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**STATPRO GROUP plc**  
**(Registered in England No. 2910629)**

*Directors:*

C.R. Bacon (Non-Executive Chairman)  
J.M.B.T. Wheatley (Chief Executive)  
A.M. Fabian (Finance Director)  
M.C. Adorian (Non-Executive Director)  
J.E. Tozer MBE OBE (Non-Executive Director)  
D. J. Courtley (Non-Executive Director)  
R. G. Curran (Non-Executive Director)

*Registered Office:*

Mansel Court  
Mansel Road  
Wimbledon  
London SW19 4AA

12 April 2017

*To the holders of Ordinary Shares*

Dear Shareholder

## **2017 Annual General Meeting**

The 2017 Annual General Meeting of the Company ("AGM") is to be held on Monday 22 May 2017 at 1 p.m. at Mansel Court, Mansel Road, Wimbledon, London SW19 4AA. The notice convening the AGM is set out at the end of this letter and I am writing to give you more information about the resolutions to be considered at the AGM.

A copy of the 2016 Annual Report and Accounts is enclosed. This contains the financial statements for the year ended 31 December 2016. A resolution relating to the financial statements is included in the ordinary business of the AGM.

Resolutions 1 to 7 deal with the ordinary business that normally takes place at the AGM and require no explanation other than Resolution 2 which relates to the proposed final dividend of 2.05p per Ordinary Share recommended by the Directors. If approved by shareholders, the dividend will be paid on 26 May 2017 to shareholders on the register of members of the Company at the close of business on 28 April 2017.

The information set out below explains the reasons for Resolutions 8 to 11.

### **Resolution 8 – Approval of Remuneration Report**

Whilst AIM traded companies are not required by company law or the UK Corporate Governance Code to present a separate Remuneration Report to their shareholders for a vote, your Board has decided that the Remuneration Report, which is contained in the Annual Report and Accounts and sets out the Company's remuneration policy, should be subject to an advisory shareholder vote. Accordingly, Resolution 8 is being proposed as an ordinary resolution at the forthcoming AGM to approve the Remuneration Report.

### **Resolutions 9 and 10 – Authority to allot shares and disapplication of pre-emption rights**

The Companies Act 2006 provides that directors must be authorised before they can allot or grant options over new shares. That authority has to be given by ordinary resolution. The Act also provides that any new shares issued for cash must first be offered pro-rata to existing shareholders unless the statutory pre-emption procedure is disapplied by special resolution.

The necessary authority to allot is contained in Resolution 9 and the disapplication of the statutory pre-emption procedure is contained in Resolution 10.

The authority to allot shares contained in Resolution 9 will expire at the Annual General Meeting of the Company to be held in 2018 or, if earlier, on 30 June 2018 and relates to a maximum aggregate nominal amount of £215,716 which represents one third of the issued share capital of the Company (excluding shares currently held in treasury) as at 31 March 2017.

The disapplication of the statutory pre-emption procedure which is contained in Resolution 10 will also expire at the Annual General Meeting of the Company to be held in 2018 or, if earlier, on 30 June 2018. The authority is limited to the issue of shares in connection with a rights issue or open offer and the issue of shares for cash up to a maximum aggregate nominal amount of £64,715 representing 10 per cent of the issued share capital of the Company (excluding shares currently held in treasury) as at 31 March 2017.

It is the Directors' intention to seek renewal of these authorities annually.

These authorities are in line with those approved at the last Annual General Meeting in May 2016. These authorities are sought so as to maintain flexibility in the financing of the Company and to give the Directors the opportunity to take advantage of business opportunities as they arise. The Directors remain committed to growing the Company both organically and through acquisition and to review potential acquisitions as opportunities arise. In addition to funding acquisitions through the issue of shares, the authorities will enable the Directors to raise additional working capital by way of a placing. The Directors have no present intention of using these authorities other than to issue shares in relation to the Company's share schemes.

### **Resolution 11 – Authority to purchase own shares**

Resolution 11 authorises the purchase by the Company of Ordinary Shares not exceeding 10 per cent. of the current issued share capital of the Company (excluding shares currently held in treasury). The Directors would only exercise this authority to purchase the Company's shares if, in the light of market conditions, they considered that the effect of purchases would be to increase earnings per share and that it would be in the best interests of shareholders generally.

The price paid for shares will not be less than the nominal value of 1p per share nor more than 5 per cent. above the average of the mid-market values of the Company's ordinary shares as derived from the AIM Appendix to the London Stock Exchange Daily Official List for the five business days preceding the day on which the shares are purchased.

The Companies Act 2006 permits certain companies to hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by the Company. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under the Company's employee share schemes.

Once held in treasury the Company is not entitled to exercise any rights in respect of the shares, including the right to attend and vote at meetings. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of treasury shares.

If the Directors exercise the authority conferred by Resolution 11, they may consider holding those shares in treasury, rather than cancelling them. The Directors believe that holding shares in treasury would provide the Company with greater flexibility in the management of its share capital.

Resolution 11 will be proposed as a special resolution to provide the Company with the necessary authority to purchase its own shares. The authority will expire at the conclusion of the Annual General Meeting to be held in 2018 or, if earlier, on 30 June 2018.

#### **Action to be taken**

A form of proxy for use by shareholders at the AGM is enclosed. Shareholders are requested to complete and return the form of proxy in accordance with the instructions printed on it so as to arrive at the Company's registrars as soon as possible, but in any event no later than 1 p.m. on 18 May 2017. Alternatively, votes may be lodged electronically at [www.capitashareportal.com](http://www.capitashareportal.com) also to be received by 1 p.m. on 18 May 2017. The return of a form of proxy will not preclude a shareholder from attending and voting at the AGM if he/she so wishes.

#### **Recommendation**

Your Directors believe that all the Resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and recommend you vote in favour of such Resolutions as they intend to do in respect of their own beneficial shareholdings.

Yours sincerely



**Carl Bacon**  
**Chairman**



## NOTICE OF ANNUAL GENERAL MEETING

### STATPRO GROUP plc

Notice is hereby given that the Annual General Meeting of StatPro Group plc will be held at Mansel Court Mansel Road Wimbledon London SW19 4AA on Monday, 22 May 2017 at 1 p.m. for the following purposes:

1. To receive the Company's Report and Accounts for the year ended 31 December 2016.
2. To declare a final dividend of 2.05p per Ordinary Share.
3. To re-elect Mr. A.M. Fabian who retires by rotation, as a Director.
4. To re-elect Mr. M.C. Adorian who retires by rotation, as a Director.
5. To elect Mr. D. J. Courtley as a Director.
6. To elect Mr. R. G. Curran as a Director.
7. To re-appoint Ernst & Young LLP as auditors of the Company and to authorise the Directors to determine their remuneration.

To consider and, if thought fit, to pass the following resolutions as to the resolutions numbered 8 and 9 as Ordinary Resolutions and as to the resolutions numbered 10 and 11 as Special Resolutions:

#### Ordinary Resolutions

8. THAT the Remuneration Report for the financial year ended 31 December 2016 be approved.
9. THAT the Directors be and they are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the "Act") to allot shares in the Company or to grant rights to subscribe for or convert any security into shares up to an aggregate nominal amount of £215,716 provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the conclusion of the Annual General Meeting to be held in 2018 or, if earlier, on 30 June 2018, save that the Company may make offers or agreements before the expiry of this authority which would or might require shares to be allotted or rights to be granted after such expiry and the Directors may allot such shares or grant such rights pursuant thereto as if the authority conferred hereby had not expired, such authority to be in substitution for any existing authorities conferred on the Directors pursuant to Section 551 of the Act.

#### Special Resolutions

10. THAT the Directors be and they are hereby generally empowered pursuant to Sections 570 and 573 of the Act to allot equity securities (as defined in Section 560 (1) of the Act) pursuant to the authority conferred by Resolution numbered 9 above as if Section 561(1) of the Act did not apply to any such allotments, provided that this power shall be limited to:
  - (a) the allotment of equity securities in connection with a rights issue or open offer in favour of ordinary shareholders where the equity securities attributable to the respective interests of all ordinary shareholders are proportionate to the respective numbers of Ordinary Shares held by them on the record date for such allotment, but subject to such exclusions as the Directors may deem fit to deal with treasury shares, fractional entitlements or problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange; and
  - (b) the allotment (otherwise than pursuant to paragraph (a) of this Resolution) of equity securities for cash up to an aggregate nominal amount of £64,715

such power to expire at the conclusion of the Annual General Meeting of the Company to be held in 2018 or, if earlier, on 30 June 2018 provided that the Company may make offers or agreements before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant thereto as if the power conferred hereby had not expired.

11. THAT, in accordance with Article 43 of the Company's Articles of Association, the Company be and is hereby generally and unconditionally authorised for the purposes of Section 693 of the Act to make one or more market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares of 1p each in the capital of the Company on such terms and in such manner as the Directors of the Company may determine, provided that:
- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 6,471,493 (representing 10 per cent. of the Company's issued ordinary share capital excluding treasury shares);
  - (b) the minimum price which may be paid for such shares is 1p per Ordinary Share (exclusive of expenses);
  - (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall not be more than 5 per cent. above the average of the mid-market values of an Ordinary Share as derived from the AIM Appendix to the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Ordinary Share is purchased;
  - (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2018 or, if earlier, on 30 June 2018;
  - (e) the Company may make a contract or contracts to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.

*Registered Office:*  
Mansel Court  
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Wimbledon  
London SW19 4AA

*By Order of the Board*  
A.M. Fabian  
Company Secretary

12 April 2017

**Notes**

1. Holders of ordinary shares, or their duly appointed representatives, are entitled to attend and vote at the AGM. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and speak and vote on their behalf at the meeting. A shareholder can appoint the Chairman of the meeting or anyone else to be his/her proxy at the meeting. A proxy need not be a shareholder. More than one proxy can be appointed in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or shares held by that shareholder. To appoint more than one proxy, the Proxy Form should be photocopied and completed for each proxy holder. The proxy holder's name should be written on the Proxy Form together with the number of shares in relation to which the proxy is authorised to act. The box on the Proxy Form must also be ticked to indicate that the proxy instruction is one of multiple instructions being given.
2. All Proxy Forms must be signed and, to be effective, must be lodged with the Company's registrar together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power of attorney) so as to arrive not later than 1 pm on 18 May 2017, or in the case of an adjournment, 48 hours before the adjourned meeting. In calculating these periods no account shall be taken of any part of a day which is not a working day. Alternatively, you may lodge your vote electronically at [www.capitashareportal.com](http://www.capitashareportal.com) so as to be received no later than 1 pm on 18 May 2017.
3. The return of a completed Proxy Form will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
4. Only those shareholders entered on the Company's register of members at 1 pm on 18 May 2017 or, if the meeting is adjourned, shareholders entered on the Company's register of members at 1 pm on the day two days before the date of any adjournment, shall be entitled to attend and vote at the meeting either in person or by proxy and the number of shares then registered in their respective names shall determine the number of votes such persons are entitled to cast on a poll at the AGM. In calculating these periods no account shall be taken of any part of a day which is not a working day.
5. 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.
6. As at 31 March 2017 the Company's issued share capital consists of 67,813,650 ordinary shares of 1 pence carrying one vote each including 3,098,713 shares held in Treasury. Therefore the total voting rights in the Company as at that date are 64,714,937.
7. Copies of Directors' service contracts and letters of appointment for Non-Executive Directors are available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays and public holidays excluded). These documents will also be available for inspection at the AGM for at least 15 minutes prior to and during the meeting.
8. A copy of this notice and other information required by section 311A of the CA 2006 can be found at [www.statpro.com](http://www.statpro.com).

