

# IMPELLAM GROUP PLC

## NOTICE OF ANNUAL GENERAL MEETING

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action which you should take, you are recommended to seek your own financial advice from your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000.**

If you have sold or transferred all of your shares in Impellam Group plc please pass this document, together with the accompanying documents and Proxy Form, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was affected for onward transmission to the purchaser or transferee.

---



**Impellam Group plc**

Registered in England No. 6511961

---

## **DETAILS OF THE 2017 ANNUAL GENERAL MEETING**

This document should be read as a whole and in conjunction with the accompanying Proxy Form. Your attention is drawn to the letter from the Chairman of Impellam Group plc which is set out on pages 2 to 4 of this document recommending, on behalf of the Directors, that you vote in favour of the Resolutions to be proposed at the Annual General Meeting referred to below.

Notice of the Annual General Meeting, to be held at the offices of Cenkos Securities plc, 6.7.8 Tokenhouse Yard, London, EC2R 7AS at 9.00 a.m. on Wednesday 28 June 2017, is set out on pages 5 to 7 of this document. Members may appoint a proxy or proxies (provided that each proxy is appointed to exercise the rights attached to different shares) to exercise all or any of his or her rights to attend, speak and vote at the Annual General Meeting. Enclosed with this document is a Proxy Form for use in respect of the Annual General Meeting. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete, sign and return the hard copy Proxy Form as soon as possible, and in any event, so as to be received by Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU not later than 9.00 a.m. on Monday 26 June 2017. If you hold shares in CREST you may appoint a proxy or proxies (provided that each proxy is appointed to exercise the rights attached to different shares) by completing and transmitting a CREST Proxy Instruction to Capita Asset Services (CREST Participant ID RA10) so that it is received no later than 9.00 a.m. on Monday 26 June 2017. Completion and return of a Proxy Form or CREST Proxy Instruction will not prevent Shareholders from attending and voting in person at the Annual General Meeting should they so wish.

**Impellam Group plc**  
Registered office:  
800 The Boulevard  
Capability Green  
Luton  
Bedfordshire LU1 3BA  
Registered Number: 6511961

5 May 2017

To: Holders of Ordinary Shares

**Dear Shareholder**

### **Annual General Meeting – Wednesday 28 June 2017**

I have pleasure in sending to you the Notice of the Annual General Meeting (“AGM”) of Impellam Group plc (the “Company”) which is to be held at 9.00 a.m. on Wednesday 28 June 2017 at the offices of Cenkos Securities plc, 6.7.8 Tokenhouse Yard, London, EC2R 7AS. Set out below is an explanation of the Resolutions that are to be proposed at the AGM. Resolutions 1 to 15 are proposed as Ordinary Resolutions and Resolutions 16 and 17 are proposed as Special Resolutions.

### **Ordinary Resolutions**

#### **Resolution 1 – Annual Report 2016**

Shareholders will be asked to receive and adopt the Company’s Annual Report & Financial Statements and the reports of the Directors and the Auditors for the financial year ended 31 December 2016 (the “Annual Report 2016”). A copy of the Annual Report 2016 can be found on the Company’s website.

#### **Resolutions 2 to 10 (inclusive) – Election and re-election of Directors**

Alison Wilford has been appointed as a Director of the Company by the Board since the last AGM and, as such, she will offer herself for election. Each of the other current Directors of the Company are subject to annual re-election by Shareholders. Accordingly, each of them retires and, being eligible, offers themselves for re-election. Biographical details of all current Directors are set out on pages 52 and 53 of the Annual Report 2016.

#### **Resolutions 11 and 12 – Appointment of Auditors and Auditors’ remuneration**

The Company is required at each AGM to appoint Auditors to hold office until the conclusion of the next AGM. Accordingly, Resolutions 11 and 12 propose to appoint KPMG LLP as Auditors of the Company and authorises the Directors to determine their remuneration.

#### **Resolution 13 – Final dividend**

The Board has proposed a final dividend of 13.5 pence per Ordinary Share (“the Final Dividend”). Subject to shareholder approval at the AGM, the final dividend will be paid on 10 August 2017 to the holders of Ordinary Shares as shown on the Company’s Register of Members at the close of business on 7 July 2017. Together with the interim dividend of 7 pence per Ordinary Share which the Company announced on 28 July 2016, this brings the total aggregate amount of dividends declared relating to the year ended 31 December 2016 to 20.5 pence per Ordinary Share.

#### **Resolution 14 – Political donations and political expenditure**

The Company does not make, and has no intention of changing its current practice of not making, donations to political parties or organisations (and will not do so without specific endorsement of its Shareholders), and there are restrictions under the Companies Act 2006 upon political donations and political expenditure being made or incurred without prior Shareholder authorisation. The restricted activities are given broad meanings by the Companies Act 2006, such that certain expenditure which might be, in the view of the Directors, in the interests of the Company to incur would be prohibited (such as expenditure for the purposes of communicating the Company’s views to political audiences and relevant interest groups). To allow the Directors to comply with the Companies Act 2006 and to act in the interests of the Company, a Resolution will be proposed which would give the Directors authority to make political donations or incur political expenditure in an aggregate amount not exceeding £50,000 in the period ending on 28 September 2018 or the conclusion of the 2018 AGM (whichever is the earlier). This Resolution also covers any political donations made, or any political expenditure incurred by, any subsidiaries of the Company.

## **Resolution 15 – Authority to allot shares**

The existing power granted to the Directors to allot shares will expire on the conclusion of the AGM on Wednesday 28 June 2017. Accordingly, a Resolution will be proposed to renew the Directors' authority to allot:-

- (a) in relation to a pre-emptive rights issue only shares up to a maximum nominal amount of £335,615 (which represents approximately two-thirds of the Company's issued share capital as at 3 May 2017, being the latest practicable date prior to the date of this document). This maximum is reduced by the nominal amount of any shares allotted under the authority set out in paragraph 15(b); and
- (b) in any other case, shares up to a maximum nominal amount of £167,807 (which represents approximately one-third of the Company's issued share capital as at 3 May 2017, being the latest practicable date prior to the date of this document). This maximum amount is reduced by the nominal amount of any shares allotted under the authority set out in 15(a) in excess of £167,807.

This authority will expire at the earlier of the conclusion of the 2018 AGM and 28 September 2018. The Directors do not have any current intention to exercise this general authority. However, the Directors consider it appropriate to maintain the flexibility that this authority provides. It is intended to renew this authority at successive AGMs. As at the date of this letter, the Company does not hold any shares as treasury shares within the meaning of section 724 of the Companies Act 2006.

## **Special Resolutions**

### **Resolution 16 – Disapplication of statutory pre-emption rights**

In addition to Resolution 15 a Resolution will be proposed to renew the Directors' powers to allot shares for cash up to an aggregate nominal amount of £50,342 (being 10 per cent of the nominal value of the Company's issued ordinary share capital as at 3 May 2017, being the latest practicable date prior to the date of this document) without first offering such shares to existing Shareholders. The Resolution also enables the Company, in the event of a rights issue, to meet certain practical difficulties which may arise in connection with fractional entitlements or in respect of overseas Shareholders as a result of local laws and which prevent shares from being issued strictly pro rata. This authority will expire at the earlier of the conclusion of the 2018 AGM and 28 September 2017. The Directors do not have any current intention to exercise this power; however the Directors consider it appropriate to maintain the flexibility that this power provides. It is intended to renew this power at successive AGMs.

### **Resolution 17 – Purchase of own shares**

The Directors consider that it would be beneficial to the Company if, in certain circumstances, the Company had the power to continue to purchase its own Ordinary Shares. The current authority given in the 2016 AGM for the Company to purchase Ordinary Shares will expire on the conclusion of the AGM on Wednesday 28 June 2017. The Directors will only exercise this power if they are satisfied, after careful consideration, that it is in the best interests of the Company. Furthermore, account will be taken of the overall financial implications for the Company of exercising this authority. If such purchases were made, the Company would be able to do either or a combination of the following:

- (a) cancel the purchased Ordinary Shares so reducing the total number of Ordinary Shares in issue; or
- (b) where the shares were purchased out of distributable profits, subject to certain limitations, hold them as treasury shares.

Treasury shares themselves may be cancelled, sold for cash or transferred for the purposes of the Company's employee share schemes. The statutory pre-emption rights apply to a sale of treasury shares for cash and the disapplication of the statutory pre-emption rights in Resolution 16 includes, within the pre-emption disapplication amount, any sales of treasury shares for cash which may occur.

Therefore, a further Resolution will be proposed at the AGM to authorise the Directors to purchase up to a maximum of 5,034,237 Ordinary Shares, being 10 per cent of the issued Ordinary Share capital of the Company as at 3 May 2017 (the latest practicable date prior to the date of this document), and which provides that the maximum price per Ordinary Share payable on any exercise of the authority shall not be more than the higher of (i) 5 per cent above the average of the middle market quotations for the Ordinary Shares as derived from the London Stock Exchange's Daily Official List for the five business days prior to making any purchase; and (ii) the higher of the price for the last independent trade of and the highest current independent bid for any number of Ordinary Shares on the London Stock Exchange's AIM market. The minimum price payable shall be 1 pence per Ordinary Share, being the nominal value of an Ordinary Share. For this purpose both the maximum and minimum prices permitted to be paid are exclusive of expenses. This authority will expire at the earlier of the conclusion of the 2018 AGM, when the Directors intend to seek renewal of the authority, and 28 September 2018.

**Action to be taken**

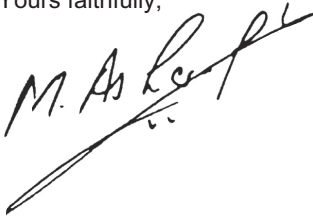
You will find enclosed a Proxy Form for use at the AGM. If you will not be attending the AGM, please complete, sign and return the Proxy Form as soon as is possible in accordance with the instructions printed on the form. Proxy Forms should be returned to Capita Asset Services as soon as possible and in any event so as to be received not later than 9.00 a.m. on Monday 26 June 2017. If you return a Proxy Form, you will still be able to attend, speak and vote in person, if you so wish. Shareholders should note that they may appoint one or more proxies in relation to the AGM provided that each proxy is appointed to exercise the rights attaching to a different share or shares.

**Recommendation**

All of the Directors consider that the Resolutions to be considered at the AGM are in the best interests of the Company and of the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favour of all the Resolutions to be proposed at the AGM, as they intend to do in respect of their own beneficial holdings, amounting in aggregate to 1,961,945 Ordinary Shares.

I and my fellow Board members look forward to your attendance at the upcoming AGM.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'M. Ashcroft', written over a horizontal line.

**Lord Ashcroft KCMG PC**  
Chairman

## Notice of Annual General Meeting

Notice is hereby given that the eighth Annual General Meeting of Impellam Group plc will be held at the offices of Cenkos Securities plc, 6.7.8 Tokenhouse Yard, London, EC2R 7AS at 9.00 a.m. on Wednesday 28 June 2017 for the following purposes:

### Ordinary Resolutions

To consider and, if thought fit, to pass the following Resolutions as Ordinary Resolutions:

1. That the Company's Annual Report and Financial Statements and the reports of the Directors and the Auditors for the financial year ended 31 December 2016 (the "2016 Accounts") be received, considered and adopted
2. That Lord Ashcroft KCMG PC be re-elected as a Director of the Company
3. That Julia Robertson be re-elected as a Director of the Company
4. That Alison Wilford be elected as a Director of the Company
5. That Angela Entwistle be re-elected as a Director of the Company
6. That Mike Ettlting be re-elected as a Director of the Company
7. That Michael Laurie be re-elected as a Director of the Company
8. That Derek O'Neill be re-elected as a Director of the Company
9. That Sir Paul Stephenson be re-elected as a Director of the Company
10. That The Honourable Shane Stone AC QC be re-elected as a Director of the Company
11. That KPMG LLP be re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at which accounts are laid before the Company
12. That the Directors be authorised to determine the remuneration of the Auditors
13. That a final dividend of 13.5 pence per Ordinary Share is proposed in respect of the year ended 31 December 2016 be declared. Subject to shareholder approval, this dividend will be paid on 10 August 2017 to the holders of Ordinary Shares at 5.00 p.m. on 7 July 2017
14. That the Company and any company which is, or becomes, a subsidiary of the Company during the period to which this Resolution relates be and is hereby authorised to:
  - (a) make donations to political parties and/or independent election candidates;
  - (b) make donations to political organisations other than political parties; and
  - (c) incur political expenditure,up to an aggregate amount of £50,000, and the amount authorised under each of paragraphs (a) to (c) shall also be limited to such amount, during the period commencing on the date of this Resolution and ending on the earlier of the conclusion of the 2018 Annual General Meeting of the Company and 28 September 2018. Any terms used in this Resolution 14 which are defined in Part 14 of the Companies Act 2006 (the "2006 Act") shall bear the same meaning for the purposes of this Resolution 14.
15. That for the purposes of section 551 of the 2006 Act the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot equity securities (within the meaning of section 560 of the 2006 Act) in the Company or grant rights to subscribe for or convert any security into equity securities in the Company ("Relevant Securities")
  - (a) up to an aggregate nominal amount of £335,615 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant to the authority in paragraph 15(b) below) in connection with an offer by way of a rights issue to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  - (b) in any other case, up to an aggregate nominal amount of £167,807 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authority in paragraph 15(a) above in excess of £167,807)provided that this authority shall, unless renewed, varied or revoked by the Company in a general meeting, expire at the earlier of the conclusion of the 2018 Annual General Meeting and 28 September 2018, provided that the Company may before such expiry make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreements as if such authority had not expired or been revoked or varied.

## Special Resolutions

To consider and, if thought fit, to pass the following Resolutions as Special Resolutions:

16. That, subject to the passing of Resolution 15, the Directors of the Company be and they are hereby empowered (in substitution for any such existing authorities) pursuant to section 570 of the 2006 Act to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash, pursuant to the general authority conferred on them by the passing of Resolution 15 above or by way of sale of treasury shares as if section 561(1) of the 2006 Act did not apply to such allotment, provided that this power shall be limited to:
- (a) the allotment of equity securities in connection with a rights issue, open offer or other pre-emptive offer in favour of ordinary Shareholders where the equity securities respectively attributable to the interests of all ordinary Shareholders are proportionate or as nearly as may be to the respective number of Ordinary Shares held by them on the record date applicable to such issue, but subject to such exclusions or other arrangements as the Directors may deem fit to deal with fractional entitlements or legal or practical problems arising in or in respect of any overseas territory, the requirements of any regulatory body or stock exchange or by virtue of any other matter whatever; and
  - (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate maximum nominal amount of £50,342,
- and the power hereby conferred shall expire at the earlier of (a) 28 September 2018 and (b) the conclusion of the 2018 Annual General Meeting of the Company but may before such expiry be revoked or varied from time to time by special resolution, save that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power has not expired or been revoked or varied.
17. That the Company is hereby granted general an unconditional authority for the purposes of section 701 of the 2006 Act to make market purchases (within the meaning of section 693(4) of the 2006 Act) of Ordinary Shares of 1 pence each in its capital (the "Ordinary Shares") provided that:
- (a) the maximum aggregate number of Ordinary Shares authorised that may be purchased is 5,034,237;
  - (b) the minimum price (excluding expenses) that may be paid per Ordinary Share is not less than 1 pence;
  - (c) the maximum price (excluding expenses) that may be paid per Ordinary Share is the higher of:
    - (i) an amount equal to 105 per cent of the average of the middle market quotations for an Ordinary Share as derived from the Daily Official List for the five business days immediately preceding the day on which the purchase is made;
    - (ii) the higher of the price quoted for the last independent trade of and the highest current independent bid for any number of Ordinary Shares on the London Stock Exchange's AIM market; and
  - (d) this authority, unless previously renewed, shall expire on the earlier of 28 September 2018 or at the conclusion the 2018 Annual General Meeting of the Company except in relation to the purchase of any Ordinary Shares the contract for which was concluded before the date of expiry of the authority and which would or might be completed wholly or partly after that date.

By order of the Board



**Rebecca Watson**  
Company Secretary  
5 May 2017

### Registered office:

800 The Boulevard  
Capability Green  
Luton  
Bedfordshire LU1 3BA

Registered Number: 6511961

- 1) Any member may appoint a proxy to attend, speak and vote on his/her behalf. A member may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares of the member (please contact the Company's registrar, Capita Asset Services, to appoint more than one proxy), but must attend the meeting in person. A proxy need not be a member. Proxy Forms should be lodged with the Company's Registrar or submitted not later than 48 hours, excluding any day that is not a business day, before the time for which the Annual General Meeting is convened. Completion of the appropriate Proxy Form does not prevent a member from attending, speaking and voting in person if he/she is entitled to do so and so wishes but if he does so, the proxy appointment will be automatically terminated.
- 2) In the case of joint holders, the vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority is determined by the order in which the names stand in the register of members in respect of the joint holding.
- 3) A Proxy Form is provided with this Notice and instructions for use are shown on the form. To be valid, a completed form, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be received by the Company's registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU, not later than 48 hours, excluding any day that is not a business day, before the time appointed for the meeting or adjourned meeting or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, not later than 48 hours before the time appointed for the taking of the poll at which it is to be used. Deposit of a Proxy Form shall not preclude a member from attending, speaking and voting in person at the meeting or any adjournment of the meeting.
- 4) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournments of it by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed voting service providers, should refer to their sponsors or voting service providers, who will be able to take the appropriate action on their behalf.
- 5) 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 those 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 the previously appointed proxy, must, to be valid, be transmitted so as to be received by the Company's agent (RA10) by the latest time for receipt of proxy appointments specified in the Notice of Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 6) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK 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 voting service providers, to procure that its CREST sponsors or voting service providers take) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 7) 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. In order to attend and vote at the AGM, a corporate representative must bring evidence of his authority.
- 8) Copies of the Annual Report and Accounts 2016, contracts of service and letters of appointment of any Director with the Company are available for inspection at the Company's registered office during business hours on any weekday (Saturdays and public holidays excluded) and will be available for inspection at the place of the meeting from 15 minutes before it is held until its conclusion.
- 9) The Company gives notice that only those Shareholders entered on the relevant register of members (the "Register") for certificated or uncertificated shares of the Company (as the case may be) as at close of business on Monday 26 June 2017 (the "Specified Time") will be entitled to attend, speak or vote at the meeting in respect of the number of shares registered in their name at the time. Changes to entries on the Register after the Specified Time will be disregarded in determining the rights of any person to attend or vote at that meeting. Should the meeting be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. Should the meeting be adjourned for a longer period, then to be so entitled, members must be entered on the Register at the time which is 48 hours before the time fixed for the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in the notice.
- 10) As at 3 May 2017 (being the last practicable day prior to the publication of this Notice) the Company's issued share capital consisted of 50,342,371 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 3 May 2017 are 50,342,371.

