



GROUP PLC

## **Notice of meeting 2014**

Mears Group PLC

(Company registered number 3232863)

to be held at the offices of Buchanan, 107 Cheapside,  
London EC2V 6DN on Wednesday 4 June 2014 at 9:30am

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# Notice of meeting 2014

Mears Group PLC

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Notice is hereby given that the Annual General Meeting (AGM) of Mears Group PLC (the Company) will be held at the offices of Buchanan, 107 Cheapside, London EC2V 6DN on Wednesday 4 June 2014 at 9:30am for the following purposes:

## Ordinary business

- Resolution 1. THAT the Audited Accounts for the year ended 31 December 2013, together with the Directors' Report and Auditor's Report thereon, be received and adopted.
- Resolution 2. THAT the Directors' Remuneration Policy contained on pages 48 to 63 of the Audited Accounts for the financial year ended 31 December 2013 be approved.
- Resolution 3. THAT Grant Thornton UK LLP be re-appointed as auditor of the Company and the Directors be authorised to fix its remuneration.
- Resolution 4. THAT a final dividend of 6.30p per ordinary share for the year ended 31 December 2013 be declared.
- Resolution 5. THAT Bob Holt be re-elected as a Director.
- Resolution 6. THAT David Miles be re-elected as a Director.
- Resolution 7. THAT Andrew Smith be re-elected as a Director.
- Resolution 8. THAT Alan Long be re-elected as a Director.
- Resolution 9. THAT Peter Dicks be re-elected as a Director.
- Resolution 10. THAT Mike Rogers be re-elected as a Director.
- Resolution 11. THAT David Hosein be re-elected as a Director.
- Resolution 12. THAT Davida Marston be re-elected as a Director.
- Resolution 13. THAT Rory Macnamara be re-elected as a Director.

*(Resolutions 1 to 13 will be proposed as Ordinary Resolutions.)*

## Special business

- Resolution 14. THAT the Board be and is hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (Act) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company (Rights):

(a) up to an initial aggregate nominal amount of £336,481; and

(b) up to a further aggregate nominal amount of £336,481 but only in connection with a rights issue in favour of ordinary shareholders where the ordinary shares respectively attributable to the interest of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them;

provided that this authority shall expire on the date of the next AGM of the Company after 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 be granted after such expiry and the Board may allot shares or grant rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired (Ordinary Resolution).

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**Special business continued**

- Resolution 15. THAT subject to the passing of Resolution 14 set out on page 2, the Board be and is hereby authorised, pursuant to Section 570 of the Act, to allot equity securities (within the meaning of Section 560 of the Act) for cash during the period referred to in Resolution 14 as if sub-section (1) of Section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
- (a) in connection with a rights issue, open offer or other offer of securities in favour of the holders of ordinary shares on the register on a fixed record date in proportion (as nearly as may be) to their respective holdings of such securities or in accordance with the rights attached thereto subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatever; and
  - (b) (otherwise than pursuant to sub-paragraph (a) above) up to an aggregate nominal amount of £50,472 (representing 5,047,200 ordinary shares of 1p) being 5% of the issued share capital of the Company at the date of this Notice (Special Resolution).
- Resolution 16. THAT the Company be and is hereby generally and unconditionally authorised to hold general meetings (other than the AGM) for the purpose of conducting either ordinary or special business on 14 days' notice from the date of the passing of this resolution and such authority expiring at the conclusion of the next AGM of the Company (Special Resolution).
- Resolution 17. THAT, in accordance with paragraph 42(2)(b) of Schedule 2 of the Companies Act 2006 (Commencement No. 8, Transitional Provisions and Savings) Order 2008, the restriction on the authorised share capital of the Company set out in regulation 6 of the memorandum of association of the Company, which by virtue of section 28 of the Companies Act 2006 is treated as a provision of the Company's Articles of Association, is hereby revoked and deleted (Special Resolution).
- Resolution 18. THAT in respect of the Company's Articles of Association: (i) the word "Amount" in the heading to Article 3 shall be deleted; and (ii) the wording in Article 3.1 shall be deleted in its entirety and replaced with the word "Blank" (Special Resolution).

By order of the Board

**B R Westran**  
**Secretary**  
28 March 2014

1390 Montpellier Court  
Gloucester Business Park  
Brockworth  
Gloucester GL3 4AH

# Notice of meeting 2014 continued

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## Explanatory notes

### Resolution 1

The Directors are required by law to present to the meeting the Audited Accounts and the Directors' and the Auditor's Reports for the year ended 31 December 2013.

### Resolution 2

The Company is required by law to seek the approval of shareholders of its Annual Report on Remuneration Policy. This Report for the financial year ended 31 December 2013 is set out in full on pages 48 to 63 of the Audited Accounts for the financial year ended 31 December 2013.

### Resolution 3

The auditor is required to be re-appointed at each AGM at which Accounts are presented. The Directors, on the recommendation of the Audit Committee (which has evaluated the effectiveness and independence of the external auditor), are proposing the re-appointment of Grant Thornton UK LLP.

### Resolution 4

Final dividends must be approved by shareholders but must not exceed the amount recommended by Directors. If the meeting approves Resolution 4, the final dividend in respect of 2013 of 6.30p per share will be paid on 3 July 2014 to ordinary shareholders who are on the Register of Members on 13 June 2014 in respect of each ordinary share.

### Resolutions 5 to 13

In accordance with the UK Corporate Governance Code (the Code), all of the Directors will seek re-election at the AGM (to take effect at the conclusion of the AGM). Company Law requires that each Director is voted on separately and accordingly each Director will be proposed for re-election by a separate resolution. Biographies of the Directors seeking re-appointment are set out on page 37 of the Audited Accounts for the financial year ended 31 December 2013. All of the Directors offering themselves for re-appointment have wide business knowledge and bring valuable skills and experience to the Board. The Board is satisfied that all of the Non-Executive Directors are independent in character and there are no relationships or circumstances that are likely to affect their independence. The performance of the Board as a whole, as well as the contribution made by individual Directors, has been reviewed during the course of the year. After considering this evaluation, the Chairman has confirmed that the performance of every Executive and Non-Executive Director continues to be effective, that they continue to demonstrate commitment to their respective roles, and that their respective skills complement one another to enhance the overall operation of the Board.

### Resolution 14

The authority sought by this resolution is for the Directors to be authorised to allot ordinary shares comprising up to a total aggregate nominal amount of £672,962. This represents approximately two thirds of the issued share capital. This is within the guidelines issued by the ABI in that it is considered routine and standard practice for a listed company to seek authorisation to allot up to two thirds of its existing issued share capital. However, the additional one third may only be applied to fully pre-emptive rights issues and the authorisation must only be valid until the next AGM. If any of the additional one third is used and issued by the Company and the proceeds of the issue exceed one third of the pre-issue market capitalisation, all Directors of the Company are required to stand for re-election at the following AGM. The Directors will therefore be seeking annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources. This authority will expire at the next AGM.

### Resolution 15

When shares are to be allotted for cash, Section 561 of the Act provides that existing shareholders have pre-emption rights and that any new shares are offered first to such shareholders in proportion to their existing shareholdings. This resolution is seeking to authorise the Directors (pursuant to Section 570 of the Act) to allot ordinary shares of up to an aggregate nominal amount of £50,472 otherwise than on a pro rata basis. This represents 5% of the Company's issued share capital on 28 March 2014 (being the latest practical date prior to the printing of this Notice). The Directors are seeking annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources. This authority will expire at the next AGM.

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## **Explanatory notes** continued

### **Resolution 16**

Section 307 of the Act allows a company to hold general meetings (other than AGMs) on 14 days' notice. The Shareholder Rights Directive (2007/36/EU) implemented into UK law by the Companies (Shareholders' Rights) Regulations 2009 increased this to a period of 21 clear days, unless the members of a company agree to a shorter notice period which cannot be any less than 14 clear days. It is therefore necessary for the Company to pass this resolution allowing the Company to continue to hold general meetings (other than the AGM) on not less than 14 days' notice. This authority will expire at the next AGM.

### **Resolution 17**

Regulation 6 of the Company's Memorandum of Association currently provides for the Company to have an authorised share capital. The requirement for a company to have an authorised share capital was removed when the Companies Act 2006 came into force and the Directors believe that it is no longer appropriate for the Company's share capital to be limited in this way. In any event, the ability of the Company to issue new shares is limited by the authority contained in Resolution 15 and this should provide sufficient safeguards for the Company's shareholders.

### **Resolution 18**

Article 3.1 of the Company's Articles of Association currently provides for the Company to have an authorised share capital. For the same reasons set out above for Resolution 17 these provisions are proposed to be deleted.

## **Notes**

1. As a member of the Company, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the AGM and you should have received a Form of Proxy with this Notice of AGM. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy. Appointment of a proxy does not preclude you from attending the AGM and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.
2. Information regarding the meeting, including the information required by Section 311A of the Act, is available from [www.mearsgroup.co.uk](http://www.mearsgroup.co.uk).
3. A proxy does not need to be a member of the Company but must attend the AGM to represent you. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. To appoint a proxy using the Form of Proxy, the form must be: (i) completed and signed; (ii) sent or delivered to the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and (iii) received by the Company's Registrars no later than 48 hours before the appointed time of the AGM.
5. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.
6. As at 5.00pm on 25 March 2014 (being the latest practical date prior to the printing of this Notice) the Company's issued share capital consists of 100,944,544 ordinary shares of 1p, carrying one vote each.
7. 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 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(s); should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

## Notice of meeting 2014 continued

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### Explanatory notes continued

#### Notes continued

8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournments of it by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EU](http://www.euroclear.com/site/public/EU)).
9. Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (2001 No. 3755) the Company has specified that only those members registered on the Register of Members of the Company at 9:30am on 2 June 2014 shall be entitled to attend and vote at the AGM in respect of the number of ordinary shares registered in their name at that time. Changes to the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the AGM.

There will be available for inspection at the Company's registered office during normal business hours from the date of this Notice to the date of the AGM and for 15 minutes prior to and during the AGM the following:

- (a) the Register of Directors' Interests;
- (b) the Memorandum and Articles of Association; and
- (c) copies of the Directors' Service Contracts with the Company or its subsidiaries and the terms and conditions of appointment of Non-Executive Directors.