

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about what action to take, you are recommended immediately to consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your ordinary shares of 5 pence each in Pennant, please forward this document and the accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

WH Ireland, which is authorised and regulated in the UK by the Financial Conduct Authority, is acting as financial adviser to Pennant and for no-one else in connection with the proposals described in this document and accordingly will not be responsible to any person other than Pennant for providing the protections afforded to customers of WH Ireland or for providing advice in relation to such proposals.

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# **Pennant International Group plc**

*(Incorporated and registered in England and Wales with number 3187528)*

## **Renewal of approval of waiver of obligations under Rule 9 of The City Code on Takeovers and Mergers**

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Notice of a general meeting of the Company to be held at Pennant Court, Staverton Technology Park, Cheltenham, Gloucestershire GL51 6TL on 14 April 2015 at 10.35 a.m., or as soon thereafter as the 2015 AGM convened for 10.30 a.m. on that day has concluded, is set out at the end of this document. The recommendation of the Independent Directors is set out on page 10.

To be valid, the accompanying form of proxy for use at the general meeting of the Company must be duly completed, executed and returned, by hand or by post, to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA not less than 48 hours before the time for holding the meeting.

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## DEFINITIONS

<b>“2015 AGM”</b>	the annual general meeting of the Company to be held at Pennant Court, Staverton Technology Park, Cheltenham, Gloucestershire GL51 6TL at 10.30 a.m. on 14 April 2015
<b>“2014 Annual Report and Accounts”</b>	the annual report and accounts of the Company for the year ended 31 December 2014 containing, <i>inter alia</i> , the report of the Directors
<b>“Act”</b>	the Companies Act 2006 as amended, restated or re-enacted from time to time
<b>“Buyback Resolution”</b>	the ordinary resolution of the Shareholders to be proposed at the 2015 AGM to allow the Company to make market purchases of up to 15 per cent. of the Issued Voting Shares as at the date of the 2015 AGM and which will expire at the conclusion of the annual general meeting of the Company to be held in 2016 unless previously renewed, varied or revoked
<b>“Circular”</b>	this document
<b>“City Code”</b>	The City Code on Takeovers and Mergers
<b>“Company” or “Pennant”</b>	Pennant International Group plc
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange plc
<b>“Directors” or “Board”</b>	the directors of Pennant
<b>“FCA”</b>	the Financial Conduct Authority
<b>“General Meeting” or “Meeting”</b>	the general meeting of the Company convened by the notice set out at the end of this document
<b>“Group”</b>	Pennant and its subsidiaries
<b>“Independent Directors”</b>	the Directors other than Christopher Powell and Jennifer Powell
<b>“Independent Shareholders”</b>	the Shareholders other than the Powells’ Concert Party
<b>“Issued Voting Shares”</b>	the Ordinary Shares in issue from time to time,

	after deduction of any Ordinary Shares held in treasury
<b>“Powells’ Concert Party” or “Concert Party”</b>	Christopher Powell, Jennifer Powell, members of Christopher Powell’s and Jennifer Powell’s immediate family and pension funds established for the benefit of Christopher Powell and Jennifer Powell
<b>“Ordinary Shares” or “Shares”</b>	the ordinary shares of 5 pence each in the capital of Pennant
<b>“Panel”</b>	the Panel on Takeovers and Mergers
<b>“Shareholders”</b>	the holders of Ordinary Shares
<b>“WH Ireland”</b>	WH Ireland Limited, the Company’s Nominated Adviser and Broker
<b>“Whitewash Resolution”</b>	the ordinary resolution of the Independent Shareholders concerning the waiver of obligations under Rule 9 of the City Code to be proposed on a poll at the General Meeting and set out in the notice of General Meeting set out at the end of this document

**PART I**

**LETTER FROM THE CHIEF EXECUTIVE**



*(Incorporated and registered in England and Wales under the Companies Acts 1985 and 1989)  
(Registered No. 3187528)*

*Directors:*

Christopher Charles Powell FCA (*Chairman*)  
Christopher Snook (*Chief Executive*)  
Philip Henry Walker BA ACA (*Chief Financial Officer*)  
Jennifer Katherine Powell (*Non-Executive*)

*Registered Office:*

Pennant Court  
Staverton Technology Park  
Cheltenham  
Gloucestershire  
GL51 6TL

17 March 2015

*To Shareholders and, for information purposes only, to the holders of options under the Pennant share option schemes*

Dear Sir or Madam,

**RENEWAL OF APPROVAL OF WAIVER OF OBLIGATIONS UNDER RULE 9 OF  
THE CITY CODE**

**Authority to purchase Ordinary Shares**

On 10 April 2014, the Company obtained Shareholders' approval to purchase up to 15 per cent. of the Issued Voting Shares as at that date. That authority expires at the conclusion of the 2015 AGM. A resolution will be proposed at the 2015 AGM to renew that authority. The purpose of this document is to seek Independent Shareholders' approval of the renewal of the waiver of obligations under Rule 9 of the City Code.

The maximum price (exclusive of expenses) which may be paid for an Ordinary Share is an amount equal to 105 per cent. of the average of the middle market quotations for an Ordinary Share as at the close of business for the five business days immediately preceding the day on which the Ordinary Share is purchased. The minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 5 pence. Such market purchases of Ordinary Shares by the Company would be made from the Company's distributable reserves and any Ordinary Shares purchased would be either cancelled or held by the Company in treasury as treasury shares. Such treasury shares may be subsequently sold for cash, transferred pursuant to, or for the purposes of, an employees' share scheme or cancelled. For such time that any Ordinary Shares may be held by

the Company in treasury, the voting and dividend rights attaching to those Shares will be suspended.

Any purchase of Ordinary Shares would be at the discretion of the Board in the light of prevailing market conditions. However, Shareholders should not assume that any such purchases will necessarily take place.

On 10 April 2014, being the date of the AGM held in 2014, the Company had 28,000,000 Ordinary Shares in issue of which 1,677,739 Ordinary Shares were held in treasury. The authority to purchase Ordinary Shares obtained at that meeting was over 3,948,339 Ordinary Shares. Between that date and the date of this document, the Company made no market purchases of Ordinary Shares and therefore has residual authority under the resolution passed by Shareholders on 10 April 2014 in respect of a further 3,948,339 Ordinary Shares. The Company may use some or all of this residual authority prior to the General Meeting. At the date of this document the Company has 28,000,000 Ordinary Shares in issue of which 1,527,739 are held in treasury.

### **Information on the Powells' Concert Party**

The Powells' Concert Party comprises Christopher Powell, his wife Jennifer Powell, members of their immediate family and pension funds established for the benefit of Christopher Powell and Jennifer Powell.

Christopher Powell is Chairman of the Company. Further information regarding Christopher Powell is set out on the Company's website [www.pennantplc.co.uk/investors](http://www.pennantplc.co.uk/investors).

Jennifer Powell is a Non-executive Director of the Company. Further information regarding Jennifer Powell is set out on the Company's website [www.pennantplc.co.uk/investors](http://www.pennantplc.co.uk/investors).

For the purposes of the City Code, the individual members of the Powells' Concert Party are deemed to be a concert party with regard to their interests in the issued share capital of Pennant. The individual members of the Concert Party hold in aggregate 10,301,533 Ordinary Shares, comprising 38.91 per cent. of the Issued Voting Shares. For the avoidance of any doubt, all calculations in this letter expressed as a percentage relate to the issued voting rights, being total shares in issue less shares held in treasury. The individual interests of the members of the Powells' Concert Party are as follows:

<b>Powell's Concert Party Member</b>	<b>Number of Ordinary Shares held</b>	<b>Percentage of Issued Voting Shares</b>
Mr CC Powell Pension Fund	2,310,180	8.73
Mrs JK Powell Pension Fund	2,797,095	10.57
Mr CC Powell	887,271	3.35
Mrs JK Powell	3,427,771	12.95
Miss Nikki Powell	488,108	1.84
Miss Katie Powell	391,108	1.48
<b>Total</b>	<b>10,301,533</b>	<b>38.91</b>

Should the Company not buy back any more Ordinary Shares under the authority conferred by Shareholders on 10 April 2014, the number of Issued Voting Shares at the date of the General Meeting will be 26,472,261 and, accordingly, the proposed authority under the Buyback

Resolution will be sought in respect of 3,970,839 Ordinary Shares. If the Company does not utilise any more of the existing authority from Shareholders to purchase Ordinary Shares but does purchase Ordinary Shares to the full extent of the authority to be conferred by the Buyback Resolution the aggregate number of Ordinary Shares in which the Powells' Concert Party is interested, namely 10,301,533 Ordinary Shares, would represent approximately 45.78 per cent. of the Issued Voting Shares.

However, should the Company purchase the remaining 3,948,339 Ordinary Shares it is permitted to purchase under the resolution passed on 10 April 2014, the number of Issued Voting Shares at the date of the General Meeting will be 22,523,922 and accordingly the proposed authority under the Buyback Resolution will be sought in respect of 3,378,588 Ordinary Shares. If the Company does utilise the balance of the authority to purchase Ordinary Shares conferred by the resolution passed on 10 April 2014 and the full extent of the authority to be conferred by the Buyback Resolution, the interest of the Powells' Concert Party in 10,301,533 Ordinary Shares would represent approximately 55.52 per cent. of the Issued Voting Shares. This would be the maximum potential interest of the Powells' Concert Party.

<b>Powell's Concert Party Member</b>	<b>Number of Ordinary Shares held</b>	<b>Percentage of Issued Voting Shares (assuming existing authority is not utilised further and new authority is fully utilised)</b>	<b>Percentage of Issued Voting Shares (assuming existing authority is fully utilised and new authority is fully utilised)</b>
Mr CC Powell Pension Fund	2,310,180	8.25	12.45
Mrs JK Powell Pension Fund	2,797,095	9.99	15.08
Mr CC Powell	887,271	3.17	4.78
Mrs JK Powell	3,427,771	12.24	18.48
Miss Nikki Powell	488,108	1.74	2.63
Miss Katie Powell	391,108	1.40	2.11
<b>Total</b>	<b>10,301,533</b>	<b>36.79</b>	<b>55.52</b>

Under Rule 9 of the City Code, any person who acquires an interest (as such term is defined in the City Code) in shares which, taken together with the shares in which he and persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights in a company which is subject to the City Code, is normally required to make a general offer to all of the remaining shareholders to acquire their shares. Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights but does not hold shares carrying more than 50 per cent. of the voting rights of such a company, a general offer will normally be required if any further interests in shares are acquired by any such person. These limits apply to the entire concert party as well as the total beneficial holdings of individual members. Such an offer would have to be made in cash at a price not less than the highest price paid by him, or by any member of the group of persons acting in concert with him, for any interest in shares in the Company during the 12 months prior to the announcement of the offer. Under Rule 37 of the City Code, any increase in the percentage holding of a shareholder which results from a company buying back its own shares will also be treated as an acquisition for the purpose of Rule 9 of the City Code. A shareholder will, in such circumstances, incur an obligation to make a mandatory offer unless the consent of the Panel to a waiver of such an obligation is obtained.

**You should note that if the Company fully utilises the authority to purchase Ordinary Shares conferred by the resolution passed on 10 April 2014 and fully utilises the authority conferred by the Buyback Resolution, if passed, the Powell's Concert Party would hold between them more than 50 per cent. of the voting rights of the Company. In those circumstances, the Powell's Concert Party would be permitted (for so long as its members continue to be treated as acting in concert) to make purchases of Ordinary Shares without incurring an obligation under Rule 9 to make a general offer to all holders of Ordinary Shares, although each separate member of the Powell's Concert Party will not be able to increase their percentage interest in Ordinary Shares over 30 per cent. of the Ordinary Shares or, if already holding more than 30 per cent. of the Ordinary Shares, at all without Panel consent.**

**Shareholders should also note that in the event the proposals in this document are approved at the GM, the Powell's Concert Party will not be restricted from making an offer for Pennant should it choose to do so.**

### **Waiver of the obligation to make a mandatory offer under Rule 9 of the City Code**

The Panel has agreed, subject to the Whitewash Resolution being passed on a poll by the Independent Shareholders at the General Meeting, to waive the requirement under Rule 9 of the City Code for the members of the Powells' Concert Party, collectively and/or individually, to make a mandatory offer for the Ordinary Shares not already owned by them or persons connected with them as would otherwise arise were the Company to implement its authority to make market purchases under the Buyback Resolution (assuming that the Buyback Resolution is duly passed at the 2015 AGM). For the avoidance of doubt, this waiver applies only in respect of increases in the shareholdings of the members of the Powells' Concert Party resulting solely from market purchases by the Company of its own Ordinary Shares, where the market purchases are made pursuant to the Buyback Resolution. Furthermore, the waiver does not apply to any other authority sought for the Company to purchase its own Ordinary Shares after the date of the General Meeting or any shareholding increase in relation to any Shareholder other than members of the Powells' Concert Party.

The Independent Directors believe that it is in the best interests of the Company that the Whitewash Resolution be passed so as to make the authority under the Buyback Resolution, once granted, utilisable.

### **Intentions of the Powells' Concert Party**

The members of the Powells' Concert Party are not intending to seek any changes to the Board and have confirmed that it would be their intention that, following any increase in their proportionate shareholding as a result of a purchase of Ordinary Shares by the Company, the business of the Company would be continued in substantially the same manner as at present, with no major changes. As a result, there will be no repercussions on employment or the location of Pennant's places of business and no redeployment of Pennant's fixed assets. The members of the Powells' Concert Party are also not intending to make any changes with regard to the continued employment of the employees or management of the Company and its subsidiaries, including any material change in the conditions of employment of any such employees or management. Christopher Powell, Jennifer Powell and the Powells' Concert Party have no intention to make



any changes with regard to the maintenance of the existing trading facilities for the Company's Ordinary Shares on the AIM market operated by the London Stock Exchange plc.

### **Nature of business, current trading and prospects**

The Group offers a range of services that extend across e-learning, computer based training, emulation and simulation, technical documentation, media services, cartography, supportability engineering software products and related services.

Information on current trading and future prospects of the Group is set out in the "Chairman's review and strategic report" on page 3 of the 2014 Annual Report and Accounts. A copy of the 2014 Annual Report and Accounts is being sent with this document.

Audited consolidated accounts for the last two financial years are available from the Company's website [www.pennantplc.co.uk/investors](http://www.pennantplc.co.uk/investors) and have been incorporated into this document by reference to that website. There has been no interim statement and/or preliminary announcement made since the date of the last published audited accounts.

Further information relating to the location of financial information on Pennant may be found in Part II.

### **General Meeting**

You will find set out at the end of this document a notice convening the General Meeting for 10.35 a.m. on 14 April 2015, or as soon thereafter as the 2015 AGM has concluded, in order to consider the Whitewash Resolution. Christopher Powell, Jennifer Powell and the other members of the Powell's Concert Party may attend the General Meeting but will not vote on the Whitewash Resolution, which will be conducted by means of a poll.

### **Action to be taken**

A form of proxy for use in connection with the General Meeting is enclosed. Whether or not you intend to attend the General Meeting, it is important, particularly in view of the fact that the Whitewash Resolution to be put to the Meeting will be determined by a poll, that you duly complete, execute and return the enclosed form of proxy, by hand or by post, to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA in accordance with the instructions printed thereon. To be valid, the completed form of proxy must be returned as soon as possible and, in any event, so as to arrive not less than 48 hours before the time for holding the meeting. Completion and return of a proxy form will not prevent Independent Shareholders from attending and voting at the General Meeting in person should they wish to do so.

### **Further information**

Your attention is drawn to Part II of this document which contains further information relating to Pennant and to the 2014 Annual Report and Accounts sent with this Circular to Shareholders.

## **Recommendation**

The Independent Directors, who have been so advised by WH Ireland, consider that the waiver of the obligation that the Powells' Concert Party might otherwise incur, as a result of the Company making market purchases, to make a general offer for the whole of the share capital of the Company is fair and reasonable and is in the best interests of the Company and Independent Shareholders as a whole. Accordingly, the Independent Directors unanimously recommend that Independent Shareholders vote in favour of the Whitewash Resolution at the General Meeting as they intend to do in respect of their entire holdings which amount to 1,487,500 Ordinary Shares (representing approximately 5.62 per cent. of the Issued Voting Shares). In providing advice to the Independent Directors, WH Ireland has taken into account the Independent Directors' commercial assessments.

Yours faithfully

**Christopher Snook**  
*Chief Executive*

## PART II

### ADDITIONAL INFORMATION

#### 1. Responsibility

- (a) The Independent Directors accept responsibility for the information contained in this document save for that in relation to the Powells' Concert Party. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) Christopher Powell and Jennifer Powell accept responsibility for the information contained in this document save for that in relation to the recommendation of the Independent Directors set out in the section entitled "Recommendation" in Part I of this document. To the best of the knowledge and belief of Christopher Powell and Jennifer Powell (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. The Directors of, and additional information on, Pennant

- (a) The current Directors of Pennant are:

Christopher Charles Powell, *Chairman*  
Christopher Snook, *Chief Executive*  
Philip Henry Walker, *Chief Financial Officer*  
Jennifer Katherine Powell, *Non-Executive Director*

- (b) The principal activity of the Company is the provision of management services to its subsidiaries. The principal activity of the Group is the delivery of integrated logistic support solutions.

#### 3. Interests and dealings

- (a) The interests of each of the Directors in the ordinary share capital of the Company (all of which are beneficial, save for Christopher Powell's shareholding of which the beneficial holders are specified in the table in the letter from the Chief Executive of Pennant under the heading "Information on the Powell's Concert Party") as defined by the City Code (as set out at the end of this paragraph), and the existence of which is known to the Directors or could with reasonable diligence be ascertained by them as at 16 March 2015 (being the latest date practicable prior to the publication of this document) are set out below:

Director	Number of ordinary shares held	% of Issued Voting Shares
Christopher Powell	10,301,533	38.91
Christopher Snook	1,487,500	5.62

- (b) In the period of 12 months immediately preceding the date of this document, the Company has undertaken the following dealings in its own shares:

Date	Nature of transaction	Number of Ordinary Shares traded	Price (pence)
10/11/2014	Release to satisfy share options exercise	150,000	-

- (c) Save as disclosed above or in paragraph (f) below, during the period of 12 months immediately preceding the date of this document, there have been no dealings in relevant securities by the Company, the Directors, the Concert Party or any person acting in concert with the Company, the Directors or the Concert Party.
- (d) No relevant securities have been borrowed or lent by the Company, the Directors, the Concert Party or any person acting in concert with the Company, the Directors or the Concert Party.
- (e) WH Ireland holds 642,000 Ordinary Shares in the Company on behalf of discretionary clients.
- (f) Other than disclosed in this document, no Director or member of the Concert Party and no other person acting in concert with the Company, the Directors or the Concert Party is interested in any relevant securities or has the right to subscribe for relevant securities or has a short position (whether conditional or absolute and whether in the money or not), including a short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of or in any relevant securities.
- (g) Any market purchases of Ordinary Shares by the Company would be made from the Company's distributable reserves and therefore there are no financing arrangements in place. As such, there is no arrangement relating to the purchase of Ordinary Shares where the payment of interest on, repayment of or security for any liability (contingent or otherwise) is dependent to any significant extent on the business of the Company.

In this paragraph references to:

- (a) "control" means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding(s) give(s) de facto control;
- (b) "dealing" or "dealt" includes the following:
- the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of voting rights attached to relevant securities, or of general control of relevant securities;
  - 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 relevant securities;
  - subscribing or agreeing to subscribe for relevant securities;

- d. the exercise or conversion, whether in respect of new or existing relevant securities, of any relevant securities carrying conversion or subscription rights;
  - e. 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 relevant securities;
  - f. entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
  - g. any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- (iii) “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
- (iv) being “interested” in relevant securities includes where a person:
- a. owns relevant securities;
  - b. has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them;
  - c. by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or 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
  - d. is party to any derivative whose value is determined by reference to its price and which results, or may result, in his having a long position in it;
- (v) “relevant securities” means Ordinary Shares and securities convertible into, rights to subscribe for, derivatives referenced to, short positions (including a short position under a derivative) and options (including traded options) in respect of, Ordinary Shares.

#### 4. Directors’ service agreements

- (a) Details of the service contracts of Mr Snook and Mr Walker are as follows:

	<b>Date of agreement</b>	<b>Notice period</b>	<b>Salary as at 1 January 2015 £</b>	<b>Previous salary £</b>
Christopher Snook	11 April 2005	12 months	200,000	200,000
Philip Walker	3 November 2014	12 months	120,000	n/a

- (b) In addition to the above salaries, each of Mr Snook and Mr Walker is entitled to commission of five per cent. and 2.5 per cent. respectively. of net profits of the Group in excess of £500,000 in any financial year subject to a maximum commission in respect of any financial year equal to 100 per cent. of his salary in that financial year. The net profits of the Group are computed after deducting Directors’ salaries, fees and benefits in kind but before any bonuses and before tax.

- (c) With effect from 1 January 2014 Mr Snook is entitled to a further commission equal to the dividend payable on 1,400,000 Ordinary Shares.
- (d) Under his service contract, Mr Walker is entitled to have a motor car, subject to a maximum hire costs of £10,000 per annum provided for him by the Company. The Company will bear the costs of running the motor car. Mr Snook is paid a car allowance of £24,000 per annum to provide his own car and is reimbursed using a rate per mile for the running costs of the car on Company business. In addition, the Company pays contributions to the Company's pension scheme in each year for the benefit of Mr Snook and Mr Walker equal to 10 per cent. of their annual salary.
- (e) On 6 March 1998 the Company entered into an agreement for the supply by Mr Powell of management consultancy services. Under that agreement, as amended on 11 February 2002, the Company currently pays an annual retainer of £125,000 plus VAT (previously £125,000 plus VAT) plus a fee based on the pre-tax profits calculated on the same basis as the Directors' commission referred to in (b) above, such additional fees in any year not to exceed an amount equal to 100% of the retainer for that year. The agreement is terminable by not less than one year's notice in writing from either party to the other.
- (f) With effect from 4 November 2010 the Company entered into a contract of employment under which Mrs Powell is currently paid a salary of £35,000 per annum (previously £35,000 per annum). The contract is terminable upon six months' notice in writing from either party.
- (g) The only amendments which have been made to the Directors' service contracts within six months of the date of this document are:
- The changes in remuneration specified in paragraphs (a) (e) and (f) above.
  - The changes to commissions payable specified in paragraph (c).

## 5. Middle market quotations

Set out below are the closing middle-market quotations for the Ordinary Shares for the first dealing day of each of the six months immediately preceding the date of this document and for 16 March 2015 (being the latest practicable date prior to the publication of this document).

<b>Date</b>	<b>Price per Ordinary Share (pence)</b>
1 October 2014	83.5
3 November 2014	93.0
2 December 2014	87.0
1 January 2015	84.0
3 February 2015	88.2
2 March 2015	85.5
16 March 2015	98.0

## 6. General

- (a) WH Ireland 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 and its advice to the Independent Directors in the form and context in which they appear.
- (b) There is no agreement, arrangement, or understanding (including any compensation arrangement) between the members of the Powells' Concert Party or any person acting in concert with any of them and any of the Directors, recent directors, Shareholders, or recent shareholders of the Company, or any person interested or recently interested in Shares of the Company having any connection with or dependence upon the proposals set out in this Circular.
- (c) No agreement, arrangement or understanding exists whereby any Ordinary Share acquired by the Company pursuant to the authority conferred by the Buyback Resolution will be transferred to any other person.
- (d) There has been no significant change in the financial or trading position of the Company since 31 December 2014.
- (e) There have been no contracts entered into by the Company, or any member of the Powells' Concert Party or any person acting in concert with any of them, not being contracts entered into in the ordinary course of business, which are or may be material, during the period beginning two years before the date of this document.

## 7. Financial information on Pennant

Below is a table setting out the location of certain financial information contained within the 2014 and 2013 Annual Report and Accounts:

Financial information	2014 Page Number	2013 Page Number
Revenue	15 and 30	13 and 25
Net profit before tax	15	13
Tax charge	15 and 34	13 and 29
Net profit after tax	15	13
Amount absorbed by dividends	18	15
Earnings per share	15 and 35	13 and 30
Dividends per share	35	30
Group statement of financial position	17	14
Group statement of cash flows	20	16
Significant accounting policies and major notes to accounts	21 to 47	17 to 41

Copies of the 2014 and 2013 Annual Report and Accounts are available in "read only" format and can be printed from the Company's website. Hard copies of the 2014 Annual Report and Accounts are being sent to shareholders who have elected to receive hard copies, with this document. The Company will provide hard copies of the 2013 Annual Report and Accounts within two business days, without charge, to each person to whom a copy of this document has been sent, upon written or verbal request. Requests for such copies should be directed to the Company Secretary, Pennant Court, Staverton

Technology Park, Cheltenham, Gloucestershire GL51 6TL or by calling the Company Secretary on 01452 714 914.

**8. Documents available for inspection**

Copies of the following documents will be available for inspection on the Company's website, [www.pennantplc.co.uk/investors/](http://www.pennantplc.co.uk/investors/) up to and including 14 April 2015 and at the AGM to be held on that day:

- (a) the Memorandum and Articles of Association of Pennant;
- (b) the audited consolidated accounts for Pennant for the financial years ended 31 December 2013 and 2014;
- (c) the consent letter referred to in paragraph 6(a) above; and
- (d) this document



# **Pennant International Group plc**

*(Incorporated and registered in England and Wales with number 3187528)*

## **NOTICE OF GENERAL MEETING**

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Pennant International Group plc (the ‘‘Company’’) will be held at Pennant Court, Staverton Technology Park, Cheltenham, Gloucestershire, GL51 6TL on 14 April 2015 at 10.35 a.m. or as soon thereafter as the 2015 AGM convened for 10.30 a.m. on that day is concluded, for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as an ordinary resolution:

That the grant of the waiver by the Panel on Takeovers and Mergers described in the Circular to shareholders of the Company dated 17 March 2015 of any requirement under Rule 9 of the City Code on Takeovers and Mergers for the Powells’ Concert Party to make a general offer to shareholders of the Company as a result of the exercise of the market purchases authority granted by the resolution to be proposed at the 2015 Annual General Meeting of the Company to be held on 14 April 2015 to allow the Company to make market purchases of up to 15 per cent. of the Ordinary Shares of 5 pence each in issue at the date of that resolution and not held in treasury be and is hereby approved.

By Order of the Board  
Philip Walker  
Company Secretary

17 March 2015

Registered Office:  
Pennant Court  
Staverton Technology Park  
Cheltenham  
Gloucestershire  
GL51 6TL

### Notes

- 1 Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the General Meeting 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 shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice.
- 2 To be valid any proxy form or other instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power of attorney or authority, must be received by post or (during normal business hours only) by hand at Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA no later than 48 hours before the time appointed for the meeting or for any adjournment thereof.
- 3 The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 10 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.

4. 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 General Meeting. 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.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 10.35 a.m. on 10 April 2015 (or, in the event of any adjournment, at 10.35 a.m. on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. The resolution set out in this notice will be subject to an independent vote, taken on a poll, in accordance with the requirements of The Panel on Takeovers and Mergers for dispensation from Rule 9 of The City Code on Takeovers and Mergers, and the members of the Powells’ Concert Party will not vote on the resolution.
8. As at 16 March 2015 (being the last business day prior to the publication of this Notice) the Company’s issued share capital consisted of 28,000,000 Ordinary Shares, carrying one vote each. Of these shares 1,527,739 are held in treasury and therefore do not have voting rights. Therefore, the total voting rights in the Company as at 16 March 2015 are 26,472,261.
9. 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.
10. 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/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company’s registrars (ID 7RA11) no later than 48 hours before the time appointed for the meeting. 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 Company’s registrars are 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.
11. 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.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertified Securities Regulations 2001.
- 13.. 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.