



## **GB Group plc (“GBG”)**

Incorporated and registered in England under number 2415211

# **Notice of Annual General Meeting 2016**

This document is important and requires your immediate attention. If you are in doubt of its contents or the action you should take, you should consult your stockbroker, solicitor, accountant or other professional advisor duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your ordinary shares in GB Group Plc (the Company), please pass this document together with the accompanying documents to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass the documents on to the person who now holds the shares.



24 June 2016

### **Dear Shareholder**

You are invited to attend this year's Annual General Meeting ("AGM") which we are holding at GB Group plc Head Office, The Foundation, Herons Way, Chester Business Park, Chester CH4 9GB on Tuesday 26 July 2016 at 1.00pm.

I am also pleased to advise you that GBG's Annual Report and Accounts 2016 ("the Annual Report") has been published and is available on the Company's website, [www.gbplc.com/uk/investors/financial-statements](http://www.gbplc.com/uk/investors/financial-statements).

There are a number of formal matters to be dealt with at the AGM and full Notice is set out on pages 4 and 5 of this document. In addition further details about these matters are set out below.

### **PROXY VOTING**

If you are unable to attend the AGM in person your vote is still important to us and we would encourage you to appoint a proxy to vote on your behalf. You can do this online by visiting our registrar, Equiniti Limited's website at [www.sharevote.co.uk](http://www.sharevote.co.uk) or via the "Crest" electronic proxy service. Alternatively you can appoint a proxy by post, by completing the proxy form sent to you and returning it in the pre-paid envelope provided. We must receive your votes by 1.00pm on Friday 22 July 2016. Further details relating to voting by proxy are set out in notes 1 to 4 on page 6 of this document.

### **EXPLANATORY NOTES**

An explanation is provided below of certain resolutions which are to be proposed at this year's AGM of the Company to be held on 26 July 2016.

### **DIVIDEND REINVESTMENT PLAN**

Subject to the final dividend set out in Resolution 2 of the notice of AGM being approved by the Company's shareholders, the Board proposes that the Company once again makes available to shareholders a Dividend Reinvestment Plan ("the DRIP"). Under the DRIP, shareholders can elect to receive shares at market value on the dividend payment date as opposed to receiving their cash dividend. The DRIP is administered by the Company's registrar, Equiniti Limited. Shareholders wishing to participate in the DRIP (who have not already elected to do so) should contact Equiniti on 0371 384 2364 who will send you an application form. To join the plan for the final dividend for the year ended 31 March 2016 you must return your completed application form to Equiniti by 5 August 2016.

### **RENEWAL OF AUTHORITY TO ALLOT SHARES**

An ordinary resolution will be put to shareholders pursuant to Section 551 of the Companies Act 2006 ("the Act"), to authorise the Directors to allot relevant securities in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,031,354 which represents approximately one third (33.3 per cent) of the existing issued share capital of the Company as at 8 June 2016. In accordance with the latest guidelines, paragraph (a)(ii) of Resolution 7, if passed, would give the Directors authority to allot, including the shares referred to in paragraph (a)(i) of Resolution 7, a further one third (33.3 per cent) of the Company's shares in connection with a pre-emptive offer by way of a rights issue to shareholders. This would be for up to a maximum nominal amount of £2,062,708, representing approximately two thirds (66.6 per cent) of the Company's existing issued share capital and calculated as at 8 June 2016.

Except for the allotment of relevant securities pursuant to the exercise of share options, the Directors have no present intention of issuing any shares. However, it is considered prudent to maintain the flexibility that this authority provides. This authority shall expire at the end of the next AGM or, if earlier, 15 months from the passing of this resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

### **DIS-APPLICATION OF PRE-EMPTION RIGHTS**

A special resolution will be put to the shareholders pursuant to Section 570(1) of the Act, empowering the Directors to allot equity securities (within the meaning of Section 560 of the said Act) without first being required to offer such shares to existing shareholders. In light of the Company's acquisition strategy and on the recommendation of our advisors the authority was previously increased from 5% (as in previous years) to 10%. The £309,716 nominal amount of equity securities to which this authority now relates represents approximately 10% of the issued share capital of the Company as at 8 June 2016. This authority shall expire on the date of the next AGM of the Company after the passing of this resolution (or, if earlier, 15 months from the passing of this resolution) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

### **PURCHASE OF THE COMPANY'S OWN SHARES**

This special resolution seeks authority from shareholders pursuant to Section 701 of the Act for the Company to make market purchases (within the meaning of Section 693(4) of the Act) of its own ordinary shares of 2.5 pence provided that:

- The maximum number of ordinary shares to be purchased is 12,388,639 ordinary shares, an aggregate nominal amount of £309,716 which is equivalent to 10% of the Company's issued ordinary share capital at 8 June 2016.
- The minimum price which may be paid for each ordinary share is 2.5p; and
- The maximum price which may be paid for each ordinary share shall be the higher of (i) an amount equal to 5% above the average market value of the company's ordinary shares for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange Official List at the time of purchase.

The authority will expire at the end of next year's AGM or 15 months from the passing of this resolution, whichever is the sooner. The Directors have no immediate intention of exercising the proposed authority when it becomes effective, but believe that the ability of the Company to buy its own shares if, in the Directors' opinion market prices do not reflect the Company's worth, will be in the best interests of the Company and its shareholders. The Directors intend to exercise this power only if they believe the effect of such purchases will increase earnings per share. Appropriate gearing levels and the overall financial position of the Company will be taken into account before deciding on this course of action. Any shares purchased pursuant to this power will be cancelled and the number of shares in issue will be reduced accordingly.

### **Voting Recommendation**

Your Directors consider that the resolutions being proposed at the AGM are in the best interests of both the Company and the shareholders as a whole and unanimously recommend that you vote in favour of them as the Directors intend to do in respect of their own beneficial holding.



**David Rasche**  
Chairman

## Notice of Annual General Meeting

### Ordinary Business

**Resolution 1** – To receive the Report of the Directors, the Auditor's Report and the audited accounts of the Company for the year ended 31 March 2016.

**Resolution 2** – To declare a final dividend in the sum of 2.08 pence per ordinary share for the year ended 31 March 2016.

**Resolution 3** – To re-elect David John Wilson as a Director of the Company.

**Resolution 4** – To re-elect Richard Martin Linford as a Director of the Company.

**Resolution 5** – To receive the Report on Directors' Remuneration.

**Resolution 6** – To re-appoint Ernst & Young LLP as auditors and to authorise the Directors to determine their remuneration.

**Resolution 7** – That:

- (a) in accordance with section 551 of the Companies Act 2006 (the "Act") the directors be authorised to allot shares in the Company, and to grant rights to subscribe for or to convert any security into shares in the Company:
  - (i) up to a maximum nominal amount of £1,031,354; and
  - (ii) comprising equity securities (as defined in Section 560 of the Act) up to a maximum nominal amount of £2,062,708 (including within such limit any shares allotted or rights granted under paragraph (i) above in connection with an offer by way of a rights issue as follows:
    - (A) to holders of shares in proportion (as nearly as may be practicable) to their existing holdings; and
    - (B) to holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;

and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter;

- (b) this authority shall expire on the earlier of the date 15 months from the passing of this resolution or the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (whichever is the earlier) save that the Company may make offers and enter into agreements during the relevant period which would, or might, require relevant securities to be allotted after the authority ends and the Board may allot relevant securities under any such offer or agreement as if the authority had not expired; and
- (c) all previous authorities granted under Section 551 of the Act be revoked.

### Special Business

**Resolution 8** – That, subject to passing of Resolution No. 7 above:

- (a) in accordance with Article 5.2 of the Company's Articles of Association and section 570(1) of the Act, the Directors be given power to allot equity securities (as defined in Section 560 of the Act) wholly for cash as if Section 560(1) of the Act did not apply to such allotment provided that this power shall be limited to:
  - (i) the allotment of equity securities where such securities have been offered (whether by way of rights issue, open offer or otherwise) to the holders of ordinary shares on the register on any record date selected by the Directors for the purpose (and, if in accordance with their rights or if the Directors of the Company so determine, holders on any such date of other equity securities of any class) in proportion (as nearly as may be) to their existing holdings of ordinary shares or, as the case may be, other equity securities on such record date (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with any legal problems under the laws of any overseas territory, or the requirements of any recognised regulatory body or any stock exchange, or in relation to fractional entitlements or by virtue of shares being represented by depositary receipts or otherwise howsoever);

- (ii) otherwise than in relation to allotments under paragraph (a) (i) of this resolution, for the purposes of paragraph (b) of Article 5.2 of the Company's Articles of Association, the aggregate nominal amount of equity securities to which this power is limited is £309,716;
- (b) this power shall expire on the earlier of the date 15 months from the passing of this resolution or the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (whichever is the earlier) save that such authority shall extend to the making before such expiry of an offer or arrangement that would, or might, require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of that offer or arrangement as if the authority conferred hereby had not expired; and
- (c) all previous powers granted under Section 570(1) of the Act or Section 95 of the Companies Act 1985 be revoked.

**Resolution 9** – That the Company be generally and unconditionally authorised pursuant to Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 2.5 pence each in the capital of the Company, provided that:

- (a) the maximum number of ordinary shares hereby authorised to be purchased is 12,388,639 (representing 10% of the Company's issued ordinary share capital at 8 June 2016);
- (b) the minimum price, exclusive of any expenses, which may be paid for an ordinary share is 2.5 pence (equivalent to the nominal value of the Company's ordinary shares);
- (c) the maximum price, exclusive of any expenses, which may be paid for any ordinary share is:
  - (i) an amount equal to 5% above the average of the middle market quotations for an ordinary share in the Company taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; or
  - (ii) the last independent trade and highest current independent bid on the London Stock Exchange Official List at the time of the purchase.
- (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the earlier of the date 15 months from the passing of this resolution or the conclusion of the next Annual General Meeting of the Company after the passing of this resolution; and
- (e) the Company may make a contract for the purchase of ordinary shares under this authority before the expiry of this authority which would or might be executed wholly or partly after the expiry of such authority, and may make purchases of ordinary shares in pursuance of such a contract as if such authority had not expired.

By Order of the Board



**John Constantin**  
Company Secretary (FCIS)  
Dated: 24 June 2016

Registered Office: GB Group plc, The Foundation, Herons Way, Chester Business Park, Chester CH4 9GB (Registered in England, Number 2415211)

## Notes

### 1. Appointment of proxies

A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and (on a poll) vote instead of him. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company. A proxy form may be used to make such an appointment. The notes on the proxy form give instructions on the appointment of a proxy.

### 2. Online proxy voting

You may, if you wish, register the appointment of a proxy electronically by logging on to [www.sharevote.co.uk](http://www.sharevote.co.uk). To use this service you will need your Voting ID, Task ID and Shareholder Reference Number which are printed on your form of proxy (which will be sent to you by post). Full details of the procedure are given on the website.

### 3. CREST proxy voting

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.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by our Registrars, Equiniti (ID RA19) by 1.00pm on 22 July 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application 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 instruction to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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

### 4. Return date for proxies

To be effective a proxy card must be deposited with the Registrar to the Company not less than 48 hours before the time fixed for the meeting.

### 5. Documents available for inspection

Copies of service contracts of the Directors of the Company may be inspected at the registered office of the Company at all times during normal business hours and at the place of the AGM for a period of 15 minutes immediately prior to the AGM until its conclusion.

## **6. Record date for voting**

Only members whose names appear on the register of members of the Company at the close of business on 22 July 2016 at 6.30pm or, if the AGM is adjourned, at close of business on the day two days prior to the adjourned meeting (excluding any part of the day that is not a working day) shall be entitled to attend the AGM either in person or by proxy and the number of Ordinary shares and/or preference shares then registered in their respective names shall determine the number of votes such persons are entitled to cast at the AGM. Changes to the register after the close of business on the relevant date shall be disregarded in determining the rights of any person to attend or vote at the meeting or any adjourned meeting.

## **7. Voting by corporate representatives**

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

## **8. Information rights**

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

## **9. Shareholders rights and proxies**

The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 1 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

## **10. Shareholder's right to ask questions**

A member attending the meeting has the right, as if section 319A of the Companies Act 2006 applied to the Company, to ask questions in relation to the business of the meeting. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

## **11. Copy of Notice available on website**

A copy of this AGM notice, and other information required by section 311A of the Companies Act 2006, can be found at <http://www.gbplc.com/uk/investors/financial-statements>.

## **12. Shareholders' power to require website publication of audit concerns**

Shareholders should note that the Company will treat section 527 of the Companies Act 2006 as applying to it, and consequently that it is possible that, pursuant to requests made by shareholders, the Company may be required to publish on a website a statement setting out any matter relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM. The Company may not require the shareholders requesting such website publication to pay its expenses. Where the Company is required to place a statement on a website, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on a website as if section 527 of the Companies Act 2006 applied to the Company.

## **13. Electronic address restrictions**

Any electronic address provided either in this notice or any related documents (including the Chairman's letter and proxy form) may not be used to communicate with the Company for any purposes other than those expressly stated.

## Information about the Annual General Meeting

### HOW TO GET THERE

#### By Car

Leaving the M56 at junction 15, travel towards Chester along the M53/A55. At the signs for Chester Business Park (A483 Chester/Wrexham) exit the A55, taking the third exit off the roundabout (signposted Chester Business Park). Travel past the Holiday Inn Hotel and at the next roundabout, turn right (third exit) onto the Business Park. GBG are located in the first building on your left. Free visitor parking is available on site.

#### By Train

The office is located 15 minutes away from Chester Railway Station – a taxi is recommended.

#### By Bus

There are numerous buses which stop at Chester Business Park. Please visit [www.arrivabus.co.uk](http://www.arrivabus.co.uk) for further details.

#### Attending the Meeting

Please bring your attendance card with you. It will confirm your right to attend, speak and vote and will speed up your admission to the meeting. Please be advised that if you own shares through a nominee account, you will be required to provide a letter from the nominee confirming your shareholding. If you are unable to obtain this letter we cannot guarantee that you will be able to vote at the AGM.

#### Shareholder Enquiries

The address and contact details for the Company's registrar Equiniti are Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.  
Tel: 0371 384 2030

The address and contact details of the Company's Chester office are The Foundation, Herons Way, Chester Business Park, Chester CH4 9GB.  
Tel: +44 (0)1244 657 333

