

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who is authorised under the FSMA if you are in the United Kingdom, or, if outside the United Kingdom, from another appropriately authorised independent adviser.

If you have sold or otherwise transferred all of your Shares, please forward this document, together with accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or transferred only part of your holding of Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately and refer to the instructions regarding split applications in the Application Form (if relevant).

The Existing Shares are admitted to trading on AIM. Application will be made for the New Shares to be admitted to trading on AIM. No application has been made, or is expected to be made, for the Shares (including the Placing Shares and the Conversion Shares) to be admitted to trading or dealt on any other exchange. Subject to certain conditions being satisfied, including the passing of the Resolutions at the General Meeting, it is expected that Admission will become effective and that dealings in the Placing Shares and Conversion Shares will commence on AIM at 8.00 a.m. on 5 July 2017.

All of the Shares, including the Placing Shares, will, on Admission, rank equally in all respects, including the right to receive all dividends or other distributions declared, made or paid on the Shares after Admission.

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## **REDHALL GROUP PLC**

*(incorporated and registered in England and under the Companies Act 1985 with registered number 00263995)*

### **Placing of 95,350,000 new Shares at 10 pence per Share**

#### **Debt Conversion**

#### **and**

#### **Notice of General Meeting**

*Nominated Adviser*



*Broker*



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This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Redhall, which is set out starting on page 9 of this document.

GCA Altium Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser to the Company and no one else in connection with the Transaction, and will not be responsible to any other person for providing the protections afforded to clients of GCA Altium Limited or for advising any other person in connection with the Transaction.

WH Ireland Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as broker to the Company and no one else in connection with the Transaction, and will not be responsible to any other person for providing the protections afforded to clients of WH Ireland Limited or for advising any other person in connection with the Transaction.

Notice convening a General Meeting of the Company to be held at the offices of Squire Patton Boggs (UK) LLP, 6 Wellington Place, Leeds, LS1 4AP on 30 June 2017 at 11:00 a.m. is set out at the end of this document. Shareholders will find enclosed with this document a Form of Proxy for use in connection with the General Meeting. To be valid, the Form of Proxy must be signed and returned in accordance with the instructions printed thereon so as to be received by the Company's registrars, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA as soon as possible but in any event no later than 11.00 a.m. on 28 June 2017. Completion and posting of the Form of Proxy does not prevent a Shareholder from attending and voting in person at the General Meeting.

Copies of the document will be available free of charge during normal business hours on any day (except Saturdays, Sundays and public holidays at Unit 3, Calder Close, Wakefield, West Yorkshire, WF4 3BA and the offices of Squire Patton Boggs (UK) LLP at 6 Wellington Place, Leeds LS1 4AP from the date of this document to the date of the General Meeting. This document is also available on the Company's website, <https://www.redhallgroup.co.uk/>.

## IMPORTANT INFORMATION

Investment in the Group carries risk. There can be no assurance that the Group's strategy will be achieved and investment results may vary substantially over time. Investment in the Group is not intended to be a complete investment programme for any investor. The price of the Shares and any income from Shares can go down as well as up and Shareholders may not realise the value of their initial investment. Prospective investors should carefully consider whether an investment in Shares is suitable for them in light of their circumstances and financial resources and should be able and willing to withstand the loss of their entire investment.

Potential investors contemplating an investment in the Shares should recognise that their market value can fluctuate and may not always reflect their underlying value. Returns achieved are reliant upon the performance of the Group. No assurance is given, express or implied, that Shareholders will receive back the amount of their investment in the Shares.

If you are in any doubt about the contents of this document you should consult a person authorised under the Financial Services and Markets Act 2000, who specialises in advising on the acquisition of shares and other securities or, if you are not in the United Kingdom, another appropriately authorised independent financial adviser.

Investment in the Group is suitable only for financially sophisticated individuals and institutional investors who have taken appropriate professional advice, who understand and are capable of assuming the risks of an investment in the Group and who have sufficient resources to bear any losses which may result therefrom.

None of the Company, the Directors, GCA Altium or WH Ireland are providing potential investors with any representations or warranties or any legal, financial, business, tax or other advice. Potential investors should not treat the contents of this document as advice relating to legal, taxation, investment or any other matters. Potential investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer, redemption, conversion or other disposal of Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Shares that they might encounter; and
- the income and other tax consequences that may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Shares.

Potential investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Group and an investment therein.

Statements made in this document are based on the law and practice currently in force in England and Wales and are subject to changes therein.

Certain statements in this document are or may constitute "forward looking statements", including statements about current beliefs and expectations of the Directors. In particular, the words "expect", "anticipate", "estimate", "may", "should", "plans", "intends", "will", "believe" and similar expressions (or in each case their negative and other variations or comparable terminology) can be used to identify forward looking statements. Such forward-looking statements are based on the Board's expectations of external conditions and events, current business strategy, plans and the other objectives of management for future operations, and estimates and projections of the Group's financial performance. Though the Board believes these expectations to be reasonable at the date of this document they may prove to be erroneous. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, achievements and performance of the Group, or the industry in which the Group operates, to be

materially different from any future results, achievements or performance expressed or implied by such forward looking statements.

Any forward looking statement in this document speaks only as of the date it is made. Save as required by law or the AIM Rules for Companies, the Company undertakes no obligation to publicly release the results of any revisions to any forward looking statements in this document that may occur due to any change in the Board's expectations or to reflect events or circumstances after the date of this document.

Any forward looking statement in this document based on past or current trends and/or activities of the Group should not be taken as a representation or assurance that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or to imply that the earnings of the Group for the current year or future years will match or exceed the historical or published earnings of the Group.

Certain figures in this document have been subject to rounding adjustments. Therefore, the sum of numbers in a table (or otherwise) may not conform exactly to the total figure given for that table. In addition, certain percentages presented in this document reflect calculations based on the underlying information prior to rounding and accordingly may not conform exactly to the percentages that would be derived if the relevant calculations were based on the rounded numbers.

**Website**

The contents of the Company's website (<https://www.redhallgroup.co.uk/>) do not form part of this document.

# CONTENTS

	<i>Page</i>
PLACING STATISTICS AND EXPECTED TIMETABLE	5
COMPANY OFFICERS, REGISTERED OFFICE AND ADVISERS	6
DEFINITIONS	7
LETTER FROM THE CHAIRMAN	9
NOTICE OF GENERAL MEETING	15

## PLACING STATISTICS AND EXPECTED TIMETABLE

### Placing Statistics

Placing Price per Placing Share	10 pence
Number of Existing Shares	200,050,684
Number of Placing Shares	95,350,000
Number of Conversion Shares	37,500,000
Number of Shares in issue following Admission*	332,900,684
Percentage of Enlarged Share Capital represented by the New Shares*	33.9%
Gross proceeds of the Placing	£9.535 million
Estimated net proceeds of the Placing	£8.88 million

*\* Assuming no other new Shares are issued between the date of this document and Admission*

### Expected Timetable

**2017**

Posting of this document and the Form of Proxy to Shareholders	14 June
Latest time and date for receipt of Forms of Proxy	11:00 a.m. on 28 June
Time and date of the General Meeting	11:00 a.m. on 30 June
Admission of the New Shares to trading on AIM	8:00 a.m. on 5 July
New Shares credited to CREST accounts (where applicable)	8.00 a.m. on 5 July
Despatch of definitive share certificates (where applicable)	by 19 July

*Each of the dates and times in the above timetable and elsewhere in this document refer to London and are indicative only and subject to change at the absolute discretion of the Company.*

## COMPANY OFFICERS, REGISTERED OFFICE AND ADVISERS

<b>Directors</b>	Martyn Everett ( <i>Non-executive Chairman</i> ) Phil Brierley ( <i>Chief Executive Officer</i> ) Chris Kelly ( <i>Group Finance Director</i> ) Phillip Hilling ( <i>Non-executive Director</i> ) Jamie Brooke ( <i>Non-executive Director</i> )
<b>Company secretary</b>	Chris Kelly
<b>Registered office</b>	Unit 3, Calder Close, Wakefield, West Yorkshire, WF4 3BA
<b>Website</b>	<a href="https://www.redhallgroup.co.uk/">https://www.redhallgroup.co.uk/</a>
<b>Nominated Adviser</b>	GCA Altium Limited 1 Southampton Street London WC2R 0LR
<b>Broker</b>	WH Ireland Limited 24 Martin Lane London EC4R 0DR
<b>Legal advisers to the Company</b>	Squire Patton Boggs (UK) LLP 6 Wellington Place Leeds LS1 4AP
<b>Legal advisers to the Nominated Adviser and the Broker</b>	Burgess Salmon LLP One Glass Wharf Bristol BS2 0ZX
<b>Registrars</b>	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA

## DEFINITIONS

<b>Admission</b>	the admission of the Placing Shares and the Conversion Shares becoming effective in accordance with Rule 6 of the AIM Rules for Companies
<b>AIM</b>	the AIM market of the London Stock Exchange
<b>AIM Rules for Companies</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time
<b>Board</b>	the board of directors of the Company
<b>Companies Act</b>	the Companies Act 2006 (as amended)
<b>Conversion Shares</b>	the 37,500,000 new Shares to be issued to LOIM pursuant to the Debt Conversion
<b>Debt Conversion</b>	the conversion of £3.75 million of the LOIM Debt as consideration for the issue of the Conversion Shares at the Placing Price
<b>CREST</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
<b>Debt Conversion Agreement</b>	the agreement between LOIM and the Company dated 14 June 2017 in relation to the Debt Conversion
<b>Directors</b>	the directors of the Company as at the date of this document, whose names appear on page 6 of this document
<b>Enlarged Share Capital</b>	the issued share capital of the Company immediately following Admission, comprising the Existing Shares, the Conversion Shares and the Placing Shares
<b>Existing Shares</b>	the 200,050,684 Shares in issue at the date of this document
<b>FCA or Financial Conduct Authority</b>	the Financial Conduct Authority of the United Kingdom
<b>Form of Proxy</b>	the form of proxy for use in connection with the General Meeting, which accompanies this document
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended
<b>GCA Altium</b>	GCA Altium Limited, nominated adviser to the Company
<b>General Meeting</b>	the general meeting of the Company convened for 11.00 a.m. on 30 June 2017 (or any adjournment thereof), notice of which is set out at the end of this document
<b>Group</b>	the Company and its subsidiaries and subsidiary undertakings (in each case as defined in the Companies Act)
<b>Independent Director</b>	Phillip Hilling
<b>LOIM</b>	Lombard Odier Asset Management (USA) Corp, for and on behalf of investment funds and/or accounts for which it acts as discretionary investment manager

<b>LOIM Debt</b>	the £5.74 million of debt owed to LOIM by the Company as at 13 June 2017
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>New Shares</b>	the Placing Shares and the Conversion Shares
<b>Notice</b>	the notice convening the General Meeting, which is set out at the end of this document
<b>Placing</b>	the conditional placing of the Placing Shares at the Placing Price pursuant to the Placing Agreement
<b>Placing Agreement</b>	the conditional agreement entered into on or about the date of this document between the Company, GCA Altium and WH Ireland in relation to the Placing
<b>Placing Price</b>	10 pence per Placing Share
<b>Placing Shares</b>	the 95,350,000 new Shares to be issued pursuant to the Placing
<b>Redhall or the Company</b>	Redhall Group plc
<b>Resolutions</b>	the resolutions to be proposed at the General Meeting, the full text of which is set out in the Notice
<b>Shares</b>	ordinary shares of 0.01 pence each in the capital of the Company
<b>Transaction</b>	the Placing and the Debt Conversion
<b>US or United States</b>	the United States of America
<b>US Securities Act</b>	the US Securities Act of 1933
<b>WH Ireland</b>	WH Ireland Limited, the Company's broker
<b>£ and p</b>	United Kingdom pounds sterling and pence respectively



# LETTER FROM THE CHAIRMAN OF THE COMPANY

## Redhall Group plc

(incorporated and registered in England and Wales with registered number 00263995)

### Directors

Martyn Everett (*Non-executive Chairman*)  
Phil Brierley (*Chief Executive Officer*)  
Chris Kelly (*Group Finance Director*)  
Phillip Hilling (*Non-executive Director*)  
Jamie Brooke (*Non-executive Director*)

### Registered office

Unit 3  
Calder Close  
Wakefield  
West Yorkshire  
WF4 3BA

14 June 2017

### To Shareholders

Dear Shareholder

**Placing of 95,350,000 new Shares at 10 pence per Share  
Debt Conversion  
and  
Notice of General Meeting**

### 1. Introduction

The Company announced today certain proposals which, if approved by Shareholders and otherwise become unconditional, are intended to provide the Group with additional funding and flexibility to take advantage of the commercial opportunities which the Directors have identified in the Group's chosen markets and to create Shareholder value over the medium term.

The Transaction, which comprises the Placing of 95,350,000 Placing Shares at the Placing Price with institutional and other investors to raise £9.535 million (before expenses) and the Debt Conversion, which will convert £3.75 million of the LOIM Debt in consideration for the issue of 37,500,000 Conversion Shares at the Placing Price.

Currently the Directors do not have sufficient authorities to allot the New Shares without the need to first offer the New Shares to existing Shareholders. Accordingly, the Placing and the Debt Conversion are conditional upon the Company, *inter alia*, obtaining approval from Shareholders to empower the Directors to allot the New Shares pursuant to the Placing and the Debt Conversion and to disapply statutory pre-emption rights in respect of such allotment.

The purpose of this document is to set out the background to, and reasons for, the Transaction and for the Board to recommend that Shareholders vote in favour of each of the Resolutions required to be passed to implement them. A Notice convening the General Meeting for 11:00 a.m. on 30 June 2017, at which the Board will seek your approval of the Resolutions, is set out at the end of this document.

In the event that the Resolutions are not passed, neither the Placing nor the Debt Conversion will proceed.

### 2. Background to and reasons for the Transaction

Following the successful Group restructuring which completed in 2015, the second stage of the Group's agreed strategic turnaround plan focused on establishing the platform for a high integrity manufacturing and services provider through business improvement, building a high quality order

book, improving processes and investing in R&D and equipment. This improvement process was a key focus for the Board in 2016 and is continuing through 2017.

Today the Group's operations consist of five businesses operating in high integrity manufacturing and services covering complex and hazardous environments.

The manufacturing businesses encompass the design, manufacturing, installation and commissioning of high integrity products and equipment typically in the nuclear and oil & gas sectors but also in large infrastructure projects. The Group has three businesses with strong brands and heritage in their respective areas: Booth Industries, Jordan Manufacturing and R Blackett Charlton.

The services businesses provide installation and maintenance of telecommunications network infrastructure and design and the manufacture and installation of process lines in food and pharmaceutical markets. The Group delivers these services through Redhall Networks and Redhall Jex.

The Group's order book continues to grow in terms of volume and quality, with the proportion of higher margin manufacturing orders increasing as a result of the Group's strategic focus. As at 6 June 2017, the Group's order book had progressed to £32 million (31 December 2016: £27 million), of which £26 million was manufacturing, with the progress driven particularly by the award of contracts in the nuclear sector. A significant element of the manufacturing order book, which tends to have higher capital needs, is scheduled to move into production before the financial year end.

In addition, the Group has a significant pipeline of outstanding bids and additional opportunities have been identified. As a result, the Board expects a high level of tender activity over the medium term and has confidence in the Group's ability to continue to increase its activity in its core markets. The Board believes that there is a particularly significant market opportunity to capitalise on projects in the nuclear market, across defense, decommissioning and increasingly, new build.

The third (and current) stage of the Group's strategic plan is to accelerate growth in key markets, delivering the growing order book, investing in the Group to increase competitiveness and bringing on additional capacity and capabilities.

The Transaction is intended to provide the Company with the flexibility to implement this third stage. The Placing and the Debt Conversion will provide the working capital required to fund the anticipated growth in manufacturing activities and deliver the Group's growing order book and pipeline and improve the strength of the Group's balance sheet. The Transaction is also expected to allow for better trading terms with the Group's supply chain, improve competitiveness and fund the investment in the people, plant, equipment, processes and technology required to meet customer requirements and drive further shareholder value.

In addition, the Placing may introduce additional shareholders to the Company's register, providing a broader base from which to support its future growth.

### **3. Current trading and future prospects**

The Company announced its unaudited results for the six months ended 31 March 2017 at 7.00 a.m. on 14 June 2017 (the "**Interim Announcement**"). The Interim Announcement highlighted an adjusted operating profit of £0.18 million (2016: loss of £0.09 million) on revenue of £19.0 million (2016: £21.4 million). Operating profit margins (before central costs) increased by 130 basis points to 6.5 per cent.

The Interim Announcement contains the following statement on current trading:

"Our trading remains in line with full year market expectations and we are confident that the investment and improvements already made in the business, coupled with the increasing order book and substantial improvement in capital base, will deliver profitable growth and return long

term benefits for our stakeholders.”

#### 4. Details of the Placing

The Company has conditionally raised £9.535 million (before expenses) pursuant to the Placing. The Placing Price of 10 pence per Placing Share represents a premium of approximately 11.1 per cent to the Closing Price of 9.0 pence on 13 June 2017, the latest trading day prior to publication of this document.

Pursuant to the Placing, the Company, through WH Ireland, has conditionally placed the Placing Shares with institutional and other investors (including 1,000,000 Placing Shares subscribed for by certain Directors, as set out below):

<i>Director</i>	<i>No. of Placing Shares subscribed for</i>	<i>Holding of Shares on completion of the Placing</i>
Phil Brierley	400,000	1,230,000
Martyn Everett	300,000	900,000
Chris Kelly	300,000	900,000

Downing LLP, Ruffer LLP and Hargreave Hale Limited, which are interested in 14.00 per cent., 12.75 per cent., and 10.84 per cent of the Existing Shares respectively and which are “substantial shareholders” in the Company as defined in the AIM Rules, have conditionally agreed to subscribe for Placing Shares pursuant to the Placing (the “Substantial Shareholder Participations”). Each of the Substantial Shareholder Participations constitutes a related party transaction for the purposes of the AIM Rules. The Independent Director, having consulted with GCA Altium, the Company’s nominated adviser, considers that the terms of Substantial Shareholder Participations are fair and reasonable insofar as Shareholders are concerned.

The Placing is conditional, *inter alia*, on:

- the passing, without amendment (or with such amendments as may be agreed between WH Ireland and GCA Altium), of the Resolutions at the General Meeting;
- the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and
- Admission taking place not later than 8.00 a.m. on 5 July 2017 (or such later time or date as the Company and WH Ireland may agree, being not later than 8.00 a.m. on 31 July 2017).

If the Resolutions are not passed by Shareholders at the General Meeting, the Placing will not proceed.

The Placing is not being underwritten by WH Ireland, GCA Altium or any other person. The Placing Shares are not being made available to the public and are not being offered or sold in any jurisdiction where it would be unlawful to do so. The Placing Agreement contains customary warranties given by the Company to WH Ireland and Altium as to matters relating to the Group and its business and a customary indemnity given by the Company to WH Ireland and GCA Altium in respect of liabilities arising out of or in connection with the Placing. WH Ireland and/or GCA Altium are entitled to terminate the Placing Agreement in certain circumstances prior to Admission including circumstances where the warranties are found not to be true or accurate or are misleading in any material respect or on the occurrence of certain force majeure events. If any of the conditions are not satisfied or waived (where capable of waiver), Placing Shares will not be issued and all monies received from investors in respect of such Placing will be returned (at the investors’ risk and without interest) as soon as possible thereafter.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will be effective and trading in the Placing Shares will commence at 8.00 a.m. on 5 July 2017.

The Placing Shares will, when issued and fully paid, rank pari passu in all respects with the then existing Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

## **5. Details of the Debt Conversion**

As part of the Transaction, LOIM and the Company have entered into the Debt Conversion Agreement and agreed that, subject, inter alia, to Admission, £3.75 million of the LOIM Debt will be converted as consideration for the issue of the 37,500,000 Conversion Shares, credited as fully paid.

The Debt Conversion is conditional on the Resolutions (including the Resolutions relating to the issue of the Placing Shares) being passed at the General Meeting, and on the Placing not having been terminated pursuant to the Placing Agreement.

Application will be made to the London Stock Exchange for the Conversion Shares to be admitted to trading on AIM. It is expected that Admission will be effective and trading in the Conversion Shares will commence at 8.00 a.m. on 5 July 2017.

Following Admission, LOIM will be interested in 92,587,179 Shares representing approximately 27.81 per cent of the Enlarged Issued Share Capital. It will remain restricted to holding a maximum of 29.9 per cent of the Company's issued Shares.

As LOIM currently holds approximately 27.54 per cent. of the Existing Shares it is a "substantial shareholder" under the AIM Rules and the Debt Conversion constitutes a related party transaction for the purposes of AIM Rule 13. The Independent Director, having consulted with GCA Altium, the Company's nominated adviser, considers that the terms of Debt Conversion are fair and reasonable insofar as the Shareholders are concerned.

The Debt Conversion is conditional on the passing, without amendment (or with such amendments as may be agreed between WH Ireland, GCA Altium and the Company), of the Resolutions at the General Meeting. If the Resolutions are not passed by Shareholders at the General Meeting, the Debt Conversion will not proceed.

Whilst the Debt Conversion will reduce the Group's overall indebtedness, the Board has entered into negotiations with the Group's bankers, HSBC Bank plc to increase the facilities available from the bank to the Group. The Board has secured an agreement in principle to increase its facilities with HSBC from £5.525 million to £8.0 million, consisting of a £5.525 million revolving credit facility with a £2.475 million accordion facility at more favourable rates.

## **6. Admission, Settlement and CREST**

Application has been made to the London Stock Exchange for the New Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Shares will commence on at 8:00 am on 5 July 2017.

The Articles permit the Company to issue shares in uncertificated form. CREST is a computerised paperless share transfer and settlement system which allows shares and other securities to be held in electronic rather than paper form. The Ordinary Shares are already admitted to CREST and therefore the New Shares will also be eligible for settlement in CREST. The New Shares due to uncertificated holders are expected to be delivered in CREST on 5 July 2017.

## **7. General Meeting**

Set out at the end of this document is a notice convening the General Meeting to be held at 11.00 a.m. on 30 June 2017 at the offices of Squire Patton Boggs (UK) LLP, 6 Wellington Place, Leeds, LS1 4AP. The full terms of the Resolutions are set out in that notice and are summarised below:

- Resolutions 1 and 2 are ordinary resolutions to authorise the Directors under section 551 of the Companies Act to allot equity securities up to an aggregate nominal amount of £9,535 for the purpose of issuing the Placing Shares and up to an aggregate nominal amount of £3,750 for the purpose of issuing the Conversion Shares. This authority is in addition to the existing authorities granted to the Directors at the previous annual general meeting of the Company.
- Resolutions 3 and 4 are special resolutions to approve the disapplication of statutory pre-emption provisions to allow for the allotment of the Placing Shares and Conversion Shares on a non pre-emptive basis.

All Resolutions need to be passed at the General Meeting in order for the Placing and Debt Conversion to be implemented.

## **8. Principal Risks and Uncertainties**

A description of the principal risks and uncertainties associated with the Group's business and how the Group seeks to manage them is included on page 9 of the Group's Annual Report and Accounts for the year ended 30 September 2016. The Board is of the view that these principal risks and uncertainties are those which continue to be applicable to the business at the date of this document.

## **9. Irrevocable Undertakings**

The Directors have given irrevocable undertakings to the Company to vote in favour of the Resolutions (and to procure that such action is taken by the relevant registered holders) in respect of their beneficial holdings totalling 2,280,891 Shares, representing, in aggregate, approximately 1.14 per cent. of the Existing Shares.

In addition, the Company has received irrevocable undertakings from certain other Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting in respect of a total of 128,037,179 Shares representing, in aggregate, approximately 64.00 per cent. of the Existing Shares.

In total, therefore, the Company has received irrevocable undertakings to vote in favour of the Resolutions to be proposed at the General Meeting in respect of 132,558,070 Shares, representing, in aggregate, approximately 65.14 per cent. of the Existing Shares.

## **10. Action to be taken**

A form of proxy is enclosed for use by Shareholders in connection with the General Meeting. Whether or not you intend to be present at the General Meeting, Shareholders are asked to complete, sign and return the form of proxy to Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA as soon as possible but in any event so as to arrive no later than 11.00 a.m. on 28 June 2017. The completion and return of a form of proxy will not preclude Shareholders from attending the General Meeting and voting in person should they wish to do so. Accordingly, whether or not you intend to attend the General Meeting, you are urged to complete and return the form of proxy as soon as possible.

## **11. Recommendation**

The Directors consider the Transaction to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions, as they have irrevocably undertaken to do in respect of their aggregate shareholdings of 2,280,891 Existing Ordinary Shares representing approximately 1.14 per cent of the Existing Issued Share Capital.

Yours faithfully

Martyn Everett  
*Chairman*

# NOTICE OF GENERAL MEETING

## Redhall Group plc

*(incorporated and registered in England and Wales with registered number 00263995)*

NOTICE IS HEREBY GIVEN that a General Meeting of Redhall Group plc (the “**Company**”) will be held at 11.00 a.m. on 30 June 2017 at the offices of Squire Patton Boggs (UK) LLP, 6 Wellington Place, Leeds, LS1 4AP for the purpose of considering and, if thought fit, passing the resolutions set out in this Notice of General Meeting.

Terms used in this Notice of General Meeting shall have the same meaning as defined in the circular of the Company dated 14 June 2017 of which this Notice of General Meeting forms a part, unless the context requires otherwise.

Resolutions 1 and 2 will be proposed as ordinary resolutions and Resolution 3 and 4 will be proposed as special resolutions. All of the Resolutions will be taken on a poll of the Shareholders present and voting by proxy at the General Meeting.

### ORDINARY RESOLUTIONS

- 1 THAT, in addition to all previous authority given to them and still subsisting, the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or to convert any security into shares in the Company (together ‘relevant securities’), up to an aggregate nominal amount of £9,535 in connection with the Placing. This authority shall expire (unless renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company or, if earlier, the date which is 15 months after the date on which this resolution is passed, except that the Company may before such expiry make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer or agreement as if such authority had not expired.
- 2 THAT, conditional on Resolution 1 being passed, in addition to all previous authority given to them and still subsisting, the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or to convert any security into shares in the Company (together ‘relevant securities’), up to an aggregate nominal amount of £3,750 in connection with the Debt Conversion. This authority shall expire (unless renewed, varied or revoked by the Company in general meeting) at the conclusion of the next annual general meeting of the Company or, if earlier, the date which is 15 months after the date on which this resolution is passed, except that the Company may before such expiry make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer or agreement as if such authority had not expired.

### SPECIAL RESOLUTIONS

- 3 THAT, conditional on Resolution 1 being passed, the Directors be authorised pursuant to section 570 of the Companies Act, to allot equity securities (as defined in section 560(1) of the Companies Act) pursuant to the authority granted by Resolution 1, in respect of the new Shares to be issued pursuant to the Placing, as if section 561(1) of the Companies Act did not apply to any such allotment. This authority shall expire, unless previously revoked or renewed by the Company in general meeting, at such time as the general authority conferred on the Directors by Resolution 1 above expires, except that the Company may at any time before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities

in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

- 4 THAT, conditional on Resolutions 1, 2 and 3 being passed, the Directors be authorised pursuant to section 570 of the Companies Act, to allot equity securities (as defined in section 560(1) of the Companies Act) pursuant to the authority granted by Resolution 2, in respect of the new Shares to be issued pursuant to the Debt Conversion, as if section 561(1) of the Companies Act did not apply to any such allotment. This authority shall expire, unless previously revoked or renewed by the Company in general meeting, at such time as the general authority conferred on the Directors by Resolution 2 above expires, except that the Company may at any time before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

By order of the Board

Chris Kelly  
*Company Secretary*

**Registered office**  
Unit 3  
Calder Close  
Wakefield  
West Yorkshire  
WF4 3BA

**Dated:** 14 June 2017

**Notes:**

- (1) A Shareholder is entitled to appoint another person as that Shareholder's proxy to exercise all or any of that Shareholder's rights to attend and to speak and vote at the General 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. Details of how to appoint more than one proxy are set out in the notes to the proxy form. A proxy does not need to be a Shareholder of the Company but must attend the General Meeting to represent you.
- (2) A Form of Proxy for use in connection with the General Meeting is enclosed with this notice. If you do not have a Form of Proxy and believe that you should, please contact the Company's registrars, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. Completion and return of a Form of Proxy will not prevent a Shareholder from attending and voting at the General Meeting. Addresses (including electronic addresses) in this document are included strictly for the purposes specified and not for any other purpose.
- (3) To appoint a proxy or proxies Shareholders must complete: (a) a Form of Proxy by inserting your name in the relevant box, signing and returning it, together with the power of attorney or any other authority under which it is signed, or a notarially certified copy of such authority, to the Company's registrars, Neville Registrars Limited; or (b) a CREST Proxy Instruction (see note 4 below); in each case so that it is received no later than 11.00 a.m. on 28 June 2017.
- (4) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of the General Meeting by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members and those CREST members who have appointed any 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.

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. The message, regardless of whether it constitutes the appointment of a proxy or 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 agent Neville Registrars Limited ID 7RA11 by the latest time for receipt of proxy appointments set out in paragraph 3 above. 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.

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. 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 any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as is 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.

Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders included in the register of members of the Company at 6.00 p.m. on 28 June 2017 or, if the General Meeting is adjourned, in the register of members at 6.00 p.m. on the day which is two days before the day of any adjourned General Meeting, will be entitled to attend and to vote at the General Meeting in respect of the number of shares registered in their names at that time. Changes to entries on the share register after 6.00 p.m. on 28 June 2017 or, if the General Meeting is adjourned, in the register of members after 6.00 p.m. on the day which is two days before the day of any adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the General Meeting.

- (5) As at 13 June 2017 (being the latest practicable date prior to the publication of this notice), the Company's issued share capital comprised 200,050,684 ordinary shares of 0.01 pence each. Each Existing 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 13 June 2017 is 200,050,684.
- (6) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
- (7) If you have been nominated to receive general Shareholder communications directly from the Company, it is important to remember that your main contact in terms of your investment remains as it was (e.g. the registered shareholder, custodian or broker, who administers the investment on your behalf). Therefore any changes or queries relating to your personal details and holding (including any administration thereof) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee dealing with matters that are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the Companies Act 2006, writes to you directly for a response.





