

SysGroup plc Annual Report & Accounts 2020

Notice of Annual General Meeting

Dear Shareholder,

A copy of the Annual Report and Accounts for 2020 is now available for download from:
www.sysgroupplc.com/financial-reports/

The Annual Report and Accounts are also available from the registered office of the company and will be available at the AGM.

Notice of Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held on 4 August 2020 at 10.00 am at the offices of Hill Dickinson LLP, 50 Fountain Street, Manchester M2 2AS for the purpose of considering and, if thought fit, passing the resolutions set out below, of which Resolutions 1 to 5 will be proposed as ordinary resolutions and Resolutions 6 and 7 will be proposed as special resolutions.

Ordinary Business

To consider and, if thought fit, pass the following resolutions:

- 1. TO** receive, consider and adopt the Annual Report and Financial Statements for the year ended 31 March 2020 together with the Directors' and Auditors' Reports contained therein.
- 2. TO** reappoint Michael James Fletcher as a director who retires by rotation.
- 3. TO** reappoint John Michael Edelson as a director who retires by rotation.
- 4. TO** reappoint BDO LLP as auditors of the Company and authorise the Directors to fix their remuneration.
- 5. THAT**, in accordance with section 551 of the Companies Act 2006, the Directors be generally and unconditionally authorised to allot Relevant Securities (as defined below):
 - a. comprising equity securities (as defined by section 560 of the Companies Act 2006) up to an aggregate nominal amount of £329,464 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant the authority in resolution 5.b below) in connection with an offer by way of a rights issue:
 - i. to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
 - ii. to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

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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 £164,732 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authority in resolution 5.a above in excess of £164,732),

provided that this authority shall, unless renewed, varied or revoked by the Company, expire 15 months from the date of this resolution or, if earlier, the date of the next annual general meeting of the Company save 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 agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

For the purposes of the resolution: **Relevant Securities** means:

- i. shares in the Company other than shares allotted pursuant to: (i) an employee share scheme (as defined by section 1166 of the Companies Act 2006); (ii) a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security; or (iii) a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security; and
- ii. any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined by section 1166 of the Companies Act 2006). References to the allotment of Relevant Securities in the resolution include the grant of such rights

Special Business

As special business, to consider and, if thought fit, pass the following resolutions:

6. THAT, subject to the passing of resolution 5, the Directors be given the general power to allot equity securities (as defined by section 560 of the Companies Act 2006) for cash, either pursuant to the authority conferred by resolution 5 or by way of a sale of treasury shares, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to:

- a. the allotment of equity securities in connection with an offer by way of a rights issue:
 - i. to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
 - ii. to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

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

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- b. the allotment of equity securities or sale of treasury shares (otherwise than pursuant to resolutions 6.a above) to any person up to an aggregate nominal amount of £24,709.

The power granted by this resolution will expire 15 months from the date this resolution is passed or, if earlier, the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted (or treasury shares to be sold) after such expiry and the Directors may allot equity securities (or sell treasury shares) in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the Companies Act 2006 did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

7. **TO** authorise the Company generally and unconditionally to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of £0.01 each (Ordinary Shares) provided that:

- a. the maximum aggregate number of Ordinary Shares that may be purchased is 4,941,969;
- b. the minimum price (excluding expenses) which may be paid for each Ordinary Share is £0.01;
- c. the maximum price (excluding expenses) which may be paid for each Ordinary Share is the higher of:
- i. 105 per cent of the average market value of an Ordinary Share in the Company for the five business days prior to the day the purchase is made; and
 - ii. the value of an Ordinary Share calculated on the basis of the higher of the price quoted for:
 - a. the last independent trade of; and
 - b. the highest current independent bid for,

any number of the Company's Ordinary Shares on the trading venue where the purchase is carried out;
- d. the authority conferred by this resolution shall expire 15 months from the date this resolution is passed or, if earlier, at the conclusion of the Company's next annual general meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

By order of the board



Martin Audcent

Company Secretary

9 July 2020

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Notes

1. Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies who need not be a member of the Company to attend and to vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person, should he subsequently decide to do so.
2. In order to be valid, any form of proxy and power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power of attorney, must reach the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, not less than 48 hours (excluding weekends and bank holidays) before the time of the meeting or of any adjournment of the meeting.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 the Company specifies that to be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the number of votes they may cast), holders of Ordinary Shares must be entered on the relevant register of securities by 10.00 am on 31 July 2020. Changes to entries on the relevant register of securities after 10.00am on 31 July 2020 shall be disregarded in determining the rights of any person to attend and vote at the meeting.
4. As at 5.00pm on 8 July 2020, which is the latest practicable date before publication of this notice, the Company's issued share capital comprised 49,419,690 ordinary shares of £0.01 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5.00pm on 8 July 2020 is 49,419,690. The Company's website will include information on the number of shares and voting rights.
5. In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding (the first named being most senior).
6. Copies of the service contracts and letters of appointment of each of the Directors of the Company together with the Register of Directors' Interests will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturday and public holidays excluded) and at the place of the Annual General Meeting from at least 15 minutes prior to and until the conclusion of the Annual General Meeting.
7. The Directors have no present intention of exercising either the allotment authority under resolution 6 or the disapplication of pre-emption rights authority under resolution 7.
8. The Annual Report and Financial statements can be downloaded from the investor section of the Company's website at the following location www.sysgroupplc.com/financial-reports/