Where the application of paragraph (f) gives rise to fractions of shares, such fractions shall be rounded down.
- (h) If a member appoints a proxy or proxies and then decides to attend the Court Meeting or the General Meeting in person and vote using his poll card (as applicable), then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member’s entire holding then all proxy votes will be disregarded. If, however, the member votes at the Meeting in respect of less than the member’s entire holding then, if the member indicates on his poll card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member’s entire holding.
- (i) In relation to paragraph (h) above, in the event that a member does not specifically revoke proxies, it will not be possible for Lincat to determine the intentions of the member in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.

**Helpline**

If you have any questions relating to this document or the completion and return of the Forms of Proxy, please write to Computershare at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or call on 0870 707 1118 or, if telephoning from outside the United Kingdom, on +44 870 707 1118 between 9.00 a.m. and 5.00 p.m. Monday to Friday. Calls to the 0870 707 1118 number cost 5.1 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and monitored for security and training purposes. Please note that, for legal reasons, the helpline cannot provide advice on the merits of the Acquisition or give any legal, tax or financial advice.



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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time and/or date</i>
<b>Latest time for receipt of blue Forms of Proxy/CREST proxy instructions for the Court Meeting</b>	<b>11.00 a.m. on 3 May 2011<sup>(1)</sup></b>
<b>Latest time for receipt of white Forms of Proxy/CREST proxy instructions for the General Meeting</b>	<b>11.15 a.m. on 3 May 2011<sup>(1)</sup></b>
Voting Record Time for Court Meeting and General Meeting	6.00 p.m. on 3 May 2011 <sup>(2)</sup>
<b>Court Meeting</b>	<b>11.00 a.m. on 5 May 2011</b>
<b>General Meeting</b>	<b>11.15 a.m. on 5 May 2011<sup>(3)</sup></b>
<i>The following dates are subject to change (please see note 4 below)</i>	
Court Hearing to sanction the Scheme	23 May 2011
Last day of dealings in, for registration of transfers of, and disablement in CREST of, Lincat Shares	25 May 2011
Scheme Record Time	6.00 p.m. on 25 May 2011
Court Hearing to confirm the Capital Reduction	26 May 2011
<b>Effective Date</b>	<b>27 May 2011</b>
Cancellation of admission to trading of Lincat Shares on AIM	By no later than 8.00 a.m. on 31 May 2011
Latest date for despatch of cheques and crediting of CREST accounts for Cash Consideration due under the Scheme	10 June 2011

Unless otherwise stated, all references to times in this document are to London times.

**The Court Meeting and the General Meeting will each be held at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS.**

### Notes:

1. If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll. However, to be valid, the white Form of Proxy for the General Meeting must be returned by 11.15 a.m. on 3 May 2011 (or, in the case of an adjournment, not later than 48 hours before the time and date fixed for the holding of the adjourned meeting).
2. If either the Court Meeting or the General Meeting is adjourned, the record time for voting at the adjourned meeting will be 6.00 p.m. on the day which is two days before the date set for the adjourned meeting.
3. To commence at 11.15 a.m. or, if later, immediately after the conclusion or adjournment of the Court Meeting.
4. These times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and confirms the associated Capital Reduction and the date on which the Conditions set out in Part III to this document are satisfied or (if capable of waiver) waived. If any of the expected dates change, Lincat will, unless the Panel otherwise directs, give notice of the change by issuing an announcement through a Regulatory Information Service. A copy of any announcement amending this timetable issued pursuant to this note will be published on Lincat's website in accordance with Rule 19.11 of the Code.

## PART I

### LETTER FROM THE NON-EXECUTIVE CHAIRMAN OF LINCAT GROUP PLC

*(Incorporated in England and Wales with registered number 1018610)*

*Directors:*

Alan Schroeder (*Non-Executive Chairman*)  
Paul Bouscarle (*Chief Executive*)  
Terry Storey (*Finance Director*)  
Steve Mitchell (*Director*)  
Martin Craddock (*Non-Executive Director*)  
Richard Kemp (*Non-Executive Director*)

*Registered office:*

Whisby Road  
Lincoln  
LN6 3QZ

11 April 2011

*To: Lincat Shareholders and, for information only, to holders of Lincat Share Awards*

Dear Lincat Shareholder,

#### **Recommended cash acquisition of Lincat by Bidco, a wholly-owned subsidiary of Middleby**

##### **1. Introduction**

On 23 March 2011, it was announced that Middleby and the Lincat Board had reached agreement on the terms of a recommended cash acquisition by Bidco (a wholly-owned subsidiary of Middleby) of the entire issued and to be issued ordinary share capital of Lincat, to be effected by means of a scheme of arrangement between Lincat and its shareholders pursuant to the provisions of Part 26 of the Act (involving a reduction of capital under Part 17 of the Act). Bidco reserves the right to elect to implement the Acquisition by means of an Offer (with the consent of the Panel where necessary) as an alternative to the Scheme.

I am writing to you to explain the background to, and terms of, the Acquisition and why the Lincat Board is recommending unanimously that Scheme Shareholders vote in favour of the resolutions relating to the Acquisition at the Meetings (or, in the event that the Acquisition is implemented by means of an Offer, accept, or procure acceptance of, the Offer) as the Lincat Directors have irrevocably undertaken to do or to so procure (or, in the case of 17,475 Lincat Shares representing approximately 0.3 per cent. of the current issued share capital of Lincat, to use best endeavours to so procure) in respect of an aggregate beneficial holding of 1,691,788 Lincat Shares (representing, as at 8 April 2011, being the last practicable date prior to the publication of this document, approximately 30.8 per cent. of the current issued share capital of Lincat).

Details of the actions you should take and the recommendation of the Lincat Board are set out in paragraphs 13 and 15 respectively of this Part I.

##### **2. The Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Part III of this document, Scheme Shareholders holding Scheme Shares at the Scheme Record Time will be entitled to receive:

**for each Scheme Share 1,050 pence in cash,**

valuing Lincat's existing issued and to be issued ordinary share capital at approximately £58 million.

The price of 1,050 pence for each Lincat Share represents:

- a premium of approximately 37.7 per cent. to the Closing Price of 762.5 pence per Lincat Share on 22 March 2011 (being the last business day prior to the date of the Announcement);

- a premium of approximately 38.7 per cent. to the average Closing Price of 757.1 pence per Lincat Share for the one month ended on 22 March 2011; and
- a premium of approximately 49.2 per cent. to the average Closing Price of 703.7 pence per Lincat Share for the three months ended on 22 March 2011.

The Scheme requires the Scheme Shareholders to vote in favour of the Scheme at the Court Meeting to be held at 11.00 a.m. on 5 May 2011 (or any adjournment thereof) and the Lincat Shareholders to vote in favour of the Special Resolution to be proposed at the General Meeting to be held at 11.15 a.m. on 5 May 2011 (or any adjournment thereof). Both Meetings will be held at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS. Further details of the Meetings are set out in paragraphs 14.2 and 19 of Part II of this document.

Following the Meetings, and subject to satisfaction or waiver of the Conditions, it is expected that the Court Hearing to sanction the Scheme will take place on 23 May 2011 and the Court Hearing to confirm the Capital Reduction will take place on 26 May 2011. Provided the Court sanctions the Scheme and confirms the Capital Reduction, the Effective Date is expected to be 27 May 2011.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted and, if they voted, whether they voted for or against the Scheme at the Court Meeting or the Special Resolution at the General Meeting.

Upon the Scheme becoming Effective, Lincat will become a wholly-owned subsidiary of Bidco (other than in respect of any Excluded Shares held by the Trustee at the Effective Date, which it is proposed will be acquired by Bidco pursuant to the amendment to the Articles to be effected by the Special Resolution) and cheques in respect of the Cash Consideration will be despatched by post to Scheme Shareholders at their own risk (or the Cash Consideration will be settled through CREST, as the case may be) as soon as practicable and in any case within 14 days of the Scheme becoming Effective.

Subject to the Scheme becoming Effective, Scheme Shareholders will be paid the Cash Consideration for their Scheme Shares not later than 14 days after the Effective Date. Payment is currently expected to be made not later than 10 June 2011.

Lincat will not declare a final dividend in respect of the year ended 31 December 2010.

### **3. Background to, and reasons for, the Acquisition**

Middleby is an experienced acquirer of businesses, having purchased 15 companies in the past five years. Middleby is committed to building a strong presence in the UK market. The Acquisition and the opportunity to work with Lincat's highly-regarded management team is an important step towards advancing this strategic initiative. Middleby believes that its operating philosophy is very similar to Lincat's and hopes to leverage Lincat's strong distribution channels in the UK in order to enhance Middleby's position in the UK market. In addition, Middleby believes that the Acquisition will provide an opportunity for Lincat to expand its distribution of products outside of the UK into foreign markets where Middleby has significant resources and to leverage the relationships Middleby has with global and key accounts in the UK to further grow sales.

If the Acquisition becomes Effective, Lincat Shareholders will benefit from a fair price in cash, which offers certainty. Lincat would also gain access to Middleby's technical expertise and financial strength, which would further enhance the underlying value of its asset base. The Acquisition offers Lincat's employees a chance to benefit from joining a larger organisation with opportunities to pursue further professional development.

Details of the actions you should take and the recommendation of the Lincat Board are set out in paragraphs 13 and 15 respectively of this Part I.

### **4. Background to, and reasons for, the recommendation of the Acquisition by the Lincat Board**

The Lincat Group is a UK group manufacturing commercial catering and bar equipment. The Lincat Group has grown both organically and through acquisition and has now achieved a stage in its development in which its three operating subsidiaries have established brands.

The Lincat Directors believe that the Acquisition, at a significant premium to Lincat's recent share price, fully recognises and values the growth potential of the business through the ongoing pursuit of its current strategy. In particular it acknowledges the substantial underlying value in Lincat's business, which the Lincat Directors believe was not reflected in the prices at which Lincat's shares were trading prior to the Announcement.

The Lincat Directors also recognise that the businesses of Lincat and Middleby complement one another, in terms of products, geography and infrastructure. Specifically, Lincat would benefit from Middleby's global scale, supply chain and distribution network which would enable the Lincat Group to grow its revenues at a faster rate than if it remained independent.

## **5. Irrevocable undertakings**

Bidco has received irrevocable undertakings to vote, or to procure (or, in the case of 27,934 Lincat Shares representing approximately 0.5 per cent. of the current issued share capital of Lincat, to use best endeavours to procure) that the registered holder votes in favour of the resolutions relating to the Acquisition at the Meetings or, in the event that Bidco elects to implement the Acquisition by means of an Offer, to accept, or procure (or, in the case of 27,934 Lincat Shares representing approximately 0.5 per cent. of the current issued share capital of Lincat, to use best endeavours to procure) acceptance of, the Offer, in respect of Lincat Shares representing, in aggregate, approximately 51.2 per cent. of the current issued share capital of Lincat. Save for the irrevocable undertaking given by Marlborough Fund Managers, all of the irrevocable undertakings received by Bidco will continue to be binding even if a higher competing offer for Lincat is made.

The irrevocable undertaking given by Marlborough Fund Managers in respect of 324,500 Lincat Shares representing approximately 5.9 per cent. of the current issued share capital of Lincat will cease to be binding if: (i) a competing cash offer for all Lincat Shares is announced which values each Lincat Share at a price which equals or exceeds 110 per cent. of the value of the consideration per Lincat Share available under the terms of the Acquisition; (ii) Bidco does not, within ten days of the announcement of such competing offer, announce a revised offer which values each Lincat Share at a price equal to or greater than the value of the consideration per Lincat Share under the terms of the competing offer; and (iii) Marlborough Fund Managers notifies Bidco within three days of the expiry of such ten day period that its obligations under the irrevocable undertaking have ceased to have effect.

Further details of these irrevocable undertakings are set out in paragraph 5 of Part VI of this document.

## **6. Management, employees and locations**

Middleby values the active participation and continued commitment of Lincat's management and employees. Accordingly, Middleby has given assurances to the Lincat Board that, on the Acquisition becoming Effective, the existing employment rights, including pension rights, of all Lincat Group employees will be fully safeguarded in accordance with applicable law.

Following completion of the Acquisition, the employee resource of the Lincat Group will be considered as part of Middleby's overall strategy for Lincat and will be reviewed from time to time in light of the ongoing requirements of the Lincat Group. Middleby has no current intention to change the location of Lincat Group's places of business or redeploy any of its fixed assets.

Discussions between Middleby and Lincat's senior management team about the team members' specific roles in the Enlarged Group, and the terms of their employment, have yet to take place. It is envisaged that such discussions will take place after the Acquisition has become Effective.

Each of the non-executive Lincat Directors has agreed to resign from the Lincat Board upon the Scheme becoming Effective. Such non-executive Lincat Directors will have no entitlement to compensation upon resignation, save for the payment of any accrued but unpaid fees or expenses.

The Lincat Board has given due consideration to Middleby's stated intention and assurances noted above in deciding to recommend the Acquisition.

## **7. UK Taxation**

Your attention is drawn to paragraph 16 headed “UK Taxation” in Part II of this document. **If you are in any doubt about your tax position or you are resident in a jurisdiction other than the UK, you should consult an appropriately qualified independent professional adviser immediately.**

## **8. Lincat LTIP**

Information relating to the effect of the Acquisition on subsisting awards granted pursuant to the Lincat LTIP is set out in paragraph 12 of Part II of this document. An explanation of the implications of the Acquisition for Lincat Awardholders and details of the actions they can take in respect of their outstanding Lincat Share Awards will be set out in separate letters to Lincat Awardholders to be dispatched shortly after the date of this document.

## **9. Cancellation of admission to trading of Lincat Shares on AIM**

The attention of Lincat Shareholders is drawn to paragraph 18 of Part II of this document in relation to the intentions regarding the cancellation of the admission to trading of the Lincat Shares on AIM.

## **10. Implementation Agreement and break fee arrangements**

Lincat, Bidco and Middleby have entered into an Implementation Agreement pursuant to which Lincat and Bidco have agreed, amongst other things, to take all such steps and actions and prepare all such documents necessary for the implementation of the Acquisition on a timely basis in accordance with an agreed timetable and in accordance with the terms of the Implementation Agreement. The Implementation Agreement also contains non-solicitation undertakings and matching rights in favour of Bidco in the event of a Competing Proposal. In addition, pursuant to the Implementation Agreement, Lincat has agreed to pay a break fee of an amount in cash equal to one per cent. of the aggregate consideration payable under the terms of the Acquisition to Bidco in certain circumstances.

Further details of the Implementation Agreement and the break fee (including the circumstances in which the break fee is payable) are set out in paragraph 13 of Part II of this document.

## **11. Overseas Shareholders**

Persons resident in, or citizens of, jurisdictions outside the United Kingdom should refer to paragraph 15 of Part II of this document.

## **12. The Scheme and the Meetings**

The Acquisition is being effected by means of a scheme of arrangement between Lincat and the Scheme Shareholders pursuant to the provisions of Part 26 of the Act. The Scheme involves the cancellation of the Scheme Shares by way of a Court approved reduction of capital and the application of the reserve arising from such cancellation in paying up in full a number of New Lincat Shares equal to the number of cancelled Scheme Shares and issuing such shares to Bidco in consideration for which Scheme Shareholders will receive the Cash Consideration.

Upon the Scheme becoming Effective, Bidco will become the owner of the whole of the issued share capital of Lincat (other than any Excluded Shares held by the Trustee on the Effective Date which will be acquired by Bidco outside of the Scheme).

To become Effective, the Scheme requires, amongst other things, the approval at the Court Meeting of a majority in number representing 75 per cent. or more in value of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting and the passing of the Special Resolution to be proposed at the General Meeting necessary to approve certain matters to give effect to the Scheme. The Special Resolution requires votes in favour representing 75 per cent. or more of the votes attached to Lincat Shares voted at the General Meeting, whether in person or by proxy.



Following the approval of the Scheme at the Court Meeting and the passing of the Special Resolution at the General Meeting, and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court and the associated Capital Reduction confirmed by the Court at the Court Hearings. The Scheme will take effect when the Court Orders have been delivered to the Registrar of Companies. If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether they attended or voted, and if they voted, whether they voted for or against the Scheme, at the Court Meeting or the General Meeting.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy, for both the Court Meeting and the General Meeting, as soon as possible.**

Further details of the Scheme and the Meetings are set out in paragraph 14 of Part II of this document.

### **13. Actions to be taken**

Notices convening the Court Meeting and the General Meeting are set out in Parts VIII and IX of this document respectively. You will find accompanying this document a blue Form of Proxy for use at the Court Meeting and a white Form of Proxy for use at the General Meeting.

Whether or not you intend to be present at either Meeting, you are requested to complete, sign and return both the accompanying Form of Proxy for the Court Meeting (blue) and the Form of Proxy for the General Meeting (white) in accordance with the instructions printed on the respective forms.

Your attention is drawn to paragraph 19 of Part II of this document which explains in detail the action you should take in relation to the Acquisition and the Scheme, a summary of which is set out on pages 6 to 8 of this document.

**If you have any questions relating to this document or the completion and return of the Forms of Proxy, please contact Computershare on 0870 707 1118 or, if telephoning from outside the United Kingdom, on +44 870 707 1118 between 9.00 a.m. and 5.00 p.m. Monday to Friday. Calls to the 0870 707 1118 number cost 5.1 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and monitored for security and training purposes. Please note that, for legal reasons, the helpline cannot provide advice on the merits of the Acquisition or give any legal, tax or financial advice.**

Further details relating to settlement are set out in paragraph 17 of Part II of this document.

### **14. Further Information**

Your attention is drawn to the Explanatory Statement from Livingstone Partners set out in Part II of this document, which gives further details about the Acquisition and to the terms of the Scheme which are set out in full in Part V of this document. Please note that the information contained in this letter is not a substitute for reading the remainder of this document.

Bidco has reserved the right to elect to implement the Acquisition by way of an Offer. Please see paragraph 14.5 of Part II of this document for further details.

### **15. Recommendation**

**The Lincat Directors, who have been so advised by Livingstone Partners, consider the terms of the Acquisition to be fair and reasonable so far as Lincat Shareholders are concerned. In providing its advice to the Lincat Directors, Livingstone Partners have taken into account the commercial assessment of the Lincat Directors.**

**Accordingly, the Lincat Directors unanimously recommend that Lincat Shareholders vote in favour of the resolutions relating to the Acquisition at the Meetings (or, in the event that the Acquisition is implemented by means of an Offer, accept, or procure acceptance of, the Offer) as the Lincat Directors have irrevocably undertaken to do or to so procure (or, in the case of 17,475 Lincat Shares representing approximately 0.3 per cent. of the current issued share capital of Lincat, to use best endeavours to so procure) in respect of an aggregate beneficial holding of 1,691,788 Lincat Shares (representing, as at 8 April 2011, being the last practicable date prior to the publication of this document, approximately 30.8 per cent. of the current issued share capital of Lincat).**

Yours sincerely,

**Alan Schroeder**  
*Non-Executive Chairman*  
*Lincat Group plc*

## PART II

### EXPLANATORY STATEMENT

*(Explanatory statement in compliance with the provisions of section 897 of the Act)*

The logo for Livingstone Partners LLP, featuring the word "Livingstone" in a stylized, handwritten-style cursive font.

Livingstone Partners LLP  
15 Adam Street  
London  
WC2N 6RJ

11 April 2011

*To: Lincat Shareholders and, for information only, to holders of Lincat Share Awards*

Dear Lincat Shareholder,

#### **Recommended cash acquisition of Lincat by Bidco, a wholly-owned subsidiary of Middleby**

##### **1. Introduction**

On 23 March 2011, it was announced that Middleby and the Lincat Board had reached agreement on the terms of a recommended cash acquisition by Bidco (a wholly-owned subsidiary of Middleby) of the entire issued and to be issued ordinary share capital of Lincat, to be effected by means of a scheme of arrangement between Lincat and its shareholders pursuant to the provisions of Part 26 of the Act (involving the Capital Reduction under section 648 of the Act).

**Your attention is drawn to the letter from the Non-Executive Chairman of Lincat set out in Part I of this document which, together with the remainder of this document, forms part of this Explanatory Statement. That letter explains, amongst other things, why the Lincat Directors, who have been so advised by Livingstone Partners, consider the terms of the Acquisition to be fair and reasonable so far as Lincat Shareholders are concerned. In providing its advice to the Lincat Directors, Livingstone Partners have taken into account the commercial assessment of the Lincat Directors.**

**Accordingly, as stated in that letter, the Lincat Directors are unanimously recommending that Lincat Shareholders vote in favour of the resolutions relating to the Acquisition at the Meetings (or, in the event that the Acquisition is implemented by means of an Offer, accept, or procure acceptance of, the Offer) as the Lincat Directors have irrevocably undertaken to do or to so procure (or, in the case of 17,475 Lincat Shares representing approximately 0.3 per cent. of the current issued share capital of Lincat, to use best endeavours to so procure) in respect of an aggregate beneficial holding of 1,691,788 Lincat Shares (representing, as at 8 April 2011, being the last practicable date prior to the publication of this document, approximately 30.8 per cent. of the current issued share capital of Lincat).**

The Lincat Directors have been advised by Livingstone Partners in connection with the Acquisition. Livingstone Partners have been authorised by the Lincat Board to write to you to set out the terms of the Acquisition and the Scheme and to provide you with other relevant information.

Statements made or referred to in this Explanatory Statement which refer to the reasons for the Acquisition, to information concerning the business of the Middleby Group (excluding Bidco) and to intentions and expectations regarding the Middleby Group and the Enlarged Group, reflect the views of the Middleby Executives. Statements made or referred to in this Explanatory Statement which refer to the business of Bidco reflect the views of the Bidco Directors. Statements made or referred to in this Explanatory Statement that refer to the background to, and reasons for, recommending the Acquisition and to information concerning the business of the Lincat Group (other than the future plans for the business described in paragraphs 7 and 9 of this Part II of this document) reflect the views of the Lincat Directors.

The terms of the Scheme are set out in full in Part V of this document. Your attention is also drawn to the further information contained in this document which forms part of this Explanatory Statement.

The Scheme is conditional upon the Conditions set out in Part III of this document being satisfied or (if capable of waiver) waived.

Lincat Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting.

## **2. The Acquisition**

The Acquisition will be effected by way of the Scheme, the full details of which are set out in Part V of this document. The Scheme requires the approval of the Scheme Shareholders and the sanction of the Court. However, Bidco has reserved the right to implement the Acquisition by way of an Offer where permitted to do so by the Panel.

Under the terms of the Scheme, which is subject to the Conditions and further terms set out in Part III of this document, Scheme Shareholders on the register of members of Lincat at the Scheme Record Time will receive:

**for each Scheme Share 1,050 pence in cash,**

valuing Lincat's existing issued and to be issued ordinary share capital at approximately £58 million.

The price of 1,050 pence for each Lincat Share represents:

- a premium of approximately 37.7 per cent. to the Closing Price of 762.5 pence per Lincat Share on 22 March 2011 (being the last business day prior to the date of the Announcement);
- a premium of approximately 38.7 per cent. to the average Closing Price of 757.1 pence per Lincat Share for the one month ended on 22 March 2011; and
- a premium of approximately 49.2 per cent. to the average Closing Price of 703.7 pence per Lincat Share for the three months ended on 22 March 2011.

Subject to the Scheme becoming Effective, Scheme Shareholders will be paid the Cash Consideration for their Scheme Shares not later than 14 days after the Effective Date. Payment is currently expected to be made not later than 10 June 2011.

Lincat will not declare a final dividend in respect of the year ended 31 December 2010.

The Scheme requires the Scheme Shareholders to vote in favour of the Scheme at the Court Meeting to be held at 11.00 a.m. and the Lincat Shareholders to vote in favour of the Special Resolution to be proposed at the General Meeting to be held at 11.15 a.m., both such meetings to be held on 5 May 2011 at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS. Further details of the Meetings are set out in paragraphs 14.2 and 19 of Part II of this document.

Following the Meetings, it is expected that the Court Hearing to sanction the Scheme will take place on 23 May 2011 and the Court Hearing to confirm the Capital Reduction will take place on 26 May 2011. Provided the Court sanctions the Scheme and confirms the Capital Reduction, the Effective Date is expected to be 27 May 2011.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted and, if they voted, whether they voted for or against the Scheme or the Special Resolution, at the Court Meeting or the General Meeting, respectively.

## **3. Background to, and reasons for, the recommendation of the Acquisition by the Lincat Directors**

Details of the background to, and reasons for, the recommendation of the Acquisition by the Lincat Directors are set out in paragraph 4 of Part I of this document.

#### **4. Irrevocable undertakings**

Bidco has received irrevocable undertakings to vote, or to procure (or, in the case of 27,934 Lincat Shares representing approximately 0.5 per cent. of the current issued share capital of Lincat, to use best endeavours to procure) that the registered holder votes, in favour of the resolutions relating to the Acquisition at the Meetings or, in the event that Bidco elects to implement the Acquisition by means of an Offer, to accept, or procure (or, in the case of 27,934 Lincat Shares representing approximately 0.5 per cent. of the current issued share capital of Lincat, to use best endeavours to procure) acceptance of, the Offer, in respect of Lincat Shares representing, in aggregate, approximately 51.2 per cent. of the current issued share capital of Lincat. Save for the irrevocable undertaking given by Marlborough Fund Managers, all of the irrevocable undertakings received by Bidco will continue to be binding even if a higher competing offer for Lincat is made.

The irrevocable undertaking given by Marlborough Fund Managers in respect of 324,500 Lincat Shares representing approximately 5.9 per cent. of the current issued share capital of Lincat will cease to be binding if: (i) a competing cash offer for all Lincat Shares is announced which values each Lincat Share at a price which equals or exceeds 110 per cent. of the value of the consideration per Lincat Share available under the terms of the Acquisition; (ii) Bidco does not, within ten days of the announcement of such competing offer, announce a revised offer which values each Lincat Share at a price equal to or greater than the value of the consideration per Lincat Share under the terms of the competing offer; and (iii) Marlborough Fund Managers notifies Bidco within three days of the expiry of such ten day period that its obligations under the irrevocable undertaking have ceased to have effect.

Further details of these irrevocable undertakings are set out in paragraph 5 of Part VI of this document.

#### **5. Information relating to Lincat**

The Lincat Group is a UK group manufacturing a range of commercial kitchen and bar equipment across three production sites with approximately 300 employees. Lincat is traded on AIM.

Lincat operates as three autonomous companies, each with its own specialism and brands:

- Lincat Limited focuses on light- and medium-duty prime cooking, food display and beverage equipment;
- IMC Limited manufactures kitchen machines and bar equipment; and
- Britannia Kitchen Ventilation Limited manufactures commercial kitchen ventilation units.

Lincat has a track record for the continuous development of products, with each subsidiary offering a wide range of products, designed, developed and manufactured in-house. Lincat has established distribution networks in the UK.

For the year ended 31 December 2010, Lincat delivered £32.7 million of revenue generating £6.6 million of EBITDA. Having regard to the timing of the Acquisition, Lincat will not be declaring a final dividend for the year ended 31 December 2010.

The Preliminary Results Announcement is contained in Section A of Part IV of this document.

#### **6. Information relating to Middleby and Bidco**

Middleby is a leader in the design, manufacture, marketing, distribution and service of a broad line of cooking and warming equipment used in all types of commercial restaurants and institutional kitchens and food preparation, cooking and packaging equipment for food processing operations. Founded in 1888 as a manufacturer of baking ovens, Middleby Marshall Oven Company was acquired in 1983 by TMC Industries Ltd., a publicly traded company that changed its name in 1985 to The Middleby Corporation. The company has established itself as a leading provider of commercial restaurant equipment and food processing equipment as a result of its acquisition of industry leading brands and through the introduction of innovative products within both of these segments.

Middleby's leading equipment brands serving the commercial foodservice industry include Anets®, Blodgett®, Blodgett Combi®, Blodgett Range®, Bloomfield®, Carter Hoffmann®, CookTek®, CTX®, Doyon®, frifri®, Giga®, Holman®, Houno®, Jade®, Lang®, MagiKitch'n®, Middleby Marshall®, Nu-Vu®, PerfectFry®, Pitco Frialator®, Southbend®, Star®, Toastmaster®, TurboChef® and Wells®. The company's leading equipment brands serving the food processing industry include Alkar®, Cozzini®, MP Equipment®, and RapidPak®. Middleby has been recognised by Forbes Magazine as one of the Best Small Companies in 2008, 2009 and 2010.

On 1 March 2011, Middleby reported net sales and earnings for the fourth quarter ended 1 January 2011. Middleby's net earnings for the fourth quarter were US\$20,994,000 or US\$1.13 per share on net sales of US\$207,233,000 as compared to the prior year fourth quarter net earnings of US\$17,874,000 or US\$0.95 per share on net sales of US\$152,493,000. Net earnings for the twelve months ended 1 January 2011 were US\$72,867,000 or US\$3.97 per share on net sales of US\$719,121,000 as compared to net earnings of US\$61,156,000 or US\$3.29 per share on net sales of US\$646,629,000 in the prior year.

Bidco is a newly-incorporated private limited company incorporated in England and Wales and an indirect wholly-owned subsidiary of Middleby, formed for the purpose of making the Acquisition. Bidco has not traded since its incorporation nor has it entered into any obligations other than in connection with the Acquisition.

## **7. Background to, and reasons for, the Acquisition**

Middleby is an experienced acquirer of businesses, having purchased 15 companies in the past five years. Middleby is committed to building a strong presence in the UK market. The Acquisition and the opportunity to work with Lincat's highly-regarded management team is an important step towards advancing this strategic initiative. Middleby believes that its operating philosophy is very similar to Lincat's and hopes to leverage Lincat's strong distribution channels in the UK in order to enhance Middleby's position in the UK market. In addition, Middleby believes that the Acquisition will provide an opportunity for Lincat to expand its distribution of products outside of the UK into foreign markets where Middleby has significant resources and to leverage the relationships Middleby has with global and key accounts in the UK to further grow sales.

If the Acquisition becomes Effective, Lincat Shareholders will benefit from a fair price in cash, which offers certainty. Lincat would also gain access to Middleby's technical expertise and financial strength, which would further enhance the underlying value of its asset base. The Acquisition offers Lincat's employees a chance to benefit from joining a larger organisation with opportunities to pursue further professional development.

## **8. Financing of the Acquisition**

Bidco will fund the consideration payable under the Acquisition from funds made available to it from Middleby's existing cash resources and bank facilities.

KPMG Corporate Finance, financial adviser to Middleby and Bidco, is satisfied that sufficient resources are available to Bidco to satisfy in full the cash consideration payable to Lincat Shareholders under the terms of the Acquisition.

## **9. Management, employees and locations**

Middleby values the active participation and continued commitment of Lincat's management and employees. Accordingly, Middleby has given assurances to the Lincat Board that, on the Acquisition becoming Effective, the existing employment rights, including pension rights, of all Lincat Group employees will be fully safeguarded in accordance with applicable law.

Following completion of the Acquisition, the employee resource of the Lincat Group will be considered as part of Middleby's overall strategy for Lincat and will be reviewed from time to time in light of the ongoing requirements of the Lincat Group. Middleby has no current intention to change the location of Lincat Group's places of business or redeploy any of its fixed assets.



Discussions between Middleby and Lincat's senior management team about the team members' specific roles in the Enlarged Group, and the terms of their employment, have yet to take place. It is envisaged that such discussions will take place after the Acquisition has become Effective.

Each of the non-executive Lincat Directors has agreed to resign from the Lincat Board upon the Scheme becoming Effective. Such non-executive Lincat Directors will have no entitlement to compensation upon resignation, save for the payment of any accrued but unpaid fees or expenses.

#### **10. Lincat Directors and the effect of the Scheme on their interests**

Details of the interests of the Lincat Directors in the share capital of Lincat are set out in paragraph 3.1 of Part VI of this document.

In common with the other participants in the Lincat LTIP, the Lincat Directors who are holders of Lincat Share Awards under the Lincat LTIP will be able to exercise their Lincat Share Awards as described in further detail in paragraph 12 of this Part II.

Details of irrevocable undertakings, provided by the Lincat Directors in relation to the Acquisition are set out above in paragraph 1 of this Part II. Further details of these irrevocable undertakings are set out in paragraph 5 of Part VI of this document.

Details of the service contracts (including the termination provisions and payments) of the executive Lincat Directors and terms of appointment of the non-executive Lincat Directors are set out in paragraph 8 of Part VI of this document.

Save as set out in this Explanatory Statement, the Scheme's effect on the interests of the Lincat Directors does not differ from its effect on the like interests of any other person.

#### **11. Interests of Middleby and Bidco in Lincat Shares**

Save in respect of the irrevocable undertakings referred to in paragraph 4 of this Part II, as at the close of business on 8 April 2011 (being the last practicable date prior to the date of publication of this document) none of Middleby, Bidco, the Middleby Executives and the Bidco Directors, nor any person acting in concert with Middleby or Bidco has: (i) any interest in or right to subscribe for any relevant securities of Lincat (as defined in paragraph 6.9(i) of Part VI of this document), nor (ii) any short positions in respect of relevant securities of Lincat (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, nor (iii) borrowed or lent any relevant Lincat securities.

It is intended that Bidco will subscribe for one Lincat Share at a price equal to the Offer Price prior to the Court Hearing at which the First Court Order will be sought.

#### **12. Lincat LTIP**

##### ***Effect of Scheme on Lincat Share Awards***

The effect of the Scheme on all outstanding Lincat Share Awards is as set out below in this paragraph 12. An explanation of the implications of the Acquisition for Lincat Awardholders and details of the actions they can take in respect of their outstanding Lincat Share Awards will be set out in separate letters to Lincat Awardholders to be dispatched shortly after the date of this document.

##### **12.1 *Lincat Share Awards granted in 2007***

Some of the Lincat Share Awards granted in 2007 have lapsed as a result of targets to which these Lincat Share Awards are subject not having been met. Of the remaining Lincat Share Awards granted in 2007, the targets have only been met in part, so only a proportion of the outstanding Lincat Share Awards granted in 2007 are currently capable of exercise. As a result of the Scheme any such outstanding Lincat Share Awards granted in 2007 may only be exercised up to the date falling six months after the date the Scheme is sanctioned by the Court. Any Lincat Share Awards which were

granted in 2007 which are not exercised by this date will cease to be exercisable and will lapse on the date falling six months after the date on which the Scheme is sanctioned by the Court.

#### 12.2 *Lincat Share Awards granted in 2010*

Lincat Share Awards granted in 2010 are not yet capable of exercise. Such awards will become capable of exercise on the date the Scheme is sanctioned by the Court but only to the extent that the performance conditions attaching to such awards have been satisfied unless such conditions are waived by the Remuneration Committee of the Lincat Board in relation to the 2010 awards. The Remuneration Committee of the Lincat Board has resolved to waive the conditions attaching to the Lincat Share Awards granted in 2010. However, such waiver is conditional on, and will only take effect immediately following, the Scheme being sanctioned by the Court. If this occurs the Lincat Share Awards granted in 2010 may be exercised in full. Such awards will be capable of exercise during the period commencing on the date the Scheme is sanctioned by the Court and ending six months thereafter. Any awards not exercised in this period will lapse on the expiry of this period.

#### ***Lincat EBT***

The Trustee currently holds 158,500 Lincat Shares which will be used to satisfy outstanding Lincat Share Awards. To the extent further Lincat Shares are required to satisfy the exercise of outstanding Lincat Share Awards, Lincat is proposing to issue up to an additional 22,500 Lincat Shares to the Trustee.

To the extent that any Lincat Shares are issued after the Scheme Record Time to satisfy outstanding Lincat Share Awards they will not be acquired under the Scheme. However, it is proposed that, pursuant to the Special Resolution, the Articles will be amended so that any Lincat Shares issued or transferred after the Scheme Record Time will be acquired by Bidco in accordance with the procedure set out in the Articles. This amendment will ensure that Bidco is entitled to acquire any Shares issued or transferred to Lincat Awardholders in satisfaction of their outstanding Lincat Share Awards after the Effective Date and any Lincat Shares held by the Trustee on the date falling six months after the Effective Date, in each case at a price per Lincat Share equal to the price per Scheme Share available under the terms of the Acquisition.

### **13. Implementation Agreement and break fee arrangements**

Lincat, Middleby and Bidco have entered into an Implementation Agreement pursuant to which Lincat and Bidco have agreed, amongst other things, to take all such steps and actions and prepare all such documents necessary for the implementation of the Acquisition on a timely basis in accordance with an agreed timetable and in accordance with the terms of the Implementation Agreement.

The Implementation Agreement also contains a break fee arrangement, non-solicitation undertakings, matching rights in favour of Bidco in the event of a Competing Proposal and controls on the conduct of Lincat's business prior to the Effective Date. A summary of certain provisions of the Implementation Agreement is set out below. Please see also paragraph 12.4 in Part VI of this document which summarises the provisions of the Implementation Agreement relating to the circumstances in which Bidco can seek to invoke a Condition to the Acquisition.

#### 13.1 ***Break fee***

In consideration of Bidco making the Acquisition, the Lincat Board has agreed to enter into a break fee arrangement. Lincat will pay a break fee of an amount in cash equal to one per cent. of the aggregate consideration payable under the terms of the Acquisition to Bidco if, in summary:

- the Lincat Directors (i) withdraw, qualify or modify their recommendation of the Acquisition; (ii) fail to reaffirm and reissue such recommendation reasonably promptly (and in any event within five Business Days) following a request by Bidco; or (iii) announce an intention to take any of the foregoing actions, in each case at any time before the Scheme (or the Offer, as the case may be) lapses or is withdrawn; or
- a Competing Proposal is made public howsoever (whether or not on a pre-conditional basis and whether pursuant to Rule 2.4 or Rule 2.5 of the Code) prior to the termination of the

Implementation Agreement and within 12 months following the date that such Competing Proposal is made public, any Competing Proposal completes or becomes effective, or is declared or becomes unconditional in all respects; or

- following and subject to the approval of the Scheme at the Court Meeting and the approval of the Special Resolution at the General Meeting, the Lincat Directors:
  - withdraw the Scheme or otherwise do not seek the Court Orders;
  - in the event that the First Court Order or the Second Court Order is not granted by the Court, fail to seek any appropriate amendment to the terms of the Scheme (as agreed with Bidco) or to return to Court to seek any necessary directions or orders or to appeal any decision of the Court (unless any such appeal in the opinion of counsel is more likely than not to fail); or
  - fail to deliver an office copy of the First Court Order or the Second Court Order to the Registrar of Companies.

### 13.2 *Non-solicitation*

Lincat has undertaken in the Implementation Agreement that neither Lincat nor any other member of the Lincat Group, nor any of their respective advisers or representatives, will directly or indirectly through any other person:

- solicit, initiate, facilitate, encourage, induce or otherwise seek to procure any Approach from any person other than Bidco in respect of, or in connection with, a Competing Proposal or potential Competing Proposal;
- enter into any discussions, negotiations, correspondence or arrangement relating to or involving a Competing Proposal or potential Competing Proposal, except as, and solely to the extent (if any), required by the Code and save to the extent that the Lincat Directors (having first obtained appropriate written legal and financial advice) reasonably and in good faith consider that they would be in breach of their statutory or fiduciary duties not to do so;
- commit to, or enter into, any agreement, arrangement or understanding with any person other than Bidco, including, without limitation, any break fee, indemnity or contribution for costs or similar arrangement, in connection with a Competing Proposal or potential Competing Proposal; or
- except as, and solely to the extent (if any), required by Rule 20.2 of the Code (taking into account any ruling given by the Panel with respect thereto) provide information to any person (other than Bidco and its related parties) in relation to any Competing Proposal or potential Competing Proposal.

Lincat has agreed to notify Bidco promptly:

- of any Approach that is made to Lincat or to any of its related parties with a view to Lincat or any of its related parties entering into discussions and/or negotiations with respect to a Competing Proposal or potential Competing Proposal;
- if the Lincat Directors determine that such an Approach is reasonably likely to lead to a Competing Proposal;
- if the Lincat Directors propose to withdraw, modify or qualify their recommendation of the Acquisition; and
- if any information is provided to any person other than Bidco in connection with a Competing Proposal or potential Competing Proposal.

### 13.3 *Matching right*

Lincat has also undertaken that in the event it receives an Approach that is reasonably likely to lead to a Competing Proposal and notifies Bidco thereof as required under the Implementation Agreement, it shall not recommend or enter into any agreement to implement any Competing Proposal or withdraw, modify or qualify the recommendation of the Scheme or withdraw the Scheme for a period of three business days. In the event that Bidco confirms within this period that it is willing to increase its offer to a consideration per Lincat Share equal to or greater than that provided under the Competing Proposal or potential Competing Proposal or to make an offer or proposal which would, in the reasonable opinion of Lincat's financial adviser, provide equal or superior financial value to Lincat Shareholders than the Competing Proposal or potential Competing Proposal (the "**Revised Offer**"), the Lincat Directors shall recommend the Revised Offer and shall not recommend or enter into any agreement to implement the Competing Proposal or potential Competing Proposal.

### 13.4 *Controls on conduct of business prior to the Effective Date*

Lincat is subject to controls on the conduct of its business up until the earlier of the date the Acquisition becomes Effective and termination of the Implementation Agreement. These controls include, amongst others, the restrictions and obligations which are summarised below.

- Lincat must conduct its business in the ordinary and usual course consistent with past practice.
- The members of the Lincat Group cannot, without the consent of Bidco (which consent may be withheld in Bidco's absolute discretion in respect of the obligation described in the first bullet point below and shall not be unreasonably withheld or delayed in respect of the obligations described in the subsequent bullet points below):
  - subject to the statutory and fiduciary duties of the Lincat Directors, enter into any agreement that includes a confidentiality obligation that would restrict the notifications and other activities contemplated by the Implementation Agreement;
  - alter or agree to alter its share or loan capital (except as required to satisfy awards granted pursuant to the Lincat LTIP or in connection with the Scheme);
  - commence or settle any litigation outside the ordinary course of business which is material in the context of the Lincat Group taken as a whole;
  - announce any dividend or distribution;
  - acquire or dispose of any assets or real property (or expend capital) with a value of £100,000 or more (other than in the ordinary course of business), acquire or dispose of any business or product line, or transfer the shares in any Affiliate;
  - enter, amend or terminate any arrangement that is material in the context of the Lincat Group taken as a whole or the implementation of the Acquisition;
  - grant any security, encumbrance, indemnity, guarantee or similar, other than in the ordinary course of business;
  - obtain or arrange debt financing exceeding £100,000; or
  - appoint directors or enter or vary employment arrangements for senior staff.
- The members of the Lincat Group must:
  - afford Bidco access to financial and operating data, books and records and personnel, for the purposes of the implementation of the Acquisition;
  - take reasonable steps to consult with Bidco in dealing with business counterparties where the relevant agreement or arrangement will be materially adversely affected by the Acquisition; and

- propose such changes to the Articles at the General Meeting as Bidco may reasonably require to implement the Acquisition and proposals relating to awards granted pursuant to the Lincat LTIP.

### 13.5 *Termination*

The Implementation Agreement may be terminated if:

- Bidco and Lincat agree in writing;
- any Condition becomes incapable of satisfaction by the Longstop Date where either that Condition is incapable of waiver or Bidco has notified Lincat that it will not waive the Condition, provided the Panel permits the Condition to be invoked;
- a Competing Proposal is completed or becomes unconditional in all respects;
- the Lincat Directors (i) withdraw, qualify or modify their recommendation of the Acquisition, or (ii) fail to reaffirm and reissue such recommendation reasonably promptly (and in any event within five business days) following a request by Bidco;
- the break fee described above is paid;
- despite no circumstances having arisen which would permit Bidco to invoke a Condition and the resolutions relating to the Acquisition having been passed at the Meetings, Bidco fails to instruct counsel to appear on its behalf at the Court Hearing to sanction the Scheme and undertake to the Court to be bound by the Scheme and does not remedy such failure within three business days of receiving a request to do so;
- the Acquisition has not become Effective by the Longstop Date; or
- Bidco elects to implement the Acquisition by way of an Offer and the Offer is withdrawn by Bidco (with the consent of the Panel if required) or lapses.

## 14. **The Scheme**

### 14.1 *Introduction*

The Acquisition is being effected by means of a scheme of arrangement between Lincat and the Scheme Shareholders pursuant to the provisions of Part 26 of the Act, details of which are set out in full in Part V of this document.

The purpose of the Scheme is to enable Bidco to become the owner of the entire issued and to be issued share capital of Lincat. This is to be achieved by the cancellation of the Scheme Shares held by Scheme Shareholders by way of a reduction of capital confirmed by the Court and the application of the reserve arising from such cancellation in paying up in full a number of New Lincat Shares (which is equal to the number of Lincat Shares cancelled) and issuing them to Bidco and/or its nominee(s) in consideration for which holders of Scheme Shares will receive cash on the basis set out in paragraph 2 of this Part II. The New Lincat Shares will then be held by Bidco (and/or its nominee(s)) fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights then or thereafter attaching thereto.

To become Effective, the Scheme will require, amongst other things, the approval at the Court Meeting of a majority in number representing 75 per cent. or more in value of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting and the passing of the Special Resolution necessary to approve certain matters to give effect to the Scheme at the General Meeting. The Special Resolution requires votes in favour representing 75 per cent. or more of the votes attached to Lincat Shares voted at the General Meeting, whether in person or by proxy.

Any Lincat Shares held by Bidco or any other member of the Middleby Group do not qualify as Scheme Shares and therefore will not be entitled to vote on the resolution to be proposed at the Court Meeting to approve the Scheme.

Following the Court Meeting and the General Meeting and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court and the associated Capital Reduction confirmed by the Court at the Court Hearings. The Scheme will take effect when the Court Orders have been delivered to the Registrar of Companies. If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether they attended or voted, and if they voted, whether they voted for or against the Scheme or the Special Resolution, at the Court Meeting or the General Meeting, respectively.

Prior to the Scheme becoming Effective, Lincat will make an application to the London Stock Exchange to cancel the trading of the Lincat Shares on AIM on or immediately following the Effective Date. It is intended that dealings in Lincat Shares will be suspended at 5.00 p.m. London time on 25 May 2011 and that no transfers of Lincat Shares will be registered after that time and date.

On the Effective Date, Lincat will become a wholly-owned subsidiary of Bidco (other than in respect of any Excluded Shares held by the Trustee at the Effective Date which it is proposed will be acquired by Bidco pursuant to the amendment to the Articles to be effected by the Special Resolution) and share certificates in respect of the Scheme Shares will cease to be valid and should be destroyed. In addition, on the Effective Date, entitlements to Scheme Shares held within CREST will be cancelled.

It is also intended that Lincat will be re-registered as a private limited company upon or immediately following the Effective Date.

Save for the issue of New Lincat Shares to Bidco pursuant to the Scheme, Lincat will not issue any shares after the Scheme Record Time until after the Effective Date.

#### 14.2 *The Meetings*

The Scheme is subject to the satisfaction (or waiver (if capable of waiver)) of the Conditions set out in Part III of this document. To become Effective, the Scheme will also require approval by Scheme Shareholders at the Court Meeting and the passing of the Special Resolution by Lincat Shareholders at the General Meeting.

Notices of the Court Meeting and the General Meeting are set out in Parts VIII and IX of this document respectively. Save as set out below, all holders of Lincat Shares whose names appear on the register of members of Lincat at the Voting Record Time or, if either the Court Meeting or the General Meeting are adjourned, on the register of members at 6.00 p.m. on the day which is two days before the date set for the adjourned Meeting, shall be entitled to attend and vote at the relevant Meeting in respect of the number of Lincat Shares registered in their name at the relevant time.

##### *The Court Meeting*

The Court Meeting, which has been convened for 11.00 a.m. on 5 May 2011, is being held at the direction of the Court to seek the approval of Scheme Shareholders for the Scheme (with or without modification).

At the Court Meeting, voting will be by way of poll and not on a show of hands and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held. Scheme Shareholders have the right to raise any objections they may have to the Scheme at the Court Meeting. The Scheme must be approved by a majority in number of those Scheme Shareholders present and voting, either in person or by proxy, representing 75 per cent. or more in value of all Scheme Shares held by such Scheme Shareholders. The result of the poll will be posted on Lincat's website.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholder opinion. You are**



**therefore strongly urged to complete and return your blue Form of Proxy for use at the Court Meeting as soon as possible and in any event so as to be received by no later than 11.00 a.m. on 3 May 2011 (or in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting). Detailed instructions on the action to be taken are set out in paragraph 19 of this Part II.**

As a result of its interest in the Acquisition, the one Lincat Share proposed to be subscribed for by Bidco will not qualify as a Scheme Share and therefore Bidco will not be entitled to vote at the Court Meeting in respect of the one Lincat Share proposed to be subscribed for by it to the extent that this subscription takes place prior to the Voting Record Time. Accordingly, this one Lincat Share will not count towards the majority required to approve the Scheme. Bidco will nevertheless irrevocably undertake to the Court to be bound by the Scheme. Bidco will, however, be entitled to vote on the Special Resolution to be proposed at the General Meeting to the extent that this subscription takes place prior to the Voting Record Time. It is intended that Bidco will subscribe for the one Lincat Share prior to the Court Hearing at which the First Court Order will be sought.

You will find the notice of the Court Meeting set out in Part VIII of this document.

Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares to attend and vote on their behalf at the Court Meeting. Scheme Shareholders are also entitled to appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a Scheme Shareholder must have more than one Scheme Share to be able to appoint more than one proxy). A space has been included in the blue Form of Proxy to allow Scheme Shareholders entitled to attend and vote at the Court Meeting to specify the number of Scheme Shares in relation to which that proxy is appointed.

Scheme Shareholders who wish to appoint more than one proxy in respect of their shareholding should complete a separate Form of Proxy for each proxy appointed. Such Scheme Shareholders should read the information regarding the appointment of multiple proxies set out on page 7 of this document and the related notes contained in the blue Form of Proxy. Photocopies of the blue Form of Proxy may be taken as required.

#### *The General Meeting*

The General Meeting has been convened for 11.15 a.m. on 5 May 2011 (or as soon thereafter as the Court Meeting has been concluded or adjourned), to consider and, if thought fit, pass the Special Resolution. The Special Resolution (which requires votes in favour representing 75 per cent. or more of the votes attached to Lincat Shares voted at the General Meeting, whether in person or by proxy) has been proposed to approve various provisions necessary to implement the Scheme, including:

- (a) the authorisation of the Lincat Directors to take all actions necessary to give effect to the Scheme;
- (b) the Capital Reduction;
- (c) subject to the Capital Reduction taking effect, the application of the resulting reserve in the books of account of Lincat in paying up in full the New Lincat Shares;
- (d) the granting of authority to the Lincat Directors pursuant to section 551 of the Act to allot the New Lincat Shares to Bidco in accordance with the terms of the Scheme;
- (e) certain amendments to the Articles as described below; and
- (f) with effect from the Effective Date, the re-registration of Lincat as a private limited company and consequential changes to the Articles.

It is proposed that the Articles be amended so as to ensure that any Lincat Shares issued at or after the adoption of the amended Articles but at or before the Scheme Record Time will be subject to the terms of the Scheme and that any Lincat Shares issued after the Scheme Record Time (other than to Bidco

and/or its nominee(s) or to the Trustee solely to the extent required for the Trustee to satisfy any Lincat Share Awards subsisting on 22 March 2011 which are exercised after the Court has sanctioned the Scheme and otherwise than pursuant to the LTIP Proposals or which are deemed to be exercised on or after the Effective Date pursuant to the LTIP Proposals) will be acquired by Bidco on the same terms as are available under the Acquisition in accordance with the procedure set out in the amended Articles. This amendment will avoid any person (other than Bidco, the Trustee and certain Lincat Awardholders) holding Lincat Shares after the Effective Date. The amendment will also ensure that Bidco is entitled to acquire any Lincat Shares issued or transferred to Lincat Awardholders in satisfaction of their outstanding Lincat Share Awards after the Effective Date and any Lincat Shares held by the Trustee on the date falling six months after the Effective Date.

Voting on the Special Resolution will be on a show of hands unless a poll is demanded. The chairman of the General Meeting reserves his right to demand that the vote of Lincat Shareholders be held by way of a poll and, in such event, each Lincat Shareholder present in person or voting by proxy will be entitled to one vote for every Lincat Share held.

You will find the notice of the General Meeting set out in Part IX of this document. The quorum for the General Meeting will be three or more Lincat Shareholders present in person or by proxy. Detailed instructions on the action to be taken are set out in paragraph 19 of this Part II.

Lincat Shareholders are entitled to appoint a proxy in respect of some or all of their Lincat Shares to attend and, on a poll, vote on their behalf at the General Meeting. Lincat Shareholders are also entitled to appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a Lincat Shareholder must have more than one Lincat Share to be able to appoint more than one proxy). A space has been included in the white Form of Proxy to allow Lincat Shareholders entitled to attend and vote at the General Meeting to specify the number of Lincat Shares in relation to which that proxy is appointed.

Lincat Shareholders who wish to appoint more than one proxy in respect of their shareholding should complete a separate Form of Proxy for each proxy appointed. Such Lincat Shareholders should read the information regarding the appointment of multiple proxies set out on page 7 of this document and the related notes contained in the white Form of Proxy. Photocopies of the white Form of Proxy may be taken as required.

### 14.3 *The Court Hearings*

Under the Act, the Scheme also requires the sanction of the Court. There will be one Court Hearing in order to sanction the Scheme and another to confirm the Capital Reduction.

The Court Hearings are expected to be held on 23 May 2011 and 26 May 2011 respectively at the Royal Courts of Justice, The Strand, London WC2A 2LL. All Lincat Shareholders are entitled to attend the Court Hearings in person or through counsel to support or oppose the sanctioning of the Scheme and the associated Capital Reduction. Bidco has confirmed that it will be represented by counsel at the First Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound thereby. The gap between the two Court Hearings is included to allow for the exercise of Lincat Share Awards prior to the Scheme Record Time.

The Scheme will become Effective in accordance with its terms on the delivery of office copies of the Court Orders (together with the Statement of Capital attached thereto) to the Registrar of Companies. This is expected to occur on or around 27 May 2011.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted in favour of the Scheme at the Court Meeting or in favour of the Special Resolution at the General Meeting.

Unless the Scheme becomes Effective on or before 30 September 2011 or such later date, if any, as Lincat and Bidco may agree and the Court may allow, the Scheme will not become Effective.

#### 14.4 *Modifications to the Scheme*

The Scheme contains a provision for Lincat and Bidco jointly to consent on behalf of all persons affected to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or addition to, or impose a condition to the Scheme which might be material to the interests of the Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances. Similarly, if a modification, addition or condition is put forward which, in the opinion of the Lincat Directors, is of such a nature or importance that it requires the consent of Scheme Shareholders at a further meeting, the Lincat Directors will not take the necessary steps to enable the Scheme to become Effective unless and until such consent is obtained.

#### 14.5 *Alternative means of implementing the Acquisition*

Bidco has reserved the right (subject to the consent of the Panel) to implement the Acquisition by way of an Offer at any time before the Scheme becomes Effective, or following its withdrawal, in which case additional documents will be despatched to Lincat Shareholders. In such event, the Offer will (subject to the consent of the Panel and unless otherwise agreed) be implemented on the same terms so far as applicable as those which would apply to the implementation of the Acquisition by means of the Scheme, subject to appropriate amendments to reflect the change in method of effecting the Acquisition. If Bidco makes the Offer it will include an acceptance condition set at 75 per cent. of the shares to which such Offer relates (or such higher percentage as Bidco may decide with the consent of the Panel or such lesser percentage as Bidco may decide or the Panel may require, provided that such lesser percentage would result in Bidco holding Lincat Shares carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at general meetings of Lincat). Further, if sufficient acceptances of such Offer are received and/or sufficient Lincat Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Act to acquire compulsorily any outstanding Lincat Shares to which such offer relates.

#### 14.6 *Section 593 valuation*

Bidco intends to subscribe for one Lincat Share at a price equal to the Offer Price prior to the First Court Hearing. Accordingly, there will be no requirement under section 593 of the Act for an independent valuation of the New Lincat Shares to be allotted to Bidco or any member of the Middleby Group under the Scheme.

#### 14.7 *Conditions to the Acquisition*

The Acquisition and, accordingly, the Scheme are subject to a number of conditions set out in full in Part III of this document. In summary, the implementation of the Scheme is conditional upon, amongst other things:

- (a) the approval of the Scheme by a majority in number representing 75 per cent. or more in value of the Scheme Shareholders, present and voting, either in person or by proxy, at the Court Meeting, or any adjournment thereof;
- (b) the Special Resolution set out in the notice of the General Meeting being passed by the requisite majority at the General Meeting, or any adjournment thereof;
- (c) the sanction of the Scheme and the confirmation of the Capital Reduction by the Court (in either case, with or without modifications on terms agreed by Bidco and Lincat) and the delivery of office copies of the Court Orders and the Statement of Capital to the Registrar of Companies; and
- (d) the other Conditions (set out in Part III of this document) which are not otherwise summarised in sub-paragraphs (a) to (c) above being satisfied (or waived (if capable of waiver)).

## 15. Overseas Shareholders

The implications of the Scheme and the Acquisition for Overseas Shareholders may be affected by the laws of jurisdictions outside the United Kingdom. Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements. It is the responsibility of any Overseas Shareholders to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes or duties or payments due in such jurisdiction. Any failure to comply with such applicable requirements may constitute a violation of the laws of any such jurisdiction.

This document and the accompanying documents have been prepared for the purposes of complying with English law, the Code and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of England and Wales.

**Lincat Shareholders who are citizens or residents of the United States or other jurisdictions outside of the United Kingdom should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme in their particular circumstances.**

Neither this document nor the accompanying documents constitute an offer or an invitation to purchase or subscribe for any securities, or a solicitation of a vote, pursuant to these documents or otherwise in any jurisdiction in which such offer, invitation or solicitation is unlawful.

## 16. UK Taxation

### 16.1 *General*

**The following paragraphs do not constitute tax advice, are intended as a general guide only and are based, at the date of this document, on current UK legislation, published practice and published interpretation of HM Revenue & Customs practice, all of which are subject to change, possibly with retroactive effect. They summarise certain limited aspects of the UK taxation consequences of the Acquisition and implementation of the Scheme and relate only to the position of Scheme Shareholders who hold their Scheme Shares beneficially as an investment, unless otherwise indicated, and who are resident and, in the case of individuals, ordinarily resident and domiciled, in the UK for taxation purposes at all relevant times. The tax position of certain categories of Scheme Shareholders who are subject to special rules (such as persons acquiring their shares in connection with employment, officers and employees of Lincat (including pursuant to options granted pursuant to the Lincat Share Schemes), dealers in securities, insurance companies and collective investment schemes) is not considered. If you are in any doubt as to your taxation position, or if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriate professional adviser without delay.**

### 16.2 *UK taxation of chargeable gains*

The receipt by Scheme Shareholders of cash under the Scheme should, generally, be treated as a disposal of their Scheme Shares which may, depending on the Scheme Shareholders' particular circumstances (including the availability to them of exemptions, reliefs or allowable losses), give rise to a liability to UK tax on chargeable gains.

#### (a) *Individual Scheme Shareholders*

The receipt of cash under the Scheme by an individual Scheme Shareholder may, depending on their individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of the UK taxation of chargeable gains.

A Scheme Shareholder who is an individual and who disposes of their Scheme Shares while they are temporarily non-resident in the UK (i.e. not resident and not ordinarily resident) for taxation purposes may be treated as disposing of them in the tax year in which they again

become resident or ordinarily resident in the UK if (broadly speaking) the period of non-residence is less than five tax years.

Scheme Shareholders within the charge to capital gains tax should note that the United Kingdom government has increased the rate of capital gains tax to 28 per cent. for certain people including trustees and higher and additional rate taxpayers.

(b) *Corporate Scheme Shareholders*

For Scheme Shareholders within the charge to UK corporation tax (but which do not qualify for the substantial shareholdings exemption in respect of their Scheme Shares), indexation allowance may be available to reduce or eliminate any chargeable gain arising (but not create or increase any allowable loss) on the disposal of their Scheme Shares. Corporation tax is charged on chargeable gains at the rate applicable to that company.

**16.3 *Stamp duty and stamp duty reserve tax***

No stamp duty or SDRT will be payable by holders of Scheme Shares as a result of the Scheme.

**17. Settlement**

Subject to the Scheme becoming Effective and except with the consent of the Panel, settlement of the Cash Consideration to which any Lincat Shareholder is entitled under the Scheme will be effected in the manner set out below.

**17.1 *Scheme Shares held in uncertificated form***

Where at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in uncertificated form they will receive any Cash Consideration to which they are entitled through CREST by Computershare on behalf of Bidco procuring the creation of an assured payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds such uncertificated shares in respect of the Cash Consideration due to him. The creation of such an assured payment arrangement shall be a complete discharge of the obligations of Bidco under the Scheme with reference to payments to be made through CREST. Settlement of the Cash Consideration will be paid through CREST within 14 days after the Effective Date, in accordance with CREST payment arrangements.

As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course thereafter.

Bidco reserves the right to pay all or any part of the Cash Consideration referred to above to all or any Scheme Shareholder(s) who hold(s) Scheme Shares in uncertificated form at the Scheme Record Time in the manner referred to in sub-paragraph 17.2 of this Part II if for any reason it wishes to do so.

**17.2 *Scheme Shares held in certificated form***

Where at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in certificated form settlement of the Cash Consideration will be made in pounds sterling by cheque drawn on a branch of a clearing bank in the United Kingdom.

Settlement of any Cash Consideration due under the Scheme in respect of Scheme Shares held in certificated form will be despatched:

- (a) by first class post, by cheque drawn on a branch of a UK clearing bank; or
- (b) by such other method as may be approved by the Panel.

All such cash payments (whether in respect of Scheme Shares in uncertificated or certificated form) shall be made in pounds sterling. Payments made by cheque shall be payable to the holders of the

Lincat Shares concerned. Cheques shall be despatched as soon as practicable after the Effective Date and in any event within 14 days of the Effective Date. The encashment of any such cheque shall be a complete discharge of Bidco's obligation to pay the monies represented thereby.

All deliveries of cheques required to be made pursuant to the Scheme shall be effected by posting the same by first class post in pre-paid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of Lincat at the Scheme Record Time or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in such register in respect of such joint holding at such time (except in either case as otherwise directed by the relevant Scheme Shareholder in writing), and neither Bidco nor Lincat, nor their respective agents or nominees, shall be responsible for any loss or delay in the transmission of cheques sent in this way and such cheques shall be sent at the risk of the person entitled thereto.

On the Effective Date, each certificate representing a holding of Scheme Shares subject to the Scheme will be cancelled and share certificates for such shares will cease to be valid and should be destroyed.

### 17.3 *General*

All documents and remittances sent through the post will be sent at the risk of the person(s) entitled thereto.

Except with the consent of the Panel, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled against such shareholder.

Mandates in force at the Effective Date relating to the payment of dividends and other instructions given by Scheme Shareholders in respect of their Scheme Shares will be deemed revoked as from the Effective Date.

### 18. **Suspension, cancellation of admission to trading on AIM and re-registration**

Prior to the Scheme becoming Effective, Lincat will make an application to the London Stock Exchange to cancel the trading of the Lincat Shares on AIM on or immediately following the Effective Date. It is intended that dealings in Lincat Shares will be suspended at 5.00 p.m. London time on 25 May 2011 and that no transfers of Lincat Shares will be registered after that time and date.

On the Effective Date, Lincat will become a wholly-owned subsidiary of Bidco (other than in respect of any Excluded Shares held by the Trustee at the Effective Date which it is proposed will be acquired by Bidco pursuant to the amendment to the Articles to be effected by the Special Resolution) and share certificates in respect of Scheme Shares will cease to be valid and should be destroyed. In addition, on the Effective Date, entitlements to Lincat Shares held within CREST will be cancelled.

It is also intended that Lincat will be re-registered as a private limited company upon or immediately following the Effective Date.

### 19. **Action to be taken**

#### *The Court Meeting and the General Meeting*

You will find accompanying this document:

- a blue Form of Proxy for use at the Court Meeting; and
- a white Form of Proxy for use at the General Meeting.

**Whether or not you intend to attend the Court Meeting and/or the General Meeting, you are requested to complete and sign the accompanying blue and white Forms of Proxy and return them in accordance with the instructions printed thereon. Completed Forms of Proxy should be returned to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as**



**possible and, in any event, so as to be received by no later than 11.00 a.m. on 3 May 2011 for the Court Meeting and 11.15 a.m. on 3 May 2011 for the General Meeting (or in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).**

This will enable your votes to be counted at the Meetings in your absence. If the blue Form of Proxy for use at the Court Meeting is not returned by such time, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll and will still be valid. However, in the case of the white Form of Proxy for the General Meeting, it will be invalid unless it is returned to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, so as to be received no later than the time set out above.

If you hold your Lincat Shares in uncertificated form, you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notes for the notices of the Court Meeting and the General Meeting set out in Parts VIII and IX of this document respectively). Proxies submitted through CREST (under the participant ID 3RA50) must be received by Computershare by no later than 11.00 a.m. on 3 May 2011 in the case of the Court Meeting and by 11.15 a.m. on 3 May 2011 in the case of the General Meeting (or in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).

Completion and return of the Forms of Proxy will not preclude Lincat Shareholders from attending and voting in person at either the Court Meeting or the General Meeting, or any adjournment thereof, should they so wish and should they so be entitled.

Lincat Shareholders are entitled to appoint a proxy in respect of some or all of their Lincat Shares. Lincat Shareholders are also entitled to appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a Lincat Shareholder must have more than one Lincat Share to be able to appoint more than one proxy). A space has been included in the Forms of Proxy to allow Lincat Shareholders entitled to attend and vote at the relevant Meeting to specify the number of Lincat Shares in relation to which that proxy is appointed.

Lincat Shareholders who wish to appoint more than one proxy in respect of their shareholding should complete a separate Form of Proxy for each proxy appointed. Photocopies of the Forms of Proxy may be taken as required. Any Lincat Shareholders wishing to appoint more than one proxy in respect of their shareholding should read the section "Multiple proxy voting instructions" set out on page 7 of this document. **It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy, for both the Court Meeting and the General Meeting, as soon as possible.**

Notices convening the Court Meeting and the General Meeting are set out in Parts VIII and IX of this document respectively.

## **20. Helpline**

If you have any questions relating to this document, the Court Meeting, the General Meeting, the Acquisition or the Scheme or are in any doubt about the completion and return of the Forms of Proxy, please contact Computershare on 0870 707 1118 or, if telephoning from outside the United Kingdom, on +44 870 707 1118 between 9.00 a.m. and 5.00 p.m. Monday to Friday. Calls to the 0870 707 1118 number cost 5.1 pence per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and monitored for security and training purposes. Please note that for legal reasons, the helpline cannot provide advice on the merits of the Acquisition or give any legal, tax or financial advice.

**21. Further information**

Your attention is drawn to the terms of the Scheme which are set out in full in Part V of this document. Your attention is also drawn to the further information contained in this document which forms part of this Explanatory Statement.

Yours sincerely,

**Phillip McCreanor**

Partner, for and on behalf of  
Livingstone Partners LLP

## PART III

### CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE SCHEME AND THE ACQUISITION

The Acquisition is conditional upon the Scheme becoming unconditional and becoming Effective by not later than 6.00 p.m. on 30 September 2011 or such later date (if any) as Bidco and Lincat may, with the consent of the Panel, agree and (if required) the Court may approve.

#### Conditions of the Scheme

1. The Scheme is subject to the following Conditions:
  - (a) approval of the Scheme by a majority in number representing not less than 75 per cent. in value of Scheme Shareholders, present and voting, whether in person or by proxy, at the Court Meeting (or any adjournment thereof);
  - (b) the Special Resolution being passed by the requisite majority at the General Meeting; and
  - (c) the sanction of the Scheme and the confirmation of the Capital Reduction (with or without modification (but subject to such modification being acceptable to Bidco and Lincat)), and office copies of the Court Orders and the Statement of Capital being delivered for registration to the Registrar of Companies.
2. Lincat and Bidco have agreed that, subject to the provisions of paragraph 3 below and the requirements of the Panel in accordance with the Code, the Scheme is also conditional upon, and accordingly the necessary actions to make the Scheme Effective will only be taken on, the satisfaction or, where relevant, waiver of the following Conditions:
  - (a) no Third Party having decided or intimated a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
    - (i) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control of, Lincat by any member of the Wider Middleby Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or materially restrain, restrict, delay or otherwise interfere with the implementation of, or impose additional material conditions or obligations with respect to, or otherwise materially impede, challenge, interfere or require amendment of the Acquisition or the acquisition of any such shares or securities by any member of the Wider Middleby Group;
    - (ii) require, prevent or delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Middleby Group or by any member of the Wider Lincat Group of all or any part of its businesses, assets or property or impose any limitation on the ability of any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their respective businesses, assets or properties (or any part thereof) to an extent which is in each case material in the context of the Wider Lincat Group taken as a whole or the Wider Middleby Group taken as a whole;
    - (iii) impose any limitation on, or result in a delay in, the ability of any member of the Wider Middleby Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Lincat or on the ability of any member of the Wider Lincat Group or any member of the Wider Middleby Group

directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Lincat Group to an extent which is in each case material in the context of the Wider Lincat Group taken as a whole or the Wider Middleby Group taken as a whole;

- (iv) require any member of the Wider Middleby Group or the Wider Lincat Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Lincat Group or any asset owned by any third party (other than in the implementation of the Scheme or pursuant to Chapter 3 of Part 28 of the Act);
- (v) require, prevent or materially delay a divestiture by any member of the Wider Middleby Group of any shares or other securities (or the equivalent) in Lincat;
- (vi) result in any member of the Wider Middleby Group or the Wider Lincat Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) impose any material limitation on the ability of any member of the Wider Middleby Group or any member of the Wider Lincat Group to integrate or co ordinate all or any part of its business with all or any part of the business of any other member of the Wider Middleby Group and/or the Wider Lincat Group; or
- (viii) otherwise materially and adversely affect any or all of the business, assets, liabilities, financial or trading positions, profits, prospects or operational performance of the Wider Lincat Group taken as a whole or of the Wider Middleby Group taken as a whole;

and all applicable waiting and other time periods and any extensions of such waiting or time periods during which any Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any relevant jurisdiction or otherwise intervene in respect of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control of, Lincat or any other member of the Wider Lincat Group by Middleby or any other member of the Wider Middleby Group, having expired, lapsed or been terminated;

- (b) all necessary or appropriate notifications, filings or applications having been made in connection with the Acquisition and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction including but not limited to the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976 having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with and all Authorisations necessary or appropriate in any jurisdiction for or in respect of the Acquisition or the proposed acquisition of any shares or other securities in, or control of, Lincat or any other member of the Wider Lincat Group by any member of the Wider Middleby Group having been obtained in terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Lincat Group or the Wider Middleby Group has entered into contractual arrangements and all such Authorisations necessary or appropriate to carry on the business of any member of the Wider Lincat Group in any jurisdiction having been obtained in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider Lincat Group, any member of the Middleby Group or the ability of Bidco to implement the Scheme and all such Authorisations (the absence of which would have an effect as aforesaid) remaining in full force and effect at the time at which the Acquisition becomes otherwise unconditional and there being no notice or intimation of an intention to revoke,

suspend, restrict, modify (in each case to an extent which is material) or not to renew such Authorisations;

- (c) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, lease or other instrument to which any member of the Wider Lincat Group is a party or by or to which any such member or any of its assets is or may be bound or be subject or any event or circumstance which, as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Middleby Group of any shares or other securities in Lincat or because of a change in the control or management of any member of the Wider Lincat Group or otherwise, could or might reasonably be expected to result in, in each case to an extent which is material in the context of the Wider Lincat Group taken as a whole:
- (i) any monies borrowed by, or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Wider Lincat Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (ii) the rights, liabilities, obligations, interests or business of any member of the Wider Lincat Group or any member of the Wider Middleby Group under any such arrangement, agreement, licence, permit, lease or other instrument or the interests or business of any member of the Wider Lincat Group or any member of the Wider Middleby Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
  - (iii) any member of the Wider Lincat Group ceasing to be able to carry on business under any name under which it presently carries on business;
  - (iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Lincat Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Lincat Group otherwise than in the ordinary course of business;
  - (v) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider Lincat Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
  - (vi) the value of, or the financial or trading position or prospects of, any member of the Wider Lincat Group being prejudiced or adversely affected;
  - (vii) the creation of any liability (actual or contingent) by any member of the Wider Lincat Group; or
  - (viii) any liability of any member of the Wider Lincat Group to make any severance, termination, bonus or other payment to any of its directors or other officers; or
  - (ix) the rights, liabilities, obligations or interests of any member of the Wider Lincat Group in, or the business of any such member with, any person, firm, body or company (or any arrangements or agreements relating to any such interest or business) being or becoming capable of being terminated or adversely modified or affected,

and, save as Disclosed, no event having occurred which, under any provision of any such arrangement, agreement, licence, permit, lease or other instrument to which any member of the

Wider Lincat Group is a party or by or to which any such member or any of its assets is or may be bound or be subject could result in or would be reasonably likely to result in any of the events or circumstances which are referred to in paragraphs (i) to (ix) of this Condition to an extent which is material in the context of the Lincat Group taken as a whole;

- (d) except as Disclosed, no member of the Wider Lincat Group having, since 1 January 2011:
- (i) issued or agreed to issue or authorised or proposed the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Lincat Shares out of treasury (save, where relevant, as between Lincat and wholly-owned subsidiaries of Lincat or between such wholly-owned subsidiaries or for the grant of awards under the Lincat LTIP or to the Trustee or in order to satisfy any awards granted under the Lincat LTIP and save as contemplated pursuant to the Scheme or the Implementation Agreement);
  - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than to Lincat or one of its wholly-owned subsidiaries;
  - (iii) save as between wholly-owned subsidiaries of Lincat or between Lincat and its wholly-owned subsidiaries, merged with or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so which is in each case material in the context of the Wider Lincat Group taken as a whole;
  - (iv) save as between Lincat and its wholly-owned subsidiaries or between such wholly-owned subsidiaries made, authorised, proposed or announced an intention to propose any change in its loan capital;
  - (v) issued, authorised or proposed the issue of any debentures or (save as between Lincat and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability, in each case other than in the ordinary course of business, to an extent which is material in the context of the Lincat Group taken as a whole;
  - (vi) other than in relation to the implementation of the Scheme or the Acquisition, entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary course of business) which is of a long-term, unusual or onerous nature, or which involves or could involve an obligation of a nature or magnitude which is, in any such case, material in the context of the Lincat Group taken as a whole or which is or is likely to be restrictive on the business of any member of the Wider Lincat Group or the Wider Middleby Group;
  - (vii) entered into or varied the terms of any service agreement with any director or senior executive of any member of the Wider Lincat Group (other than increases in remuneration as provided under the terms of the relevant agreements);
  - (viii) other than as may be required by the implementation of the Scheme or the Acquisition and save as contemplated pursuant to the Implementation Agreement, proposed, agreed to provide or modified in any material respect the terms of, or exercised discretion in a way that is not consistent with past practice in respect of, any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of any member of the Wider Lincat Group;



- (ix) made or agreed or consented to any significant change to the terms of the trust deeds constituting the pension schemes established for its directors, employees or their dependants or the benefits which accrue or to the pensions which are payable thereunder, or to the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined or to the basis on which the liabilities (including pensions) of such pension schemes are funded or made or the contributions payable to any such schemes, or agreed or consented to any change to the trustees involving the appointment of a trust corporation;
  - (x) implemented or effected, or authorised, proposed or announced its intention to implement or effect, any composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Scheme);
  - (xi) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub paragraph (i) above, made any other change to any part of its share capital;
  - (xii) waived or compromised any claim otherwise than in the ordinary course of business in any case in a manner or on terms that are material in the context of the Lincat Group taken as a whole;
  - (xiii) save as envisaged by the terms of Scheme or as required to implement the Acquisition, made any material alteration to its articles of association or other incorporation documents;
  - (xiv) (other than in respect of a member which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
  - (xv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business; or
  - (xvi) entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition;
- (e) except as Disclosed, since 1 January 2011:
- (i) there having been no adverse change in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Lincat Group to an extent which is material to the Lincat Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Lincat Group or to which any member of the Wider Lincat Group is or may become a party (whether as claimant or defendant or otherwise) and no enquiry or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Lincat Group having been threatened, announced



- or instituted by or against, or remaining outstanding in respect of, any member of the Wider Lincat Group which, in any such case, might reasonably be expected materially and adversely to affect the Lincat Group taken as a whole;
- (iii) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Wider Lincat Group which in any such case is or could reasonably be expected to be adverse to the interests of any member of the Wider Lincat Group and is material in the context of the Wider Lincat Group taken as a whole;
  - (iv) no contingent or other liability having arisen or become known to Bidco which might be likely adversely to affect the business, assets, financial or trading position or profits or prospects of any member of the Wider Lincat Group to an extent which is material to the Lincat Group taken as a whole;
  - (v) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any Authorisation held by any member of the Wider Lincat Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material to the Lincat Group taken as a whole; and
  - (vi) no member of the Wider Lincat Group having conducted its business in breach of any applicable laws and regulations to an extent which is material in the context of the Wider Lincat Group taken as a whole;
- (f) except as Disclosed, Bidco not having discovered after the date of this announcement:
- (i) that any financial, business or other information concerning the Wider Lincat Group publicly disclosed or disclosed to any member of the Wider Middleby Group at any time by or on behalf of any member of the Wider Lincat Group which is material in the context of the Acquisition is to a material extent misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading (and which was not subsequently corrected before the date of this announcement);
  - (ii) that any member of the Wider Lincat Group is subject to any liability, contingent or otherwise, which is material in the context of the Lincat Group taken as a whole; or
  - (iii) any information which affects the import of any information disclosed to any member of the Wider Middleby Group at any time by or on behalf of any member of the Wider Lincat Group which is material in the context of the Lincat Group taken as a whole;
- (g) except as Disclosed, Bidco not having discovered after the date of this announcement in relation to any release, emission, accumulation, discharge, disposal or other fact or circumstance which has impaired or is likely to impair the environment (including property) or harmed or is likely to harm human health, that any past or present member of the Wider Lincat Group, in a manner or to an extent which is material in the context of the Lincat Group, (i) has committed any violation of any applicable laws, statutes, regulations, notices or other requirements of any Third Party; and/or (ii) has incurred any liability (whether actual or contingent) to any Third Party; and/or (iii) is likely to incur any liability (whether actual or contingent), or is required, to make good, remediate, repair, re instate or clean up the environment (including any property).

### **Further Terms of the Acquisition**

3. Subject to the requirements of the Panel in accordance with the Code, Bidco reserves the right to waive, in whole or in part, all or any of the above Conditions, except Condition 1. The Conditions,

other than Condition 1, must be fulfilled, be determined by Bidco to be or remain satisfied or (if capable of waiver) be waived prior to the commencement of the First Court Hearing, failing which the Scheme will lapse. Bidco shall be under no obligation to waive, to determine to be or remain satisfied or treat as fulfilled any of such Conditions as at that time, notwithstanding that the other Conditions may at an earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any such Condition may not be capable of fulfillment.

4. If Bidco is required by the Panel to make an offer for Lincat Shares under the provisions of Rule 9 of the Code, Bidco may make such alterations to any of the above Conditions as are necessary to comply with the provisions of that Rule.
5. Bidco reserves the right to elect (with the consent of the Panel where necessary) to implement the Acquisition by means of an Offer as an alternative to the Scheme. In such event, the Offer will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Scheme. If Bidco makes an Offer it will be conditional on valid acceptances being received in respect of 75 per cent. (or such higher percentage as Bidco may decide with the consent of the Panel, or such lower percentage as Bidco may decide or the Panel may require) in nominal value of Lincat Shares to which the Offer relates. Further, if sufficient acceptances of such Offer are received and/or sufficient Lincat Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Act to acquire compulsorily any outstanding Lincat Shares to which such Offer relates.
6. The Scheme will lapse if it is referred to the UK Competition Commission on or before the later of the date of the Court Meeting and the date of the General Meeting. In such event, Lincat will not be bound by the terms of the Scheme.
7. The availability of the Acquisition to persons not resident in the UK may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the UK should inform themselves about and observe any applicable requirements.
8. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
9. The Scheme is governed by English law and is subject to the jurisdiction of the English courts, and to the Conditions. The Scheme is also subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FSA.

## PART IV

### FINANCIAL INFORMATION ON LINCAT

#### SECTION A: PRELIMINARY RESULTS ANNOUNCEMENT



#### Preliminary results for the year to 31 December 2010

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Lincat Group plc ("the Group"), the AIM listed manufacturer of commercial catering appliances and bar equipment, announces its preliminary results for the year to 31 December 2010.

#### Financial highlights:

- Revenues on continuing operations up 6% to £32.7m (2009: £30.8m)
- 15% growth in underlying operating profit to £5.6m (£4.9m)
- Underlying fully diluted earnings per share up 20% to a record 77.7p
- Year-end cash and short-term deposits of £7.1m (2009: £5.1m)

#### Commenting on the year's results, Alan Schroeder, Chairman, said:

*"The Group has delivered another strong result on the back of double-digit sales growth at Lincat Limited and is well positioned to grow further during 2011 as the UK catering equipment market continues its recovery."*

#### Contacts:

##### Lincat Group plc

Alan Schroeder, Chairman	}	
Paul Bouscarle, Chief Executive	}	01522 875555
Terry Storey, Finance Director	}	

##### Cenkos Securities plc

Ivonne Cantu (Nomad)	}	0207 397 8980
Jeremy Warner Allen (Sales)	}	

**23 March 2011**

## Preliminary results for the year to 31 December 2010

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### CHAIRMAN'S STATEMENT

I am delighted to be reporting on a year that has seen the Group grow revenue and operating profits before exceptional items strongly. Against a background of generally weak market conditions, our trading companies are to be congratulated on delivering such a positive result.

### Financial result

The Group's domestic appliance business, Mercury, was sold in 2009. The most relevant year-on-year comparisons, therefore, are of continuing operations excluding Mercury and it is those comparisons that will be used throughout these statements unless otherwise stated.

Group sales from continuing operations in 2010 grew 6% to £32.7m, driven by 12% sales growth at Lincat Limited, our largest operation. Group sales in the UK grew by 8% to £27.7m, whilst export sales fell fractionally to £5.0m.

Operating profit from continuing operations of £5.6m compares with the prior year underlying figure of £4.9m, a rise of 15%. Profit before tax of £5.7m compares with £9.9m in 2009 but this latter figure includes an exceptional profit of £5.1m on the disposal of IMC's vacated Hertfordshire site.

Underlying, diluted earnings per share from continuing operations – excluding both Mercury and the exceptional item in 2009 – rose 20% from 64.9p to a record 77.7p.

### Cash flow

The Group has held substantial cash reserves since December 2009, following the sale of IMC's redundant Hertfordshire site. Total cash and short-term deposits rose during the year from £5.1m to £7.1m, despite a period of high capital expenditure that included the purchase for £0.6m of a laser profiling cell at Lincat Limited.

### Trading outlook

Industry statistics indicate an accelerating recovery in the UK catering equipment market during the latter part of 2010, although the levels of demand remain some way below the peak of late 2007. This trend suggests that trading conditions will continue to improve during 2011, albeit the rate of improvement may be slow and uneven.

Against the anticipated background of a strengthening market, the Group's operations continue to improve their competitive positions through innovation and investment. 2011 is set to be a milestone year for new product introductions around the Group, as a number of major long-term projects reach completion. We remain confident of our ability to offer the market an ever more attractive product offering and to deliver strong returns to our shareholders.

### Alan Schroeder

Chairman

## Preliminary results for the year to 31 December 2010

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### FINANCIAL AND OPERATIONS REVIEW

Our operations have collectively delivered another impressive result, driven by an exceptionally strong performance at Lincat Limited, at a time when market conditions have not been easy.

#### Financial

Group operating profit of £5.6m, an increase of 15% against the comparable figure of £4.9m for 2009, represents a 17% return on sales of £32.7m. Gross profit remained at 50% of sales, despite generally higher levels of input cost inflation.

During the year, the Group's operations generated £4.8m of cash after payments for tax and interest. £1.2m was invested in plant and equipment and a further £1.6m was paid out in dividends to shareholders. At the year end, holdings of cash and short-term investments had risen by £2.0m to £7.1m.

#### Pension scheme

The sole final salary scheme within the Group, which had been closed to new members since 2003, was closed to future accrual in April 2010. Following a triennial valuation at 30 June 2010, which showed a deficit of £1.9m, the sponsoring employer, IMC, agreed a recovery plan with the scheme trustees that will see two payments totalling £0.5m made to the scheme by 30 June 2011 and further payments covering the balance of the June 2010 deficit being made over the subsequent six years. The scheme's IAS 19 pre-tax deficit at 31 December 2010 was £1.4m.

#### Operations

Following a fall in revenues in 2009, it is pleasing to report sales growth of 6% for 2010, despite continuing weaknesses in certain sectors of the market, for example pubcos, bars and certain segments of the public sector.

Lincat Limited's revenues grew by 12% between 2009 and 2010, with both UK and export sales increasing at a similar rate. Previous reports made reference to enhanced dealer incentives introduced in early 2009 and these, combined with a systematic and targeted approach to sales activities, have underpinned the company's strong performance. Some significant new products were launched during the year, including a range of pizza ovens that has already been taken up by a national retail chain. Manufacturing efficiencies and material cost savings have been delivered by the investment in a laser profiler in March 2010.

Continuing weakness in the demand for bar equipment was the major factor that led to a 9% fall in sales at IMC, where both UK and export revenues experienced a similar decline. IMC's stainless steel underbar systems are largely supplied to new builds, as there is no significant replacement market for these non-mechanical products, which leads to a volatile demand pattern. New product development has concentrated on broadening the company's offering of bottle coolers and further investment in innovative food waste recycling equipment.

After a first half year of high order intake but a low level of shipments, Britannia delivered a much stronger second half performance, with sales at a similar level to 2009. Substantial progress was made on training the company's Australian licensee and royalty payments will start to accrue from April 2011.

## Preliminary results for the year to 31 December 2010

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In summary, the Group's operations have once again produced a result that bears testament to the professionalism and commitment of the management and staff at each of the businesses. We have continued to encourage investment and enterprise throughout the economic downturn and remain convinced that this strategy has been to the benefit of the Group, its customers and its employees. With major product launches scheduled for this year – and against an anticipated background of gradually strengthening demand – we look forward to 2011 with some confidence.

**Paul Bouscarle**

Chief Executive



## Preliminary results for the year to 31 December 2010

### CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Total Year to 31 December 2010 £'000	Total Year to 1 January 2010 £'000
<b>CONTINUING OPERATIONS</b>			
Revenue	1	32,747	30,763
Cost of sales		(16,356)	(15,419)
		-----	-----
<b>Gross profit</b>		16,391	15,344
Distribution costs		(5,039)	(4,676)
Administrative expenses		(2,627)	(2,665)
Other operating expenses		(3,122)	(3,129)
		-----	-----
<b>Operating profit before exceptional item</b>		5,603	4,874
Exceptional item	2	-	5,092
		-----	-----
<b>Operating profit</b>		5,603	9,966
Net finance income/(costs)	3	53	(114)
		-----	-----
<b>Profit before taxation</b>		5,656	9,852
Taxation		(1,505)	(1,337)
		-----	-----
<b>Profit after tax from continuing operations</b>		4,151	8,515
<b>Profit after tax from discontinued operations</b>	4	-	58
		-----	-----
<b>Profit for the year attributable to shareholders</b>		4,151	8,573
		=====	=====
<b>Earnings per share</b>	5		
From continuing operations:			
Basic		78.2p	161.4p
Diluted		77.7p	161.4p
From continuing and discontinued operations:			
Basic		78.2p	162.5p
Diluted		77.7p	162.5p

**Preliminary results for the year to 31 December 2010**

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Year to 31 December 2010 £'000</b>	<b>Year to 1 January 2010 £'000</b>
<b>Profit for the period</b>	4,151	8,573
Other comprehensive income:		
Actuarial gains/(losses) on defined benefit pension scheme	528	(1,476)
Tax on the above	(143)	413
	-----	-----
Other comprehensive income for the year, net of tax	385	(1,063)
<b>Total comprehensive income for the year</b>	4,536	7,510
	-----	-----
<b>Total comprehensive income for the year attributable to equity shareholders</b>	4,536	7,510

## Preliminary results for the year to 31 December 2010

### CONDENSED CONSOLIDATED BALANCE SHEET

	Note	31 December 2010 £'000	1 January 2010 £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill		693	693
Other intangible assets		551	234
Property, plant and equipment		8,840	8,584
Deferred tax asset		2	85
		-----	-----
		10,086	9,596
<b>Current assets</b>			
Inventories		3,463	3,459
Trade and other receivables		5,901	5,227
Short-term investments		1,000	-
Cash and cash equivalents		6,148	5,141
		-----	-----
		16,512	13,827
		-----	-----
<b>Total assets</b>		26,598	23,423
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Retirement benefit obligation	6	(1,368)	(1,889)
Deferred tax liabilities		(708)	(523)
		-----	-----
		(2,076)	(2,412)
<b>Current liabilities</b>			
Trade and other payables		(4,391)	(4,192)
Current tax liabilities		(686)	(726)
Provisions		(415)	(371)
		-----	-----
		(5,492)	(5,289)
		-----	-----
<b>Total liabilities</b>		(7,568)	(7,701)
		-----	-----
<b>Net assets</b>		19,030	15,722
<b>Shareholders' equity</b>			
Issued share capital		549	543
Share premium account		286	2
Investment in own shares		(16)	(16)
Other reserves		874	874
Retained earnings		17,337	14,319
		-----	-----
<b>Total equity</b>		19,030	15,722

## Preliminary results for the year to 31 December 2010

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### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

	Share capital	Share premium	Investment in own shares	Other reserves	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>At 2 January 2009</b>	543	2	(16)	874	8,253	9,656
Total comprehensive income for the year	-	-	-	-	7,510	7,510
Credit to equity for share-based payments	-	-	-	-	86	86
Dividends paid	-	-	-	-	(1,530)	(1,530)
	-----	-----	-----	-----	-----	-----
<b>At 1 January 2010</b>	543	2	(16)	874	14,319	15,722
Total comprehensive income for the year	-	-	-	-	4,536	4,536
Credit to equity for share-based payments	-	-	-	-	112	112
Issue of share capital	6	284	-	-	-	290
Dividends paid	-	-	-	-	(1,630)	(1,630)
	-----	-----	-----	-----	-----	-----
<b>At 31 December 2010</b>	549	286	(16)	874	17,337	19,030

## Preliminary results for the year to 31 December 2010

### CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	Year to 31 December 2010 £'000	Year to 1 January 2010 £'000
<b>Net cash inflow from operating activities</b>	7	4,795	4,473
<b>Investing activities</b>			
Interest received		46	2
Short-term investment		(1,000)	-
Proceeds of sale of business		-	323
Disposal proceeds of property		-	5,500
Disposal proceeds of plant and equipment		124	62
Purchase of intangible assets		(54)	(27)
Purchases of property, plant and equipment		(1,213)	(576)
Expenditure on product development		(351)	(136)
<b>Net cash used in investing activities</b>		(2,448)	5,148
<b>Financing activities</b>			
Dividends paid		(1,630)	(1,530)
Proceeds on issue of shares		290	-
Repayment of borrowings		-	(3,682)
<b>Net cash from financing activities</b>		(1,340)	(5,212)
<b>Increase in cash and cash equivalents</b>		1,007	4,409
<b>Cash and cash equivalents at beginning of the year</b>		5,141	732
<b>Cash and cash equivalents at the end of the year</b>		6,148	5,141

## Preliminary results for the year to 31 December 2010

### Notes to the consolidated financial statements

#### 1. Segmental information

The Group is organised into three operating units in line with its statutory entities and these are the business segments for which information is supplied to the Chief Executive.

Business segment	Year to 31 December 2010			Year to 1 January 2010		
	Revenue £'000	Profit £'000	Margin %	Revenue £'000	Profit £'000	Margin %
Lincat	21,800	4,112	18.9	19,440	3,167	16.3
IMC - underlying	8,228	1,820	22.1	9,035	1,928	21.3
IMC - profit on sale of property	-	-		-	5,092	
Britannia	2,719	247	9.1	2,692	361	13.4
Inter-segment sales	-	-		(404)	-	
	-----	-----		-----	-----	
<b>Continuing operations</b>	<b>32,747</b>	<b>6,179</b>		<b>30,763</b>	<b>10,548</b>	
Central costs	-	(576)		-	(582)	
Net finance income/(costs)	-	53		-	(114)	
Taxation	-	(1,505)		-	(1,337)	
Discontinued operations	-	-		901	58	
	-----	-----		-----	-----	
Total for the year	32,747	4,151		31,664	8,573	

#### Geographical segments

The Group's operations are all located in the United Kingdom.

	Revenue by destination	
	Year to 31 December 2010 £'000	Year to 1 January 2010 £'000
United Kingdom	27,701	25,691
Rest of World	5,046	5,072
	-----	-----
Total	32,747	30,763

#### 2. Exceptional item

	Year to 31 December 2010 £'000	Year to 1 January 2010 £'000
Profit on sale of IMC's Hertfordshire freehold property	-	5,092

The sale of IMC's former manufacturing site in Hertfordshire was completed on 21 December 2009; the total proceeds of sale were £7.5m.



## Preliminary results for the year to 31 December 2010

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### 3. Finance income and finance costs

	Year to 31 December 2010 £'000	Year to 1 January 2010 £'000
Finance income:		
Interest receivable on short-term deposits	58	2
Expected return on pension scheme assets	480	393
Finance costs:		
Interest payable on bank loans and overdrafts	(7)	(116)
Interest on pension scheme liabilities	(478)	(393)
	-----	-----
Net finance income/(costs)	53	(114)

### 4. Discontinued operations

The disposal of the Group's domestic appliance business, Mercury Appliances, was completed on 25 August 2009. The results of Mercury Appliances were shown as discontinued operations in the 2009 condensed consolidated income statement, as follows:

	Year to 31 December 2010 £'000	Year to 1 January 2010 £'000
Revenue	-	901
Expenses	-	(1,095)
	-----	-----
Loss before tax	-	(194)
Tax	-	54
	-----	-----
Loss after tax	-	(140)
Profit on disposal	-	258
Tax on disposal	-	(60)
	-----	-----
Total profit attributable to discontinued operations	-	58

## Preliminary results for the year to 31 December 2010

### 5. Earnings per share

	Year to 31 December 2010 £'000	Year to 1 January 2010 £'000
<b>Earnings</b>		
From continuing operations	4,151	8,515
Exceptional item	-	(5,092)
	-----	-----
Adjusted earnings from continuing operations	4,151	3,423
<b>Average number of shares during year ('000)</b>		
For basic earnings per share	5,305	5,275
Dilutive effect of share options	39	-
	-----	-----
For diluted earnings per share	5,344	5,275
<b>Earnings per share</b>		
From continuing operations, adjusted:		
Basic	78.2p	64.9p
Diluted	77.7p	64.9p
From continuing operations, total:		
Basic	78.2p	161.4p
Diluted	77.7p	161.4p
From discontinued operations:		
Basic	-	1.1p
Diluted	-	1.1p
From continuing and discontinued operations:		
Basic	78.2p	162.5p
Diluted	77.7p	162.5p

## Preliminary results for the year to 31 December 2010

### 6. Retirement benefit obligation

With effect from 30 April 2010, the IMC defined benefit pension scheme closed to the future accrual of benefits and all remaining active members became deferred pensioner members. An estimate of the assets and liabilities of the defined benefit scheme was updated to 31 December 2010 by an independent actuary in accordance with IAS 19. The principal assumptions were:

	Year to 31 December 2010	Year to 1 January 2010
Rate of increase in salaries	n/a	3.8%
Rate of increase of pensions in payment	3.6%	3.6%
Discount rate	5.4%	5.7%
Inflation assumption	3.6%	3.8%
Expected return on plan assets	6.9%	7.4%

	Year to 31 December 2010			Year to 1 January 2010		
	Scheme assets	Scheme obligations	Net	Scheme assets	Scheme obligations	Net
	£'000	£'000	£'000	£'000	£'000	£'000
At beginning of the year	6,602	(8,491)	(1,889)	5,704	(6,139)	(435)
Current service cost	-	(31)	(31)	-	(43)	(43)
Employer contributions	22	-	22	65	-	65
Employee contributions	13	(13)	-	39	(39)	-
Actuarial gains/(losses)	491	37	528	674	(2,150)	(1,476)
Finance income/(expense)	480	(478)	2	393	(393)	-
Benefits paid	(268)	268	-	(273)	273	-
	-----	-----	-----	-----	-----	-----
At end of the year	7,340	(8,708)	(1,368)	6,602	(8,491)	(1,889)

### 7. Consolidated cash flow statement: reconciliation of operating profit to net cash inflow from operating activities

	Year to 31 December 2010	Year to 1 January 2010
	£'000	£'000
Operating profit from continuing activities	5,603	4,874
Operating loss from discontinued activities	-	(187)
Amortisation of intangible assets	64	75
Depreciation	932	950
Profit on disposal of tangible fixed assets	(50)	-
Share based payments	112	86
Increase/(decrease) in provisions	44	(8)
(Increase)/decrease in inventories	(4)	454
Increase in trade and other receivables	(657)	(419)
Increase in trade and other payables	178	142
	-----	-----
Cash generated by operations	6,222	5,967
Interest paid	(7)	(103)
Corporation tax paid	(1,420)	(1,391)
	-----	-----
Net cash inflow from operating activities	4,795	4,473

## Preliminary results for the year to 31 December 2010

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### **8. Basis of preparation**

This preliminary report, which has been agreed with the auditors, was approved by the Board on 22 March 2011. The financial information set out above does not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006.

The statutory accounts for the period ended 1 January 2010, which have been delivered to the Registrar of Companies, carry an unqualified report by the auditors and do not contain a statement under Section 498 (2) or section 498 (3) of the Companies Act 2006.

The statutory accounts for the year ended 31 December 2010 will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies.

## SECTION B: ADDITIONAL FINANCIAL INFORMATION ON LINCAT

The following table sets out financial information in respect of Lincat as required by Rule 24.2(e) of the Code. References in the first column are to Rule 24.2(a) of the Code, referring to information required to be set out in accordance with Rule 24.2(e). The documents referred to in the table, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference. All documents referred to below are available in “read only” format for reviewing or downloading free of charge on Lincat’s website at [www.lincatgroup.co.uk/reports.php](http://www.lincatgroup.co.uk/reports.php)

<i>Code Reference</i>	<i>Information</i>	<i>Reference</i>
24.2(a)(i)	For the last 3 financial years for which the information has been published, revenue, profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share	Lincat Preliminary Results Announcement for the year ended 31 December 2010 as contained in Section A of Part IV of this document. Lincat Annual Report December 2009 on pages 23 and 42. Lincat Annual Report December 2008 on pages 22 and 38.
24.2(a)(ii)	A statement of assets and liabilities shown in the last published audited financial statements	Lincat Annual Report December 2009 Consolidated Balance Sheet on page 25.
24.2(a)(iii)	A cash flow statement if provided in the last published audited financial statements	Lincat Annual Report December 2009 Consolidated Cash Flow Statement on page 27.
24.2(a)(v)	For any interim statement or preliminary announcement made since the last published audited accounts, revenue, profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share	Lincat Preliminary Results Announcement for the year ended 31 December 2010 as contained in Section A of Part IV of this document. Lincat Interim Report June 2010 on pages 5, 6 and 9.
24.2(a)(vii) and (viii)	Significant accounting policies together with any points from the notes to the financial statements which are of major relevance to an appreciation of the figures	Lincat Preliminary Results Announcement for the year ended 31 December 2010 as contained in Section A of Part IV of this document. Lincat Interim Report June 2010 on pages 11 to 15. Lincat Annual Report December 2009 Notes to the consolidated financial statements on pages 28 to 53. Lincat Annual Report December 2008 Notes to the consolidated financial statements on pages 25 to 51.

The information above has not been published in inflation adjusted form.

Lincat will provide within two business days, without charge, to each Lincat Shareholder, person with information rights or other person to whom a copy of this document has been sent, upon their written or

verbal request, a copy, in hard copy form, of any information incorporated by reference in this document. Copies of any information incorporated by reference in this document will not be provided in hard copy form unless such a request is made. These documents will also be available for inspection at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS, during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this document to the conclusion of the Meetings.

Requests for any such copies should be directed to the Company Secretary, Lincat Group plc, Whisby Road, Lincoln LN6 3QZ or by calling Lincat's Company Secretary on telephone number 01522 875555 (or +44 1522 875555 from outside of the UK) on Monday to Friday. Please note that no advice on the merits of the Acquisition can be given, nor will any legal, tax or financial advice be given.



## PART V

### THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION COMPANIES COURT

No. 2568 of 2011

IN THE MATTER OF LINCAT GROUP PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

BETWEEN

LINCAT GROUP PLC

AND

THE HOLDERS OF  
THE SCHEME SHARES  
(as defined below)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

<b>“Acquisition”</b>	the proposed acquisition by Bidco of the entire issued and to be issued share capital of Lincat (other than the Excluded Shares) pursuant to this Scheme
<b>“Act”</b>	the Companies Act 2006 (as amended or re-enacted)
<b>“Bidco”</b>	Middleby Holding UK Ltd (incorporated in England and Wales under the Act with registered number 7568995), whose registered office is at c/o Skadden, Arps, Slate, Meagher & Flom (UK) LLP, 40 Bank Street, London, E14 5DS
<b>“business day”</b>	a day (excluding Saturdays, Sundays and public holidays) on which banks are open for business in the City of London
<b>“Capital Reduction”</b>	the proposed reduction of Lincat’s share capital involving the cancellation and the extinguishing of the Scheme Shares pursuant to this Scheme as provided for under section 648 of the Act
<b>“Cash Consideration”</b>	the cash consideration due to a Scheme Shareholder under clause 2 of this Scheme
<b>“certificated” or “in certificated form”</b>	where a share or other security is not in uncertificated form (that is, not in CREST)
<b>“Code”</b>	the City Code on Takeovers and Mergers, issued by the Panel
<b>“Court”</b>	the High Court of Justice in England and Wales

<b>“Court Hearings”</b>	the hearings by the Court of the claim form for the sanctioning of the Scheme under section 899 of the Act and to confirm the Capital Reduction under section 648 of the Act (and to grant the Court Orders) and “Court Hearing” shall mean any one of those Court Hearings
<b>“Court Meeting”</b>	the meeting of the Scheme Shareholders to be convened pursuant to an order of the Court under section 896 of the Act and to be held at the offices of Eversheds LLP, One Wood Street, London, EC2V 7WS at 11.00 a.m. on 5 May 2011 for the purposes of considering and, if thought fit, approving this Scheme (with or without amendment approved or imposed by the Court and agreed to by Lincat and Bidco), notice of which is set out in Part VIII of the Scheme Document, and any adjournment, postponement or reconvention of such meeting
<b>“Court Orders”</b>	the orders of the court sanctioning this Scheme under section 899 of the Act and confirming the Capital Reduction under section 648 of the Act and “Court Order” shall mean any one of those Court Orders
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
<b>“Effective Date”</b>	the date on which this Scheme becomes effective in accordance with clause 5 of this Scheme
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
<b>“Excluded Shares”</b>	any Lincat Shares which are: <ul style="list-style-type: none"> <li>(a) registered in the name of or beneficially owned by any member of the Middleby Group or its nominee(s) at the relevant time; or</li> <li>(b) registered in the name of the Trustee and which the Trustee requires in order to satisfy a Lincat Share Award in respect of which the Trustee has not received an Exercise Notice from the Lincat Awardholder prior to the Scheme Record Time</li> </ul>
<b>“Exercise Notice”</b>	a notice issued by a Lincat Awardholder to the Trustee pursuant to which the Lincat Awardholder exercises a Lincat Share Award in accordance with the LTIP Proposals
<b>“holder”</b>	a registered holder of shares, including any person entitled by transmission
<b>“Lincat”</b>	Lincat Group plc (incorporated in England and Wales with registered number 1018610), whose registered office is at Whisby Road, Lincoln LN6 3QZ
<b>“Lincat Awardholder”</b>	a holder of a Lincat Share Award
<b>“Lincat EBT”</b>	the Lincat Group plc Employee Benefit Trust
<b>“Lincat LTIP”</b>	the Lincat Group plc Long Term Incentive Plan (2007)
<b>“Lincat Share Awards”</b>	awards to acquire Lincat Shares granted pursuant to the Lincat LTIP

<b>“Lincat Shareholders”</b>	holders of Lincat Shares
<b>“Lincat Shares”</b>	ordinary shares of ten pence each in the share capital of Lincat
<b>“LTIP Proposals”</b>	the proposals as agreed by Lincat and Middleby for the exercise of subsisting awards granted pursuant to the Lincat LTIP in connection with the Scheme
<b>“Middleby Group”</b>	Middleby, its subsidiaries or subsidiary undertakings from time to time and, where the context so permits, each of them
<b>“New Lincat Shares”</b>	the new ordinary shares of ten pence each in the capital of Lincat proposed to be allotted and issued to Bidco credited as fully paid pursuant to clause 1 of this Scheme
<b>“Panel”</b>	the UK Panel on Takeovers and Mergers
<b>“pounds”, “£”, “Sterling”, “pence” and “p”</b>	the lawful currency of the United Kingdom
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales, within the meaning of the Act
<b>“Scheme”</b>	this scheme of arrangement proposed to be made under Part 26 of the Act between Lincat and the Scheme Shareholders to implement the Acquisition, with or subject to any modification, amendment, revision, addition or condition approved or imposed by the Court and agreed to by Lincat and Bidco
<b>“Scheme Document”</b>	the document dated 11 April 2011 sent by Lincat to the Lincat Shareholders, of which this Scheme forms part
<b>“Scheme Record Time”</b>	6.00 p.m. (London time) on the business day immediately prior to the Court Hearing to confirm the Capital Reduction
<b>“Scheme Shareholder”</b>	a holder of a Scheme Share
<b>“Scheme Shares”</b>	Lincat Shares: <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document;</li> <li>(ii) (if any) issued after the date of despatch of the Scheme Document but prior to the Voting Record Time; and</li> <li>(iii) (if any) issued on or after the Voting Record Time but prior to the Scheme Record Time either on terms that the original or any subsequent holder thereof shall be bound by the Scheme or in respect of which the holder thereof is, or shall have agreed in writing to be, bound by the Scheme,</li> </ul> in each case, other than any Excluded Shares
<b>“send”, “sent” or “sending” or similar expression</b>	in relation to any document, announcement or other information, includes distribution in hard copy form, electronic form or publication on a website in such manner as shall be permitted by the Code or otherwise with the Panel’s consent
<b>“Statement of Capital”</b>	the statement of capital (approved by the Court) showing, as altered by the Court Order confirming the Capital Reduction, the information required by section 649 of the Act with respect to Lincat’s share capital

<b>“Trustee”</b>	Lincat Group EBT Limited in its capacity as trustee of the Lincat EBT
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“uncertificated” or “in uncertificated form”</b>	in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
<b>“Voting Record Time”</b>	6.00 p.m. (London time) on the day which is two days before the date of the Court Meeting or any adjournment, postponement or reconvention thereof

- (B) References to clauses and sub-clauses are to clauses and sub-clauses of this Scheme.
- (C) At the date of this Scheme, the issued share capital of Lincat is £549,198.90 divided into 5,491,989 Lincat Shares of 10 pence each, credited as fully paid up.
- (D) As at the date of this Scheme, Bidco does not own any Lincat Shares. It is intended that Bidco will subscribe for one Lincat Share prior to the Court Hearing seeking the Court Order to sanction the Scheme.
- (E) Bidco has agreed to appear by counsel on the hearing of the claim form to sanction this Scheme, and to submit to be bound by and to undertake to the Court to be bound by this Scheme and to execute and do, or procure to be executed and done, all such documents, acts or things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to the Scheme.

## THE SCHEME

### 1. Cancellation of the Scheme Shares

- 1.1 The share capital of Lincat shall be reduced by cancelling and extinguishing all of the Scheme Shares.
- 1.2 Subject to and forthwith upon the Capital Reduction referred to in sub-clause 1.1 above taking effect (and notwithstanding any provision in the Company's articles of association to the contrary) the reserve arising in the books of account of Lincat as a result of the Capital Reduction shall be capitalised and applied in paying up in full at par such number of New Lincat Shares as is equal to the number of Scheme Shares cancelled pursuant to sub-clause 1.1, which shall be allotted and issued (free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever) credited as fully paid to Bidco and/or its nominee(s) (as Bidco may direct), and registered in the name of Bidco and/or its nominee(s) in the register of members of Lincat, in consideration for the sums to be paid by Bidco as set out in clause 2 of this Scheme.

### 2. Consideration for the cancellation of the Scheme Shares

In consideration of the cancellation of the Scheme Shares pursuant to sub-clause 1.1 and the allotment and issue of New Lincat Shares to Bidco and/or its nominee(s) (as Bidco may direct) in respect of such Scheme Shares pursuant to sub-clause 1.2, Bidco will pay to (subject as hereinafter provided), or for the account of, each Scheme Shareholder 1,050 pence in cash for each Scheme Share held by that Scheme Shareholder (as appearing on the register of members of Lincat at the Scheme Record Time).

### 3. Settlement

- 3.1 Not more than 14 days after the Effective Date (unless the Panel agrees otherwise), Bidco shall pay the Cash Consideration required to be paid to give effect to this Scheme and to the persons respectively entitled thereto, such consideration to be settled as set out in sub-clause 3.2 below.
- 3.2 Settlement of the Cash Consideration shall be effected as follows:
- (a) in the case of Scheme Shares which at the Scheme Record Time are held in certificated form, Bidco shall despatch or procure the despatch to each of the relevant Scheme Shareholders or as they may direct, in accordance with the provisions of sub-clauses 3.3 and 3.4 of this Scheme, cheques for the Cash Consideration payable to them respectively in accordance with clause 2; or
  - (b) in the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form, Bidco shall procure the making of a CREST assured payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds such uncertificated Scheme Shares in respect of the Cash Consideration due to him, provided that Bidco reserves the right to pay any Cash Consideration referred to in this sub-clause to all or any relevant Scheme Shareholders whose Scheme Shares are held in CREST at the Scheme Record Time in the manner referred to in sub-clause 3.2(a) if, for any reason it wishes to do so.
- 3.3 All deliveries of cheques shall be effected by sending the same by first class post in pre-paid envelopes addressed to the persons respectively entitled thereto (or by such other method as may be approved by the Panel) at their respective addresses as appearing in the register of members of Lincat or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in such register (except in either case as otherwise directed by the relevant Scheme Shareholder in writing) at the Scheme Record Time, and neither Lincat nor Bidco, nor their respective agents or nominees, shall be responsible for any loss or delay in the transmission or delivery of any cheques sent in accordance with this sub-clause which shall be sent at the risk of the persons entitled thereto.
- 3.4 All cheques shall be in Sterling drawn on the branch of a UK clearing bank. Payments made by cheque shall be payable to the Scheme Shareholder concerned or, in the case of joint holders, to the holder whose name appears first in the register of members of Lincat in respect of the joint holding

concerned at the Scheme Record Time or to such other person(s) (if any) as such person may direct in writing. The encashment of any such cheque or the making of any CREST assured payment as referred to in sub-clause 3.2 shall be a complete discharge of Bidco's obligation to pay the monies represented thereby.

3.5 The provisions of this clause 3 shall be subject to any condition or prohibition imposed by law.

#### **4. Certificates and cancellations**

With effect from and including the Effective Date:

- (a) all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every holder thereof shall be bound at the request of Lincat to deliver up the same to Lincat, or as it may direct, or to destroy the same;
- (b) Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form; and
- (c) as regards certificated Scheme Shares, appropriate entries will be made in Lincat's register of members to reflect their cancellation.

#### **5. The Effective Date**

- 5.1 This Scheme shall become effective as soon as office copies of the Court Orders (together with the Statement of Capital attached thereto) shall have been duly delivered to the Registrar of Companies for registration.
- 5.2 Unless this Scheme becomes effective on or before 30 September 2011 or such later date, if any, as Lincat and Bidco may agree and the Panel and the Court may allow, this Scheme shall not become effective.

#### **6. Modification**

Lincat and Bidco may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

#### **7. Governing Law**

This Scheme is governed by English Law and is subject to the jurisdiction of the English courts. The rules of the Code will, so far as they are appropriate, apply to this Scheme.

Dated: 11 April 2011.

## PART VI

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1 The Lincat Directors, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in this document other than information for which responsibility is taken by the Bidco Directors or the Middleby Executives pursuant to paragraphs 1.2 and 1.3 below. To the best of the knowledge and belief of the Lincat Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Bidco Directors whose names are set out in paragraph 2.2 below, accept responsibility for the information contained in this document relating to Bidco, the Bidco Directors, members of their immediate families and related trusts and persons connected with them. To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Middleby Executives whose names are set out in paragraph 2.3 below, accept responsibility for the information contained in this document relating to the Middleby Group (excluding Bidco), the Middleby Executives, members of their immediate families and related trusts and persons connected with them, parties acting in concert with Middleby or Bidco for the purpose of the Code and Middleby's future plans for the Lincat Group and the Enlarged Group, their management and employees. To the best of the knowledge and belief of the Middleby Executives (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. Directors

- 2.1 The Lincat Directors and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Alan Schroeder	Non-Executive Chairman
Paul Bouscarle	Chief Executive
Terry Storey	Finance Director
Steve Mitchell	Director
Martin Craddock	Non-Executive Director
Richard Kemp	Non-Executive Director

Lincat is a public company limited by shares and incorporated in England and Wales with registered number 1018610. The registered office of Lincat is Whisby Road, Lincoln LN6 3QZ.

- 2.2 The Bidco Directors and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Tim FitzGerald	Director
Martin Lindsay	Director
Agustin Zufia	Director

Bidco is a private limited company incorporated under the laws of England and Wales with registered number 7568995. The registered office of Bidco is c/o Skadden, Arps, Slate, Meagher & Flom (UK) LLP, 40 Bank Street, London, E14 5DS.



2.3 The Middleby Executives and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Selim Bassoul	Chairman, President and Chief Executive Officer of Middleby
Tim FitzGerald	Vice President and Chief Financial Officer of Middleby
Martin Lindsay	Corporate Treasurer and Assistant Secretary of Middleby

Middleby is a corporation incorporated under the laws of the state of Delaware, USA and whose shares are publicly traded on the Nasdaq Global Select Market. The registered office and principal place of business of Middleby is 1400 Toastmaster Drive, Elgin, Illinois 60120.

**3. Interests in Lincat Shares**

3.1 *Interests of Lincat Directors in relevant securities of Lincat*

As at the last day of the Disclosure Period, the interests of the Lincat Directors (within the meaning of Part 22 of the Act) and their immediate families, related trusts and connected persons, all of which are beneficial unless otherwise stated, in relevant securities of Lincat were (with the exception of options in respect of Lincat Shares which are set out in paragraph 3.2 below) as follows:

<i>Name</i>	<i>Number of Lincat Shares</i>	<i>Percentage of issued share capital of Lincat</i>
Alan Schroeder	32,757	0.60%
Paul Bouscarle	553,490*	10.08%
Terry Storey	4,527	0.08%
Steve Mitchell	1,901	0.03%
Martin Craddock	1,144,910	20.85%
Richard Kemp	29,175**	0.53%
<b>Total</b>	<b>1,766,760</b>	<b>32.17%</b>

\* Includes 60,445 Lincat Shares held by The Beckett Settlements of which Paul Bouscarle's daughters are beneficiaries.

\*\* Richard Kemp's interest includes 1,241 Lincat Shares in a self-invested personal pension plan of which he is a member and of which the plan is the beneficial owner.

3.2 *Interests of Lincat Directors in Lincat Share Awards*

As at the last day of the Disclosure Period, the following Lincat Share Awards had been granted to the following Lincat Directors for nil consideration and remained outstanding under the Lincat LTIP:

	<i>Date of Grant</i>	<i>Number of Lincat Share Awards</i>	<i>Exercise Price</i>	<i>Exercisable between</i>
<b>Terry Storey</b>				
LTIP	21 September 2007	7,500	nil	1 January 2011 to 20 September 2017
LTIP*	17 September 2010	15,000	nil	1 January 2014 to 16 September 2020
<b>Total</b>		<b>22,500</b>		
<b>Steve Mitchell</b>				
LTIP	21 September 2007	9,000	nil	1 January 2011 to 20 September 2017
LTIP*	17 September 2010	18,000	nil	1 January 2014 to 16 September 2020
<b>Total</b>		<b>27,000</b>		

\* The Lincat Share Awards granted in 2010 are subject to the satisfaction of performance conditions. However, the Remuneration Committee of the Lincat Board has resolved to waive the performance conditions attaching to the Lincat Share Awards granted in 2010 subject to and conditional on the Scheme being sanctioned by the Court so that such awards may be exercised in full after the Scheme has been sanctioned by the Court notwithstanding the exercise period noted above.

3.3 The Trustee currently holds 158,500 Lincat Shares which it will use to satisfy Lincat Share Awards when they are exercised. To the extent further Lincat Shares are required to satisfy the exercise of outstanding Lincat Share Awards, Lincat is proposing to issue up to an additional 22,500 Lincat Shares to the Trustee.

3.4 Cenkos currently holds 3,921 Lincat Shares.

### 3.5 *Interests of Bidco in relevant securities of Lincat*

Bidco intends to subscribe for one Lincat Share at a price equal to the Offer Price prior to the First Court Hearing. As at the last day of the Disclosure Period, save in respect of the irrevocable undertakings referred to in paragraph 5 below, Bidco did not have an interest in any relevant securities of Lincat.

### 3.6 *Potential indirect interests in Lincat Shares*

The following people have a pre-existing interest in the shares of Middleby of greater than 5 per cent. and therefore will have an indirect interest of 5 per cent. or more in Lincat Shares if the Acquisition becomes Effective.

<i>Name</i>	<i>Occupation</i>	<i>Number of shares in Middleby</i>	<i>Percentage of issued share capital of Middleby</i>
Mr Selim Bassoul	Chairman, Chief Executive Officer and President of Middleby	1,364,413	7.4%
T. Rowe Price Associates Inc.	Investment manager and adviser	1,486,048	8.1%

## 4. **Dealings in Lincat Shares**

### 4.1 *Dealings in relevant securities of Lincat by the Lincat Directors*

Dealings in Lincat Shares (excluding the exercise of options) between the start of the Offer Period and the last day of the Disclosure Period by the Lincat Directors, their immediate families, related trusts and (so far as the Lincat Directors are aware, having made due and careful enquiry) any other person whose interests in Lincat Shares a Lincat Director is taken to be interested in pursuant to Part 22 of the Act were as follows:

<i>Date</i>	<i>Name of Transferor</i>	<i>Name of Transferee (and relationship to Transferor)</i>	<i>Nature of Transaction</i>	<i>Number of Lincat Shares</i>	<i>Price</i>
31 March 2011	Mr. Terry Storey	Mrs. Isabella Storey (spouse of Mr. Terry Storey)	Transfer	2,827	Nil
1 April 2011	Mrs. Marilyn Schroeder	Mr. Alan Schroeder (spouse of Mrs. Marilyn Schroeder)	Transfer	27,105	Nil
1 April 2011	Mr. Richard Kemp	Mrs. Renata Kemp (spouse of Mr. Richard Kemp)	Transfer	5,100	Nil

### 4.2 *Dealings in relevant securities of Lincat by Bidco*

It is intended that Bidco will subscribe for one Lincat Share at a price equal to the Offer Price prior to the First Court Hearing.

## 5. Irrevocable undertakings

### 5.1 *Lincat Directors*

The following Lincat Directors have given irrevocable undertakings to vote, or to procure (or, in the case of 17,475 Lincat Shares representing approximately 0.3 per cent. of the current issued share capital of Lincat, to use best endeavours to procure) that the registered holder votes, in favour of the resolutions relating to the Acquisition at the Meetings (or, in the event the Acquisition is implemented by means of an Offer, to accept, or procure acceptance of (or, in the case of 17,475 Lincat Shares representing approximately 0.3 per cent. of the current issued share capital of Lincat, to use best endeavours to procure acceptance of) the Offer) in respect of their own beneficial holdings of Lincat Shares:

<i>Name</i>	<i>Total Number of Lincat Shares</i>	<i>Percentage of the current issued share capital of Lincat</i>
Martin Craddock	1,144,910	20.85%
Paul Bouscarle	493,045	8.98%
Richard Kemp	17,475	0.32%
Terry Storey	1,700	0.03%
Steve Mitchell	1,901	0.03%
Alan Schroeder	32,757	0.60%
<b>Total</b>	<b>1,691,788</b>	<b>30.81%</b>

These irrevocable undertakings will continue to be binding in the event that a higher competing offer for Lincat is made.

### 5.2 *Other Lincat Shareholders*

The following Lincat Shareholders have given irrevocable undertakings to vote, or to procure (or, in the case of 10,459 Lincat Shares representing approximately 0.2 per cent. of the current issued share capital of Lincat, to use best endeavours to procure) that the registered holder votes, in favour of the resolutions relating to the Acquisition at the Meetings (or, in the event the Acquisition is implemented by means of an Offer, to accept or procure the acceptance of (or, in the case of 10,459 Lincat Shares representing approximately 0.2 per cent. of the current issued share capital of Lincat, to use best endeavours to procure acceptance of) the Offer) in respect of their own beneficial holdings of Lincat Shares:

<i>Name</i>	<i>Total Number of Lincat Shares</i>	<i>Percentage of the current issued share capital of Lincat</i>
Isabella Storey	2,827	0.05%
Renata Kemp	10,459	0.19%
John Craddock	377,432	6.87%
Philip and Diana Bouscarle	223,772	4.07%
John and Doreen Hill	161,808	2.95%
Jan Atherton	1,206	0.02%
Ailsa Craddock	13,000	0.24%
Tim Tindle	1,901	0.03%
Penelope Tindle	1,471	0.03%
<b>Total</b>	<b>793,876</b>	<b>14.45%</b>

These irrevocable undertakings will continue to be binding in the event that a higher competing offer for Lincat is made.

<i>Name</i>	<i>Total Number of Lincat Shares</i>	<i>Percentage of the current issued share capital of Lincat</i>
Marlborough Fund Managers	324,500	5.91%
<b>Total</b>	<u>324,500</u>	<u>5.91%</u>

This irrevocable undertaking will cease to be binding if: (i) a competing cash offer for all Lincat Shares is announced which values each Lincat Share at a price which equals or exceeds 110 per cent. of the value of the consideration per Lincat Share available under the terms of the Acquisition; (ii) Bidco does not, within ten days of the announcement of such competing offer, announce a revised offer which values each Lincat Share at a price equal to or greater than the value of the consideration per Lincat Share under the terms of the competing offer; and (iii) Marlborough Fund Managers notifies Bidco within three days of the expiry of such ten day period that its obligations under the irrevocable undertaking have ceased to have effect.

### 5.3 *Lapse of Irrevocable Undertakings*

Each of the irrevocable commitments described in this paragraph 5 will cease to be binding on the earlier of the following occurrences:

- (a) if the Scheme has not become Effective by 6.00 p.m. on 30 September 2011 (or such later time or date as agreed between Bidco and Lincat, with the approval of the Court and/or the Panel if required) and an Offer has not been announced prior to that time; or
- (b) if the Scheme lapses or (with the consent of the Panel) is withdrawn and no Offer is announced within 14 days of such lapse or withdrawal; or
- (c) if an Offer, if made, lapses or (with the consent of the Panel) is withdrawn without becoming or being declared unconditional in all respects.

## 6. **Interests and dealings – general**

- 6.1 As at the last day of the Disclosure Period, save as disclosed in this document, no member of the Middleby Group, nor any of the Middleby Executives or the Bidco Directors, nor (in the case of the Middleby Executives and the Bidco Directors) any member of their immediate families, related trusts or connected persons, nor any persons acting in concert with Middleby or Bidco, nor any person with whom Middleby or Bidco, or any person acting in concert with Middleby or Bidco, has an arrangement of the kind referred to in Note 11 on the definition of acting in concert as set out in the Code had an interest in or right to subscribe for any relevant securities of Lincat, or any short position in relation thereto (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, nor had any of the foregoing dealt in any relevant securities of Lincat during the Disclosure Period.
- 6.2 As at the last day of the Disclosure Period, neither Middleby nor Bidco nor any person acting in concert with Middleby or Bidco has borrowed or lent (for these purposes including any financial collateral arrangements) any relevant securities of Lincat (save for any borrowed shares which have either been on-lent or sold).

- 6.3 As at the last day of the Disclosure Period, save as disclosed in this document, no member of the Lincat Group, nor any of the Lincat Directors, nor (in the case of the Lincat Directors) any member of their immediate families, related trusts or connected persons had an interest in or right to subscribe for relevant securities of Lincat or any relevant securities of Middleby or Bidco, or any short position in relation thereto (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, nor had any of the foregoing dealt in any relevant securities of Lincat or any relevant securities of Middleby or Bidco from the commencement of the Offer Period until the last day of the Disclosure Period.
- 6.4 As at the last day of the Disclosure Period, save as disclosed in this document, no person acting in concert with Lincat and no person who has an arrangement with Lincat, or any person acting in concert with Lincat, of the kind referred to in Note 11 on the definition of acting in concert as set out in the Code, had an interest in or right to subscribe for any relevant securities of Lincat, or any short position in relation thereto (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, nor had any of the foregoing dealt in any relevant securities of Lincat from the commencement of the Offer Period until the last day of the Disclosure Period.
- 6.5 As at the last day of the Disclosure Period, neither Lincat nor any person acting in concert with Lincat has borrowed or lent (for those purposes including any financial collateral arrangements) any relevant securities of Lincat (save for any borrowed shares which have either been on-lent or sold).
- 6.6 As at the last day of the Disclosure Period, save as disclosed in this document, there were no arrangements of the kind referred to in Note 11 on the definition of acting in concert as set out in the Code in relation to relevant securities of Lincat between Lincat, or any person acting in concert with Lincat, and any other person.
- 6.7 As at the last day of the Disclosure Period, save as disclosed in this document (including the disclosures relating to irrevocable undertakings in paragraph 5 above), there were no arrangements of the kind referred to in Note 11 on the definition of acting in concert as set out in the Code in relation to any relevant securities of Lincat between Middleby or Bidco, or any person acting in concert with Middleby or Bidco, and any other person.
- 6.8 Lincat has not redeemed or purchased any relevant securities of Lincat during the Disclosure Period.
- 6.9 For the purposes of this Part VI:
- (a) “acting in concert” has the meaning set out in the Code;
  - (b) “arrangement” includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature which may be an inducement to deal or refrain from dealing;
  - (c) “connected person” has the meaning set out in section 252 of the Act;
  - (d) “dealing” or “dealt” includes the following:
    - (i) the acquisition or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities;
    - (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
    - (iii) subscribing or agreeing to subscribe for securities;

- (iv) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
  - (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
  - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
  - (vii) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;
- (e) “derivative” includes any financial product whose value, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (f) “Disclosure Period” means the period commencing on 23 March 2010 (being the date 12 months prior to the commencement of the Offer Period) and ending on 8 April 2011 (being the latest practicable date prior to the publication of this document);
- (g) a person is treated as having an “interest in securities” if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:
- (i) he owns them;
  - (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
  - (iii) by virtue of any agreement to purchase, option or derivative, he:
    - (A) has the right or option to acquire them or call for their delivery; or
    - (B) is under an obligation to take delivery of them,
 whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
  - (iv) he is a party to any derivative:
    - (A) whose value is determined by reference to their price; and
    - (B) which results, or may result, in his having a long position in them.
- (h) “relevant securities of Middleby or Bidco” means Middleby or Bidco shares and securities convertible into or exchangeable for such shares, rights to subscribe for or options (including traded options) in respect of such shares and derivatives referenced to such shares;
- (i) “relevant securities of Lincat” means Lincat Shares and securities convertible into or exchangeable for such shares, rights to subscribe for or options (including traded options) in respect of such shares and derivatives referenced to such shares;

6.10 In addition to the Middleby Executives and the Bidco Directors, the other members of the Middleby Group, and their directors and related pension funds, the only other person who is (or is deemed to be) acting in concert with Middleby or Bidco for the purposes of the Acquisition is the financial adviser to Bidco and Middleby, namely KPMG Corporate Finance whose registered office is at 15 Canada Square, London E14 5GL.

6.11 In addition to the Lincat Directors, the other members of the Lincat Group, their directors and related pension funds, the only other persons who are (or are deemed to be) acting in concert with Lincat for the purposes of the Acquisition are the financial adviser to Lincat, Livingstone Partners, an English limited liability partnership whose registered office is at 15 Adam Street, London WC2N 6RJ and the corporate broker to Lincat, Cenkos Securities plc, an English public limited company whose registered office is at 6, 7, 8 Tokenhouse Yard, London EC2R 7AS.

## 7. Market quotations

The following table shows the Closing Prices for the first business day in each of the six months immediately prior to the date of this document, for 22 March 2011 (the business day prior to the commencement of the Offer Period) and for 8 April 2011 (being the latest practicable business day prior to the publication of this document):

	<i>Lincat Share Closing Price</i>
1 October 2010	622.5 pence
1 November 2010	635.0 pence
1 December 2010	647.5 pence
4 January 2011	632.5 pence
1 February 2011	687.5 pence
1 March 2011	757.5 pence
22 March 2011	762.5 pence
8 April 2011	1,030.0 pence

## 8. Lincat Directors' service agreements and terms of appointment

### 8.1 *Executive Lincat Directors*

- (a) Paul Bouscarle entered into a service agreement with Lincat dated 5 August 2008 which continues unless terminated by the giving of six months' written notice by either Mr. Bouscarle or Lincat. The agreement provides for an annual salary of £112,000 (in 2008), the provision of a motor car, annual pension contributions of £10,000 (subject to annual review) for each year of Mr. Bouscarle's employment, and membership of a private medical scheme for Mr. Bouscarle, his wife and his dependents. Total pension contributions for Mr. Bouscarle for 2008 amounted to £27,000. The agreement provides that Mr. Bouscarle may be entitled to participate in such Lincat bonus arrangements notified to him from time to time at Lincat's sole discretion and Lincat's Savings-Related Option Schemes operated from time to time. The agreement also provides for the payment of Mr. Bouscarle's full salary for the first three months in any twelve month period (and half his full salary for the next following three months) in the event of his incapacity through sickness or accident with any further payment after this time being at Lincat's discretion. The agreement contains a discretionary payment in lieu of notice clause which provides for payment equivalent of his basic salary to be paid in respect of the notice period. The agreement contains non-competition, non-solicitation, and non-dealing covenants for a period of six months following the date of termination of his agreement. Mr. Bouscarle's salary and annual pension contributions are reviewed annually. Following the most recent review, with effect from 1 January 2011, Mr. Bouscarle's annual salary was increased to £122,000 (previously £114,240) and his annual pension contributions were increased to £30,000 (previously £29,000). He also has a company car.
- (b) Steve Mitchell entered into a service agreement with Lincat dated 5 August 2008 which continues unless terminated by the giving of six months' written notice by either Mr. Mitchell or Lincat. The agreement provides for an annual salary of £120,000 (in 2008), the provision of a motor car, and membership of a private medical scheme for Mr. Mitchell, his wife and his dependents. The agreement provides that Mr. Mitchell may be entitled to participate in such Lincat bonus arrangements notified to him from time to time at Lincat's sole discretion and Lincat's Savings-Related Option Schemes operated from time to time. Mr. Mitchell participates in the Lincat Limited directors' bonus scheme. For the financial year ended



31 December 2010, pursuant to the terms of such scheme, Mr. Mitchell received a payment of £12,000 in March 2011. The service agreement also provides for the payment of Mr. Mitchell's full salary for the first three months in any twelve month period (and half his full salary for the next following three months) in the event of his incapacity through sickness or accident with any further payment after this time being at Lincat's discretion. The agreement contains a discretionary payment in lieu of notice clause which provides for payment equivalent of his basic salary to be paid in respect of the notice period. The agreement contains non-competition, non-solicitation, and non-dealing covenants for a period of six months following the date of termination of his agreement. Mr. Mitchell's salary is reviewed annually. Following the most recent review, with effect from 1 January 2011, Mr. Mitchell's annual salary was increased to £130,000 (previously £125,500). He also has a company car.

- (c) Terry Storey entered into a service agreement with Lincat dated 5 August 2008 which continues unless terminated by the giving of six months' written notice by either Mr. Storey or Lincat. The agreement provides for an annual salary of £98,000 (in 2008), the provision of a motor car, and membership of a private medical scheme for Mr. Storey, his wife and his dependents. The agreement provides that Mr. Storey may be entitled to participate in such Lincat bonus arrangements notified to him from time to time at Lincat's sole discretion and Lincat's Savings-Related Option Schemes operated from time to time. Mr. Storey participates in the Lincat Limited directors' bonus scheme. For the financial year ended 31 December 2010, pursuant to the terms of such scheme, Mr. Storey received a payment of £12,000 in March 2011. The service agreement also provides for the payment of Mr. Storey's full salary for the first six months in any twelve month period (and half his full salary for the next following six months) in the event of his incapacity through sickness or accident with any further payment after this time being at Lincat's discretion. The agreement contains a discretionary payment in lieu of notice clause which provides for payment equivalent of his basic salary to be paid in respect of the notice period. The agreement contains non-competition, non-solicitation, and non-dealing covenants for a period of six months following the date of termination of his agreement. Mr. Storey's salary is reviewed annually. Following the most recent review, with effect from 1 January 2011, Mr. Storey's annual salary was increased to £117,500 (previously £102,500). He also has a company car.

#### ***Non-executive Lincat Directors***

The key terms of appointment of the non-executive Lincat Directors are as follows:

<i>Non-executive Director</i>	<i>Date of Appointment</i>	<i>Current Fee (£)</i>
Martin Craddock	1982	25,000
Richard Kemp	8 May 1992	25,000
Alan Schroeder	June 1988	30,000

- 8.2 Except as stated above, none of the agreements set out in sub-paragraph 8.1 above has been entered into or amended during the six months prior to the date of this document.
- 8.3 Save as disclosed above, there are no other contracts of service between the directors of Lincat and Lincat or any of its subsidiaries.

## **9. Material contracts**

### ***Lincat***

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by members of the Lincat Group during the period beginning two years before the commencement of the Offer Period and are or may be material:

- (a) Lincat, Middleby and Bidco have entered into an Implementation Agreement pursuant to which Lincat and Bidco have agreed, amongst other things, to take all such steps and actions and prepare all such documents necessary for the implementation of the Acquisition on a timely basis in accordance with an agreed timetable and in accordance with the terms of the

Implementation Agreement. The Implementation Agreement also contains a break fee arrangement, non-solicitation undertakings and matching rights in favour of Bidco in the event of a Competing Proposal.

Further details of the Implementation Agreement are set out in paragraph 13 of Part II of this document.

- (b) On 21 December 2009 Imperial Machine Company Limited and Lincat (Guernsey) Limited (“**Guernsey**”) completed the sale of land at Croxley Green, Hertfordshire to Howarth Homes Plc for a total price of £7.5 million pursuant to a sale agreement dated 11 April 2008 and a supplemental agreement dated 20 June 2009.

Under the terms of the agreement, Howarth Homes Plc was required to enter into an overage agreement on completion of the sale. The form of the overage agreement is agreed and the Lincat Directors anticipate it will be executed by Howarth Homes Plc in the near future. Under the terms of the overage agreement the purchaser (or future owner of the property) would be obliged to pay to Lincat and Guernsey overage if planning permission in relation to a certain part of the property is obtained at a future date to permit residential development on the part of the site for which planning permission had not been obtained at the time of the sale of the property. The overage payable would be 50 per cent. of the increase in value of that part of the property if the planning permission is obtained, less any costs incurred in obtaining the planning permission.

- (c) A sale and purchase agreement dated 25 August 2009 was entered into between (1) Mercury Appliances Limited (“**Mercury**”) (2) AGA Consumer Products Limited (“**AGA**”) and (3) Lincat Limited relating to the sale and purchase of the business and assets of Mercury, which was involved in the manufacture and sale of domestic range cookers. Lincat Limited guaranteed the obligations of Mercury to AGA under the agreement. The consideration for the sale of the business and assets was £425,000 together with the assumption by AGA of certain assumed liabilities. The sale and purchase agreement contains standard non-taxation warranties and restrictive covenants for a transaction of this nature including, amongst others, an undertaking not to compete with AGA or solicit customers for a three year period following completion of the disposal. The agreement is governed by the laws of England.

## **10. Financing of the Acquisition**

Bidco will fund the consideration payable under the Acquisition from funds made available to it from Middleby’s existing cash resources and bank facilities.

KPMG Corporate Finance, financial adviser to Middleby and Bidco, is satisfied that sufficient resources are available to Bidco to satisfy in full the cash consideration payable to Lincat Shareholders under the terms of the Acquisition.

## **11. Material change**

Save as disclosed in this document or the Preliminary Results Announcement, there has been no material change in the financial or trading position of Lincat since 1 January 2010 (the date to which the latest published audited accounts of Lincat were prepared). Save as disclosed in this document, there have been no material changes to the information published by Lincat, Middleby or Bidco during the Offer Period.

## **12. Miscellaneous**

- 12.1 Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Bidco or Middleby or any person acting in concert with Bidco or Middleby for the purposes of the Acquisition and any of the directors, or recent directors, shareholders or recent shareholders of Lincat or any person interested or recently interested in Lincat Shares having any connection with, or dependence upon, or which is conditional on the outcome of, the Acquisition.

- 12.2 Save as disclosed in this document, no proposal exists in connection with the Acquisition for any payment or other benefit to be made or given by Bidco or Middleby or any person acting in concert with Bidco or Middleby for the purposes of the Acquisition to any Lincat Director as compensation for loss of office or as consideration for, or in connection with, his retirement from office.
- 12.3 Save as set out in this paragraph, there is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Lincat Shares acquired by Bidco pursuant to the Acquisition will be transferred to any other person, although Bidco reserves the right to transfer any such shares to any other member of the Middleby Group. It is the current intention of Bidco to transfer legal and beneficial title to approximately 25 per cent. of the New Lincat Shares to its immediate parent company, Middleby Europe S.L., after the Scheme (or, in the event that the Acquisition is implemented by means of an Offer, the Offer) becomes Effective. As at the last day of the Disclosure Period, Middleby Europe S.L. did not have any interest in any relevant securities of Lincat.
- 12.4 Save as disclosed in this document, there are no agreements or arrangements to which Bidco is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a condition of the Acquisition. Under the Implementation Agreement, Bidco must irrevocably treat as satisfied or waive all of the Conditions (other than the Conditions relating to the sanction of the Scheme and the confirmation of the Capital Reduction and the filing of the Court Orders) by no later than 11:59 p.m. on the day before the Court Hearing to sanction the Scheme unless an event has occurred or a circumstance arisen which is sufficiently material for the Panel to permit it to invoke a Condition (and the Panel has agreed to the withdrawal of Bidco as a result) or the resolutions relating to the Acquisition have not been passed by the requisite majorities at the Meetings.
- 12.5 KPMG Corporate Finance has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears
- 12.6 Livingstone Partners have given and have not withdrawn their written consent to the issue of this document with the inclusion herein of the references to their name in the form and context in which it appears.
- 12.7 Cenkos has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 12.8 All references to time in this document and the Forms of Proxy are to London time unless the context provides otherwise.

### **13. Bases and sources**

In this document, unless otherwise stated or the context otherwise requires, the following bases and sources have been used:

- (a) historic Lincat Share prices are sourced from the AIM appendix to the Daily Official List and represent closing middle market prices for Lincat Shares on the relevant date(s);
- (b) the value of the existing issued share capital of Lincat is based upon the entire issued share capital at the date of this document, namely 5,491,989 Lincat Shares;
- (c) references to a percentage of Lincat Shares are based on the number of Lincat Shares in issue as set out at paragraph (b), unless expressly stated otherwise;
- (d) the fully diluted share capital of Lincat (being 5,514,489<sup>1</sup> Lincat Shares) is calculated upon the basis of:
  - (i) the current issued share capital of Lincat as referred to in paragraph (b) above; and

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<sup>1</sup> Excludes the one Lincat Share proposed to be subscribed for by Bidco at a price of 1,050 pence prior to the First Court Hearing.

- (ii) up to a further 22,500 Lincat Shares which may be issued on or after the date of this document in connection with the Lincat LTIP;
- (e) the value of the entire issued and to be issued share capital of Lincat under the terms of the Acquisition is based on the Offer Price of 1,050 pence per Lincat Share and the fully diluted share capital of Lincat as set out in paragraph (d) above;
- (f) the financial information relating to Lincat has been extracted from the Preliminary Results Announcement, and the audited consolidated annual financial statements of Lincat for the relevant years;
- (g) other information relating to Lincat has been extracted from published sources and provided by persons duly authorised by Lincat;
- (h) the international Securities Identification Number for Lincat Shares is GB0005170492;
- (i) as at 8 April 2011 (being the latest practicable date before publication of this document) Lincat did not hold any Lincat Shares in treasury;
- (j) the financial information relating to Middleby is extracted from Middleby's announcement of its results for the three months ending 1 January 2011 and the financial year ending 1 January 2011;
- (k) other information relating to Bidco and Middleby has either been extracted from published sources and provided by persons duly authorised by Bidco and/or Middleby or has been provided by the Bidco Directors and/or Middleby Executives (in each case, in accordance with the allocation of responsibility set out in paragraphs 1.2 and 1.3 respectively of this Part VI); and
- (l) the premium calculations to the price per Lincat Share have been calculated by reference to:
  - (i) a price of 762.5 pence per Lincat Share, being the Closing Price on 22 March 2011, the last Business Day prior to the date of the Announcement, as derived from the Daily Official List;
  - (ii) a price of 757.1 pence per Lincat Share, being the average Closing Price over the one month period from 22 February 2011 until 22 March 2011, as derived from the Daily Official List; and
  - (iii) a price of 703.7 pence per Lincat Share, being the average Closing Price over the three month period from 22 December 2010 until 22 March 2011, as derived from the Daily Official List.

#### **14. Documents available for inspection**

- 14.1 A copy of this document and the documents listed in paragraph 14.2 below are available free of charge on Lincat's website, [www.lincatgroup.co.uk](http://www.lincatgroup.co.uk), until the Effective Date or the date that the Scheme (or, where applicable, Offer) lapses or (with the consent of the Panel) is withdrawn, whichever occurs first. Neither the content of the website nor the content of any other website accessible from hyperlinks on the website is incorporated by reference into, or forms part of, this document.
- 14.2 Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS until the Effective Date or the date that the Scheme (or, where applicable, Offer) lapses or (with the consent of the Panel) is withdrawn, whichever occurs first:
  - (a) the memorandum and articles of association of Lincat;
  - (b) the memorandum and articles of association of Bidco;
  - (c) the annual reports and audited consolidated financial statements of Lincat for the financial years ended 2 January 2009 and 1 January 2010;
  - (d) the Preliminary Results Announcement;

- (e) the unaudited interim report of Lincat for the 6 months ended 2 July 2010;
- (f) the Implementation Agreement;
- (g) the written consents referred to in sub-paragraphs 12.5, 12.6 and 12.7 above;
- (h) the irrevocable undertakings referred to in paragraph 5 above;
- (i) the Forms of Proxy;
- (j) the rules of the Lincat LTIP; and
- (k) this document.

## PART VII

### DEFINITIONS

In this document (with the exception of Part V), the following words and expressions have the following meanings, unless the context requires otherwise:

<b>“Acquisition”</b>	the proposed acquisition by Bidco of the entire issued and to be issued ordinary share capital of Lincat (other than the Excluded Shares) pursuant to the Scheme or, should Bidco so elect with the consent of the Panel, by means of an Offer
<b>“Act”</b>	the Companies Act 2006 (as amended or re-enacted)
<b>“Affiliate”</b>	in relation to a party, any person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the party, and for these purposes a party shall be deemed to control a person if such party possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the person, whether through the ownership of over 50 per cent. of the voting securities or the right to appoint over 50 per cent. of the relevant board of directors by contract or otherwise
<b>“AIM”</b>	the AIM Market of the London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time
<b>“Announcement”</b>	the announcement of the Acquisition dated 23 March 2011
<b>“Approach”</b>	an approach, offer, enquiry, proposal or similar action
<b>“Articles”</b>	the articles of association of Lincat and “Article” shall mean any article of those Articles
<b>“Authorisations”</b>	authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals
<b>“Bidco”</b>	Middleby Holding UK Ltd (incorporated in England and Wales under the Act with registered number 7568995), whose registered office is at c/o Skadden, Arps, Slate, Meagher & Flom (UK) LLP, 40 Bank Street, London, E14 5DS
<b>“Bidco Board” or “Bidco Directors”</b>	the board of directors of Bidco whose names are set out in paragraph 2.2 of Part VI of this document and “Bidco Director” means any of them
<b>“business day”</b>	a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in the City of London
<b>“Capital Reduction”</b>	the proposed reduction of Lincat’s share capital involving the cancellation and the extinguishing of the Scheme Shares pursuant to the Scheme as provided for under section 641 of the Act
<b>“Cash Consideration”</b>	the cash consideration due to a Scheme Shareholder from Bidco pursuant to the Acquisition in connection with the cancellation of Scheme Shares pursuant to the Scheme

<b>“Cenkos”</b>	Cenkos Securities plc whose registered office is at 6, 7, 8 Tokenhouse Yard, London EC2R 7AS
<b>“certificated” or “in certificated form”</b>	where a share or other security is not in uncertificated form (that is, not in CREST)
<b>“Closing Price”</b>	the closing middle market price of a Lincat Share as derived from the Daily Official List on any particular date
<b>“Code”</b>	the City Code on Takeovers and Mergers, issued by the Panel
<b>“Competing Asset Proposal”</b>	an Approach (whether or not conditional) made by or on behalf of a third party which is not acting in concert (as defined in the Code) with Bidco in relation to a transaction that constitutes a disposal of a significant proportion or value (being 15 per cent. or more) of the undertaking, assets or business of Lincat or any member of the Lincat Group, whether implemented in a single transaction or a series of transactions
<b>“Competing Offer Proposal”</b>	<p>an Approach (whether or not conditional) made by or on behalf of a third party which is not acting in concert (as defined in the Code) with Bidco in relation to:</p> <ul style="list-style-type: none"> <li>(a) an offer, scheme of arrangement, merger, acquisition or business combination involving Lincat or any member of the Lincat Group, the purpose of which is to acquire all or a substantial proportion of (being 15 per cent. or more when aggregated with shares already held by the relevant third party and any body acting in concert with that third party) the issued or to be issued share capital of Lincat or any member of the Lincat Group; or</li> <li>(b) a demerger and/or any material reorganisation, division or split of Lincat or the Lincat Group; or</li> <li>(c) a transaction which would be an alternative to, or is inconsistent with, or would be reasonably likely to preclude or materially impede, delay or prejudice the implementation of, the Acquisition,</li> </ul> <p>in each case whether implemented in a single transaction or a series of transactions</p>
<b>“Competing Proposal”</b>	a Competing Asset Proposal or a Competing Offer Proposal
<b>“Computershare”</b>	Computershare Investor Services PLC whose registered office is at The Pavilions, Bridgwater Road, Bristol BS13 8AE
<b>“Conditions”</b>	the conditions to implementation of the Acquisition set out in Part III of this document, with such consequential amendments as may be required as a result of any election by Middleby to implement the Acquisition by means of an Offer
<b>“connected person”</b>	has the meaning set out in section 252 of the Act
<b>“Court”</b>	the High Court of Justice in England and Wales
<b>“Court Hearings”</b>	the hearings by the Court of the claim form for the sanctioning of the Scheme under section 899 of the Act and to confirm the Capital Reduction under section 648 of the Act (and to grant the Court



	Orders) and “Court Hearing” shall mean any one of those Court Hearings
<b>“Court Meeting”</b>	the meeting of the Scheme Shareholders to be convened pursuant to an order of the Court under section 896 of the Act and to be held at the offices of Eversheds LLP, One Wood Street, London, EC2V 7WS at 11.00 a.m. on 5 May 2011 for the purposes of considering and, if thought fit, approving the Scheme (with or without any amendment approved or imposed by the Court and agreed by Lincat and Bidco), notice of which is set out in Part VIII of this document, and any adjournment, postponement or reconvention of such meeting
<b>“Court Orders”</b>	the orders of the Court sanctioning the Scheme under section 899 of the Act and confirming the Capital Reduction under section 648 of the Act and “Court Order” shall mean any one of those Court Orders
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>“CREST Manual”</b>	the CREST Manual referred to in agreements entered into by Euroclear
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
<b>“CREST sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange
<b>“Dealing Disclosure”</b>	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
<b>“Disclosed”</b>	(i) as fairly disclosed in the Preliminary Results Announcement and Lincat’s report and accounts for the year ended 31 December 2009; or (ii) as publicly announced by Lincat (by the delivery of an announcement to a Regulatory Information Service) prior to the date of the Announcement; or (iii) as fairly disclosed in the Announcement; or (iv) as otherwise fairly disclosed in writing by or on behalf of Lincat to Middleby, Bidco or their advisers prior to the date of the Announcement in the course of negotiations in connection with the Acquisition
<b>“Disclosure Period”</b>	has the meaning given in paragraph 6.9(f) of Part VI of this document
<b>“Effective”</b>	in the context of the Acquisition: <ul style="list-style-type: none"> <li>(a) if the Acquisition is implemented by means of the Scheme, the Scheme having become effective pursuant to its terms; or</li> <li>(b) if the Acquisition is implemented by means of an Offer, the Offer having been declared or become unconditional in all respects in accordance with the requirements of the Code</li> </ul>
<b>“Effective Date”</b>	the date on which the Scheme becomes Effective
<b>“electronic form”</b>	as defined in the Code
<b>“Enlarged Group”</b>	the combined businesses of the Middleby Group and the Lincat Group following the completion of the Acquisition

<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
<b>“Excluded Shares”</b>	any Lincat Shares which are: <ul style="list-style-type: none"> <li>(a) registered in the name of or beneficially owned by any member of the Middleby Group or its nominee(s) at the relevant time; or</li> <li>(b) registered in the name of the Trustee and which the Trustee requires in order to satisfy a Lincat Share Award in respect of which the Trustee has not received an Exercise Notice from the Lincat Awardholder prior to the Scheme Record Time</li> </ul>
<b>“Exercise Notice”</b>	a notice issued by a Lincat Awardholder to the Trustee pursuant to which the Lincat Awardholder exercises a Lincat Share Award in accordance with the LTIP Proposals
<b>“Explanatory Statement”</b>	the explanatory statement relating to the Scheme, as set out in Part II of this document, which together with the documents incorporated therein constitute the explanatory statement relating to the Scheme as required by section 897 of the Act
<b>“First Court Hearing”</b>	the hearing of the Court to sanction the Scheme
<b>“First Court Order”</b>	the order of the Court sanctioning the Scheme under section 899 of the Act
<b>“Forms of Proxy”</b>	as the context may require, either or both of (i) the blue form of proxy for use at the Court Meeting, and (ii) the white form of proxy for use at the General Meeting, each of which accompanies this document
<b>“FSA”</b>	the UK Financial Services Authority
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“General Meeting”</b>	the general meeting of Lincat Shareholders to be held at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS at 11.15 a.m. on 5 May 2011 (or as soon thereafter as the Court Meeting shall have been concluded or adjourned), to consider, and if thought fit, approve the Special Resolution in relation to the implementation of the Scheme and the sanctioning of the Capital Reduction, notice of which is set out in Part IX of this document, and any adjournment, postponement or reconvention of such meeting
<b>“hard copy form”</b>	as defined in the Code
<b>“Implementation Agreement”</b>	the agreement dated 22 March 2011 and made between Lincat, Bidco and Middleby and relating, among other things, to the implementation of the Acquisition, further details of which are set out in paragraph 13 of Part II of this document
<b>“KPMG Corporate Finance”</b>	KPMG Corporate Finance, a division of KPMG LLP which is authorised and regulated by the FSA for investment business activities. KPMG LLP is registered in England with number OC301540 and has its registered office at 15 Canada Square, London E14 5GL

<b>“Lincat”</b>	Lincat Group plc (incorporated in England and Wales with registered number 1018610), whose registered office is at Whisby Road, Lincoln LN6 3QZ
<b>“Lincat Awardholder”</b>	a holder of a Lincat Share Award
<b>“Lincat Board” or “Lincat Directors”</b>	the board of directors of Lincat whose names are set out in paragraph 2.1 of Part VI of this document and “Lincat Director” means any of them
<b>“Lincat EBT”</b>	the Lincat Group plc Employee Benefit Trust
<b>“Lincat Group”</b>	Lincat and its subsidiaries and subsidiary undertakings from time to time
<b>“Lincat LTIP”</b>	the Lincat Group plc Long Term Incentive Plan (2007)
<b>“Lincat Share Awards”</b>	awards to acquire Lincat Shares granted pursuant to the Lincat LTIP
<b>“Lincat Shareholders”</b>	holders of Lincat Shares
<b>“Lincat Shares”</b>	the ordinary shares of ten pence each in the capital of Lincat
<b>“Livingstone Partners”</b>	Livingstone Partners LLP a limited liability partnership which is regulated by the FSA. Livingstone Partners LLP is registered in England with number OC307858 and has its registered office at 15 Adam Street, London WC2N 6RJ
<b>“London Stock Exchange”</b>	London Stock Exchange plc or its successor
<b>“Longstop Date”</b>	30 September 2011 or such later date (if any) as Middleby and Lincat may, with the consent of the Panel, agree and (if required) the Court may approve
<b>“LTIP Proposals”</b>	the proposals as agreed by Lincat and Middleby for the exercise of subsisting awards granted pursuant to the Lincat LTIP in connection with the Scheme
<b>“Marlborough Fund Managers”</b>	Marlborough Fund Managers (Marlborough UK Micro-Cap Growth Fund and Marlborough Special Situations Fund)
<b>“Meetings”</b>	the Court Meeting and the General Meeting and “Meeting” means either of them
<b>“Middleby”</b>	The Middleby Corporation, a company incorporated under the laws of the state of Delaware, USA whose registered office is at 1400 Toastmaster Drive, Elgin, Illinois 60120
<b>“Middleby Executives”</b>	Selim Bassoul, Tim FitzGerald and Martin Lindsay, being the Chief Executive Officer, Chief Financial Officer and Corporate Treasurer, respectively, of Middleby
<b>“Middleby Group”</b>	Middleby and its subsidiaries and subsidiary undertakings from time to time
<b>“New Lincat Shares”</b>	the new ordinary shares of ten pence each in the capital of Lincat proposed to be allotted and issued credited as fully paid to Bidco pursuant to the Scheme
<b>“Offer”</b>	should Bidco elect to effect the Acquisition by means of a takeover offer (within the meaning of section 974 of the Act), the offer to be

	made by Bidco (or an Affiliate of Bidco) for the entire issued and to be issued ordinary share capital of Lincat (other than any shares held by any associate (as that term is defined in section 988 of the Act) of Middleby) on the terms and subject to the conditions to be set out in the related offer document and form of acceptance including, where the context requires, any subsequent amendment, revision, variation, extension or renewal thereof
<b>“Offer Period”</b>	the period commencing on 23 March 2011 and ending on the date the Acquisition becomes Effective (or such other date as the Panel may decide)
<b>“Offer Price”</b>	1,050 pence per Lincat Share
<b>“Overseas Shareholders”</b>	Scheme Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
<b>“Panel”</b>	the UK Panel on Takeovers and Mergers
<b>“participant ID”</b>	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
<b>“pounds”, “£”, “pence” or “Sterling”</b>	the lawful currency of the United Kingdom
<b>“Preliminary Results Announcement”</b>	Lincat’s preliminary announcement of its results for the year ended 31 December 2010 published on 23 March 2011, which is set out in Section A of Part IV of this document
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales, within the meaning of the Act
<b>“Regulatory Information Service”</b>	an information dissemination provider approved by the FSA and whose name is set out in a list maintained by the FSA
<b>“Scheme”</b>	the scheme of arrangement proposed to be made under Part 26 of the Act between Lincat and the Scheme Shareholders to implement the Acquisition as set out in Part V of this document, with or subject to any modification, amendment, revision, addition or condition approved or imposed by the Court and agreed to by Lincat and Bidco
<b>“Scheme Record Time”</b>	6.00 p.m. (London time) on the business day immediately prior to the Second Court Hearing
<b>“Scheme Shareholders”</b>	holders of a Scheme Share, and a “Scheme Shareholder” shall mean any one of these Scheme Shareholders
<b>“Scheme Shares”</b>	Lincat Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of this document;</li> <li>(b) (if any) issued after the date of despatch of this document, but prior to the Voting Record Time; and</li> <li>(c) (if any) issued on or after the Voting Record Time but prior to the Scheme Record Time either on terms that the original or any subsequent holder thereof shall be bound by the Scheme or in respect of which the holder thereof is, or shall have agreed in writing to be, bound by the Scheme,</li> </ul>

	in each case, other than the Excluded Shares
<b>“SDRT”</b>	stamp duty reserve tax
<b>“Second Court Hearing”</b>	the hearing by the Court to confirm the Capital Reduction
<b>“Second Court Order”</b>	the order of the Court confirming the Capital Reduction under section 648 of the Act
<b>“Special Resolution”</b>	the special resolution to be proposed at the General Meeting
<b>“Statement of Capital”</b>	the statement of capital (approved by the Court) showing, as altered by the Court Order confirming the Capital Reduction, the information required by section 649 of the Act with respect to Lincat’s share capital
<b>“Third Party”</b>	any central bank, ministry, government (whether national, state, municipal or local government and including any subdivision, court, administrative agency or commission or other authority thereof), governmental or quasi governmental (including the European Union), supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body (including, without limitation, any national or supranational anti-trust or merger control authority), court, trade agency, authority, association, institution, private body corporate, or any other body, entity or person whatsoever in any jurisdiction including, for the avoidance of doubt, the Panel
<b>“Trustee”</b>	Lincat Group EBT Limited in its capacity as trustee of the Lincat EBT
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“uncertificated” or “in uncertificated form”</b>	in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
<b>“US\$”</b>	the lawful currency of the United States
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction
<b>“US Exchange Act”</b>	the United States Securities Act of 1934, as amended, and the rules and regulations promulgated thereunder
<b>“Voting Record Time”</b>	6.00 p.m. (London time) on the day which is two days before the date of the Court Meeting or any adjournment, postponement or reconvention thereof
<b>“Wider Lincat Group”</b>	Lincat and its associated undertakings and any other body corporate, partnership, joint venture or person in which Lincat and such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the voting or equity capital or the equivalent
<b>“Wider Middleby Group”</b>	Middleby and its associated undertakings and any other body corporate, partnership, joint venture or person in which Middleby and such undertakings (aggregating their interests) have an interest

of more than 20 per cent. of the voting or equity capital or the equivalent, including Bidco

In this document and the Forms of Proxy, the expressions “subsidiary”, “subsidiary undertaking”, “associated undertaking” and “undertaking” have the meanings given by the Act.

In this document and the Forms of Proxy, references to the singular includes the plural and *vice versa*, unless the context otherwise requires. References to time are to London time, unless the context otherwise requires.

This document was published on 11 April 2011.

## PART VIII

### NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE  
CHANCERY DIVISION  
COMPANIES COURT

NO. 2568 OF 2011

REGISTRAR BAISTER

IN THE MATTER OF LINCAT GROUP PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

**NOTICE IS HEREBY GIVEN** that, by an Order dated 8 April 2011 made in the above matters, the Court has directed a meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares (as defined in the Scheme of Arrangement referred to below), for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme of Arrangement**”) pursuant to Part 26 of the Companies Act 2006 (the “**Act**”) proposed to be made between Lincat Group plc (“**Lincat**” or the “**Company**”) and the holders of the Scheme Shares (as defined in the Scheme of Arrangement) and that such Court Meeting will be held at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS on 5 May 2011 at 11.00 a.m., at which place and time all holders of such Scheme Shares are requested to attend.

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Act are incorporated in the document of which this notice forms part.

**Scheme Shareholders (as defined in the Scheme of Arrangement) may vote in person at the Court Meeting or they may appoint another person, whether a member of Lincat or not, as their proxy to attend and vote in their stead. A blue Form of Proxy for use at the Court Meeting accompanies this notice. Completion and return of a blue Form of Proxy will not prevent a Scheme Shareholder from attending and voting at the Court Meeting, or any adjournment thereof, in person if he wishes to do so.**

**Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares. Scheme Shareholders are also entitled to appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different Scheme Share held by such holder. A space has been included in the blue Form of Proxy to allow Scheme Shareholders to specify the number of Scheme Shares in respect of which that proxy is appointed. Scheme Shareholders who return the blue Form of Proxy duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their Scheme Shares.**

**Scheme Shareholders who wish to appoint more than one proxy in respect to their shareholding should photocopy the blue Form of Proxy as required. Such Scheme Shareholders should read the information regarding the appointment of multiple proxies set out on page 7 of the document of which this notice forms part and the related notes contained in the blue Form of Proxy.**

**It is requested that blue Forms of Proxy (together with any power of attorney or authority under which it is signed, or a notarially certified copy thereof) be lodged with Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 11.00 a.m. on 3 May 2011 or, in the case of an adjourned meeting, not less than 48 hours before the time appointed for the adjourned meeting, but if forms are not so lodged, they may be handed to Computershare at the Court Meeting before the meeting starts.**

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and, for this purpose, seniority will be



determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

Scheme Shareholders who hold Scheme Shares through CREST and who wish to appoint a proxy or proxies through the CREST Electronic Proxy Appointment Service may do so for the Court Meeting and any adjournment(s) thereof 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, should refer to their CREST sponsor or voting service provider, 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 the specifications of Euroclear UK & Ireland Limited (“**Euroclear**”) and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare (participant ID 3RA50) by no later than 11.00 a.m. on 3 May 2011 (or, in the case of an adjourned meeting, not less than 48 hours before the time appointed for the adjourned meeting). For this purpose, the time of receipt will be taken as the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Computershare are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After the time stated above, 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 sponsor or voting service provider, should note that Euroclear 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, to procure that his or her CREST sponsor or voting service provider takes) 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 sponsor or voting service provider are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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

Entitlement to attend and vote at the Court Meeting (and the number of votes which may be cast thereat) will be determined by reference to the register of members of the Company at 6.00 p.m. on 3 May 2011 or, in the case of an adjourned meeting, at 6.00 p.m. on the day which is two days before the date of the adjourned meeting. In each case, changes to the register of members of the Company after 6.00 p.m. on the relevant date will be disregarded.

By the said Order, the Court has appointed Alan Schroeder or, failing him, Richard Kemp, to act as Chairman of the Court Meeting and has directed the Chairman to report the result thereof to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

**Dated: 11 April 2011**

**Eversheds LLP**

Bridgewater Place

Water Lane

Leeds

LS11 5DR

Solicitors for the Company

## PART IX

### NOTICE OF GENERAL MEETING

#### **Lincat Group plc**

*(Incorporated in England and Wales with registered number 1018610)*

**NOTICE IS HEREBY GIVEN that a general meeting (the “General Meeting”) of Lincat Group plc (the “Company”) will be held at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS on 5 May 2011 at 11.15 a.m. (or as soon thereafter as the Court Meeting (as defined in the document of which this notice forms part (the “Scheme Document”)) shall have concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution.**

#### **SPECIAL RESOLUTION**

THAT for the purpose of giving effect to the scheme of arrangement dated 11 April 2011 (the “**Scheme**”) between the Company and the holders of the Scheme Shares (as defined in the Scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman thereof, in its original form or subject to any modification, addition or condition approved or imposed by the Court and agreed to by the Company and Middleby Holding UK Ltd (“**Bidco**”):

- (a) the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
- (b) the share capital of the Company be reduced by cancelling and extinguishing all of the Scheme Shares;
- (c) subject to and forthwith upon the reduction of capital referred to in paragraph (b) above taking effect and notwithstanding any other provision to the contrary in the articles of association of the Company:
  - (i) the reserve arising in the books of account of the Company as a result of the reduction of capital referred to in paragraph (b) above be capitalised and applied in paying up in full at par such number of new ordinary shares of ten pence each in the capital of the Company (the “**New Lincat Shares**”) as shall be equal to the aggregate number of Scheme Shares cancelled pursuant to paragraph (b) above, which shall be allotted and issued (free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever), credited as fully paid, to Bidco and/or its nominee(s) in accordance with the terms of the Scheme; and
  - (ii) the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to allot shares in connection with the Scheme, provided always that (1) the maximum aggregate nominal amount of the shares which may be allotted under this authority shall be the aggregate nominal amount of the New Lincat Shares; (2) this authority shall expire (unless previously revoked, varied or renewed) on the fifth anniversary of the date on which this resolution is passed; and (3) this authority shall be in addition and without prejudice to any other authority under section 80 of the Companies Act 1985 and/or section 551 of the Companies Act 2006 previously granted and in force on the date on which this resolution is passed;
- (d) with effect from the Effective Date (as defined in the Scheme) and pursuant to section 97 of the Companies Act 2006 the Company be re-registered as a private limited company with the name “Lincat Group Limited”, the articles of association of the Company be amended to reflect such name change and Article 141(B)(i) be amended so that the final sentence is deleted and replaced with the words “For such purpose the value of an Ordinary Share shall be such value as the Directors in their absolute discretion shall determine;”;

- (e) with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new article after article 9 as article 9A (and amending the remainder of the articles and any cross references thereto accordingly):

**“9A Scheme of arrangement**

- 9A.1 In this Article 9A, the “**Scheme**” means the scheme of arrangement dated 11 April 2011, between the Company and the Scheme Shareholders (as defined in the Scheme) under Part 26 of the Act either in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by the Company and Middleby Holding UK Ltd (“**Bidco**”); “**Decision Form**” means the Decision Form circulated to Lincat Awardholders in accordance with the LTIP Proposals and pursuant to which Lincat Awardholders were entitled to exercise their Lincat Share Awards in accordance with the LTIP Proposals; “**First Court Order**” means the order of the Court sanctioning the Scheme under section 899 of the Act; and (save as defined in this Article) expressions defined in the Scheme shall have the same meanings in this Article.
- 9A.2 Notwithstanding any other provision of these Articles, if the Company issues any ordinary shares (other than to Bidco and/or its nominee(s)) at or after the adoption of this Article 9A and at or before the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.
- 9A.3 Notwithstanding any other provision of these Articles, if any ordinary shares are issued to any person (a “**New Member**”) (other than under the Scheme, to the Trustee in order that the Trustee can satisfy any Relevant Share Awards (as defined in Article 9A.4) or to Bidco or its nominee(s)) after the Scheme Record Time, such New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) will, provided the Scheme has become effective, be obliged immediately to transfer all of the ordinary shares held by the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) (the “**Post-Scheme Shares**”) to Bidco (and/or its nominee(s)) who shall be obliged to acquire all of the Post-Scheme Shares. The consideration for each Post-Scheme Share transferred to Bidco (and/or its nominee(s)) shall be 1,050 pence in cash (or such greater or lesser amount as may be payable under the Scheme if modified in accordance with its terms).
- 9A.4 Notwithstanding any other provisions of these Articles, the Company may issue ordinary shares to the Trustee after the Scheme Record Time, if and only to the extent that such ordinary shares (amounting to no more than 22,500 ordinary shares when aggregated with all ordinary shares issued to the Trustee since 22 March 2011) are required by the Trustee to satisfy any Lincat Share Awards subsisting on 22 March 2011 which are exercised: (A)(i) on or after the grant of the First Court Order; and (ii) otherwise than pursuant to the delivery to the Company of a Decision Form in accordance with the LTIP Proposals; or (B) at such time or in such manner that the relevant exercise is deemed to have taken place, in accordance with the terms of the LTIP Proposals, on or after the date the Scheme becomes or became effective in accordance with its terms, and, in each such case where the ordinary shares arising on such exercise have not been issued and allotted to the relevant Lincat Awardholder by the Scheme Record Time (“**Relevant Share Awards**”).
- 9A.5 Notwithstanding any other provision of these Articles, the Trustee will be free to transfer ordinary shares which it holds after the Scheme Record Time to a Lincat Awardholder who has exercised a Relevant Share Award if and only to the extent that such transfer is necessary in order to satisfy the entitlement of the relevant Lincat Awardholder upon such exercise. However, such Lincat Awardholder will be obliged to immediately transfer all of the ordinary shares transferred to him by the Trustee (“**Post-Scheme Transfer Shares**”) to Bidco (and/or its nominee(s)) who shall be obliged to acquire all the Post-Scheme Transfer Shares. The consideration for each Post-Scheme Transfer Share transferred to Bidco (and/or its nominee(s))

shall be 1,050 pence in cash (or such greater or lesser amount as may be payable under the Scheme if modified in accordance with its terms).

- 9A.6 If the Trustee holds any ordinary shares on the date falling six months after the Effective Date the Trustee will be obliged to immediately (or, if that date is not a business day, on the next following business day) transfer all of the ordinary shares held by the Trustee on such date (the “**Trustee Shares**”) to Bidco (and/or its nominee(s)) who shall be obliged to acquire all of the Trustee Shares. The consideration for each Trustee Share transferred to Bidco (and/or its nominee(s)) shall be 1,050 pence in cash (or such greater or lesser amount as may be payable under the Scheme if modified in accordance with its terms).
- 9A.7 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the value of the consideration per Post-Scheme Share, Post-Scheme Transfer Share or Trustee Share (as the case may be) to be paid under Article 9A.3, Article 9A.5 or Article 9A.6 (as the case may be) shall be adjusted by the Directors of the Company in such manner as the auditors of the Company may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this Article 9A to ordinary shares shall, following such adjustment, be construed accordingly.
- 9A.8 To give effect to any transfer of Post-Scheme Shares required by Article 9A.3 above or the transfer of Post-Scheme Transfer Shares required by Article 9A.5 above or the transfer of Trustee Shares required by Article 9A.6 above, the Company may appoint any person as agent for the New Member, the Lincat Awardholder and/or the Trustee (as the case may be) (or any subsequent holder or any nominee of such New Member, Lincat Awardholder and/or the Trustee or any such subsequent holders (such New Member, Lincat Awardholder, Trustee, subsequent holder or nominee being, for the purpose of this Article 9A.8, the “**Relevant Person**”)) to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the Relevant Person in respect of the Post-Scheme Shares, the Post-Scheme Transfer Shares and/or the Trustee Shares (as the case may be) in favour of Bidco and/or its nominee(s) and to do all such other things and execute and deliver all such documents as may in the opinion of the agent be necessary or desirable to vest the Post-Scheme Shares, the Post-Scheme Transfer Shares and/or the Trustee Shares (as the case may be) in Bidco or its nominee(s) and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares, the Post-Scheme Transfer Shares or the Trustee Shares (as the case may be) as Bidco may direct. If an agent is so appointed the Relevant Person shall not thereafter (except to the extent that the appointed person fails to act in accordance with the directions of Bidco) be entitled to exercise any rights attaching to the Post-Scheme Shares, the Post-Scheme Transfer Shares or the Trustee Shares (as the case may be) unless so agreed by Bidco. The Company may give a good receipt for the purchase price of the Post-Scheme Shares, the Post-Scheme Transfer Shares or the Trustee Shares (as the case may be) and may register Bidco and/or its nominee(s) as holder thereof and issue to it a certificate(s) for the same. The Company shall not be obliged to issue a certificate to the Relevant Person for the Post-Scheme Shares, the Post-Scheme Transfer Shares or the Trustee Shares (as the case may be). Bidco shall send a cheque drawn on a UK clearing bank to and in favour of the relevant New Member, Lincat Awardholder or the Trustee (or any subsequent holder) for the cash purchase price in consideration for the transfer of such Post-Scheme Shares, the Post-Scheme Transfer Shares or the Trustee Shares (as the case may be) within 14 days of: (i) in the case of the Post-Scheme Shares and the Post-Scheme Transfer Shares, the date on which the Post-Scheme Shares or the Post-Scheme Transfer Shares (as the case may be) are issued or transferred to the New Member or the Lincat Awardholder (as the case may be) provided that the Post-Scheme Shares or the Post-Scheme Transfer Shares (as the case may be) have been transferred to Bidco or its nominee(s) by such time; or (ii) in the case of the Trustee Shares, the date on which the Trustee Shares are transferred to Bidco and/or its nominee(s).

9A.9 Notwithstanding any other provision of these Articles, the Directors shall refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date.

9A.10 If the Scheme shall not have become effective by the date referred to in clause 5 of the Scheme, this Article 9A shall be of no effect.”.

By order of the Board

**Terry Storey**  
*Company Secretary*

*Registered office*

Whisby Road  
Lincoln  
LN6 3QZ

11 April 2011

## **Notes:**

### **Entitlement to attend and vote**

1. The right of members to vote at the meeting is determined by reference to the register of members. Members must be entered on the Company's share register at 6.00 p.m. on 3 May 2011 in order to be entitled to attend and vote at the meeting. Such members may only cast votes in respect of shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. In order to attend and vote at this meeting you must comply with the procedures set out in these notes by the dates specified in these notes.
3. If the meeting is adjourned then, to be entitled to attend and vote, members must be entered on the Company's register of members at 6.00 p.m. on the day which is two days before the date fixed for the adjourned meeting or, if the Company gives notice of this adjourned meeting and an entitlement time is specified in that notice, at the time specified in that notice.

### **Appointment of proxies**

4. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, vote on their behalf at the meeting. A member 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 member. A proxy can only be appointed using the procedures set out in these notes and the notes to the proxy form.
5. A proxy does not need to be a member of the Company but must attend the meeting to represent the member appointing him or her. Details of how to appoint the chairman of the meeting or another person using the proxy form are set out in the notes to the proxy form. The notes to the proxy form explain how to direct a proxy on how to vote on each resolution or withhold their vote.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the proxy will vote or abstain from voting at his or her discretion. The proxy of a member will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
7. In order to be valid, a white form of proxy or other instrument appointing a proxy together with the power of attorney or other authority under which it is signed, or a duly certified copy of such power or authority, or a notarially certified or office copy of such power or authority, must reach the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 11.15 a.m. on 3 May 2011 or, in the case of any adjournment of the meeting not less than 48 hours before the time of such adjourned meeting.
8. The return of a completed form of proxy, other such instrument or CREST Proxy Instruction (as described in note 14 below) will not prevent a member attending the meeting and voting in person if he/she wishes to do so.
9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
10. Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Company's registrars, Computershare, on 0870 707 1118 (from within the UK) or +44 870 707 1118 (from outside the UK) for further white Forms of Proxy or photocopy the white Form of Proxy as required. Such holders should also read the section entitled "Multiple proxy voting instructions" set out on page 7 of the document of which this notice forms part.

### **Changing proxy instructions**

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

### **Termination of proxy appointments**

12. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's Registrars, Computershare, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy or a notarially certified or office copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company's Registrars, Computershare, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 11.15 a.m. on 3 May 2011.

### **CREST electronic proxy appointment service**

13. CREST members who wish to appoint a proxy or proxies 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 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.
14. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with the specifications of Euroclear UK &



Ireland Limited (“Euroclear”), and must contain the information required for such instruction, as described in the CREST Manual. This 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 issuer’s agent (participant ID 3RA50) by 11.15 am. on 3 May 2011 (or, in the case of an adjournment, not later than 48 hours before the time and date fixed for the holding of the 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 issuer’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. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual.

CREST members and, where applicable, their CREST sponsor or voting service provider, should note that Euroclear 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, to procure that his or her CREST sponsor or voting service provider takes) 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 sponsor or voting service provider are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

15. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. In any case your proxy form must be received by the Company’s Registrars no later than 11.15 a.m. on 3 May 2011 (or, in the case of an adjournment, not later than 48 hours before the time and date fixed for the adjourned holding of the meeting).

#### **Corporate representatives**

16. Any corporation which is a member can appoint one or more corporate representatives who may exercise on the corporation’s behalf all of its powers as a member provided that different representatives do not do so in relation to the same shares.

#### **Issued shares and total voting rights**

17. As at close of business on 8 April 2011 (being the last practicable business day before the publication of the document of which this notice forms part) the Company’s issued share capital consisted of 5,491,989 ordinary shares of ten pence each. On a vote by show of hands every ordinary member who is present in person or (being a corporation) is present by a duly authorised representative has one vote. On a vote by poll every ordinary member who is present in person or by proxy has one vote for every ordinary share held.

#### **Articles of association on display**

18. Copies of the Company’s existing articles of association as proposed to be amended by the special resolution set out in the notice of the General Meeting are available for inspection at the offices of Lincat’s solicitors, Eversheds LLP, One Wood Street, London EC2V 7WS during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), until the opening of business on the day on which the General Meeting is held and will also be available for inspection at the place of the General Meeting for at least 15 minutes prior to and during the General Meeting.

#### **Helpline**

19. If you have any queries relating to this document, the meeting (or the preceding Court Meeting) or the completion and return of any form of proxy, please telephone Computershare between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday on 0870 707 1118 from within the UK or +44 870 707 1118 if calling from outside the UK. Calls to the 0870 707 1118 number cost 5.1 pence per minute (including VAT) plus your service provider’s network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Calls may be recorded and monitored for security and training purposes. The helpline cannot provide advice on the merits of the Scheme or give any financial, legal or tax advice.

#### **Electronic address**

20. You may not use any electronic address provided in this notice of General Meeting or the white form of proxy to communicate with the Company for any purposes other than those expressly stated.









