

# Notice of Meeting

Notice is hereby given that the Annual General Meeting (AGM) of Mears Group PLC will be held at the offices of Investec Investment Banking, 2 Gresham Street, London EC2V 7QP on Wednesday 3 June 2009 at 12 noon for the following purposes:

## ORDINARY BUSINESS

- Resolution 1. THAT the Audited Accounts for the year ended 31 December 2008, together with the Directors' Report and Auditors' Report thereon, be received and adopted.
- Resolution 2. THAT the Directors' Remuneration Policy contained at page 33 of the Audited Accounts for the financial year ended 31 December 2008 be approved.
- Resolution 3. THAT Grant Thornton UK LLP be re-appointed as auditors of the Company and to authorise the Directors to fix their remuneration.
- Resolution 4. THAT a final dividend of 3.40p per ordinary share for the year ended 31 December 2008 be declared.
- Resolution 5. THAT Reginald Pomphrett be re-elected as a Director of the Company retiring by rotation in accordance with the Articles of Association.
- Resolution 6. THAT David Miles be re-elected as a Director of the Company retiring by rotation in accordance with the Articles of Association.
- Resolution 7. THAT Michael Macario be re-elected as a Director of the Company retiring in accordance with A 7.2 of the Combined Code on Corporate Governance.

## SPECIAL BUSINESS

- Resolution 8. THAT the authorised share capital of the Company be increased from £1,000,000 (100,000,000 ordinary shares of 1p) to £1,500,000 by the creation of an additional 50,000,000 ordinary shares of 1p each (Ordinary Resolution).
- Resolution 9. THAT the Directors be and are hereby generally and unconditionally authorised for the purposes of Section 80 of the Companies Act 1985 (the "Act"), to exercise all the powers of the Company to allot relevant securities (within the meaning of Section 80(2) of the Act) up to an aggregate nominal amount of £642,280 during the period, expiring on the date of the next AGM of the Company but so that this authority shall allow the Company to make offers or agreements before the expiry of this authority which would or might require relevant securities to be allotted after such expiry (Ordinary Resolution).
- Resolution 10. THAT subject to the passing of Resolution 9 set out above, the Directors be and are hereby empowered, pursuant to Section 95 of the Act, to allot equity securities (as defined in Section 94 of the Act) during the period referred to in Resolution 9 as if Section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
- (a) in connection with a rights issue, open offer or other offer of securities in favour of the holders of ordinary shares on the register on a fixed record date in proportion (as nearly as may be) to their respective holdings of such securities or in accordance with the rights attached thereto subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatever; and
  - (b) up to an aggregate nominal amount of £37,075 (representing 3,707,500 ordinary shares of 1p) being 5% of the issued share capital of the Company at the date of this Notice (Special Resolution).
- Resolution 11. THAT the Company be and is hereby generally and unconditionally authorised to hold General Meetings (other than the AGM) for the purpose of conducting either ordinary or special business on 14 days' notice from the date of the passing of this Resolution and such authority expiring at the conclusion of the next AGM of the Company (Special Resolution).

By order of the Board

**R B POMPHRETT**  
Secretary  
29 April 2009

1390 Montpellier Court  
Gloucester Business Park  
Brockworth  
Gloucester GL3 4AH

## EXPLANATORY NOTES

### RESOLUTION 1

The Directors are required by law to present to the meeting the Audited Accounts and the Directors' and the Auditors' Reports for the year ended 31 December 2008.

### RESOLUTION 2

The Company is required by law to seek the approval of shareholders of its Annual Report on Remuneration Policy. This Report for the financial year ended 31 December 2008 is set out in full on pages 33 to 35 of the Audited Accounts for the financial year ended 31 December 2008.

### RESOLUTION 3

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

### RESOLUTION 4

Final dividends must be approved by shareholders but must not exceed the amount recommended by Directors. If the meeting approves Resolution 4, the final dividend in respect of 2008 of 3.40p per share will be paid on 1 July 2009 to ordinary shareholders who are on the Register of Members on 12 June 2009 in respect of each ordinary share.

### RESOLUTIONS 5 AND 6

In accordance with the Articles of Association, Reginald Pomphrett and David Miles will both retire by rotation and offer themselves for re-election.

# Notice of Meeting Continued

## EXPLANATORY NOTES CONTINUED

### RESOLUTION 7

A 7.2 of the Combined Code on Corporate Governance ("the Code") states that Non-Executive Directors may serve longer than nine years (i.e. three three-year terms) subject to annual re-election. Michael Macario, having now served more than nine years, retires and offers himself for re-election as a Non-Executive Director until the date of the next AGM.

### RESOLUTION 8

The Company currently has an un-issued share capital of 25,850,824 ordinary shares of 1p. The Directors propose to increase the authorised share capital of the Company from £1,000,000 to £1,500,000 so that the Company has sufficient headroom in respect of the authority sought under Resolution 9 below.

### RESOLUTION 9

The authority sought by this resolution is for the Directors to be authorised to allot ordinary shares comprising up to £642,280 (representing approximately two-thirds of the issued share capital and 14,795,172 unissued 1p shares in the share capital set aside for share options as at the date of this document). This is within the new guidelines recently issued by the ABI in that it is now considered routine/standard practice for a listed company to seek authorisation to allot of up to two-thirds of its existing issued share capital (the previous limit was one-third). However, the additional one-third may only be applied to fully pre-emptive rights issues and the authorisation must only be valid until the next AGM. If any of the additional one-third is used and issued by the Company and the proceeds of the issue exceed one-third of the pre-issue market capitalisation, all Directors of the Company are required to stand for re-election at the following AGM. The Directors are therefore seeking annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources. This authority will expire at the next AGM.

### RESOLUTION 10

When shares are to be allotted for cash, Section 89(1) of the Companies Act 1985 provides that existing shareholders have pre-emption rights and that any new shares are offered first to such shareholders in proportion to their existing shareholdings. This resolution is seeking to authorise the Directors to allot ordinary shares of up to an aggregate nominal amount of £37,075 otherwise than on a pro-rata basis. This represents 5% of the Company's issued share capital on the date of this document. The Directors are seeking annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources. This authority will expire at the next AGM.

### RESOLUTION 11

Section 307 of the Companies Act 2006 allows a company to hold General Meetings (other than AGMs) on 14 days' notice. The Shareholder Rights Directive (2007/36/EU), which is due to be implemented by the Companies (Shareholders' Rights) Regulations 2009 on 3 August 2009, will increase this to a period of 21 days, unless the members of a company agree to a shorter notice period. It is therefore necessary for the Company to pass this Resolution allowing the Company to continue to hold General Meetings (other than the AGM) on not less than 14 days' notice. This authority will expire at the next AGM.

## NOTES:

1. As a member of the Company, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the AGM and you should have received a Form of Proxy with this notice of AGM. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy. Appointment of a proxy does not preclude you from attending the AGM and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.
2. A proxy does not need to be a member of the Company but must attend the AGM to represent you. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. To appoint a proxy using the Form of Proxy, the form must be: (i) completed and signed; (ii) sent or delivered to the Company's Registrars, Neville Registrars, 18 Laurel Lane, Halesowen, West Midlands B63 3DA marked "Proxy Return"; and (iii) received by the Company's Registrars no later than 48 hours before the appointed time of the AGM.
4. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the form of proxy.
5. In order to facilitate voting by corporate representatives at the AGM, arrangements will be put in place at the AGM so that: (i) if a corporate shareholder has appointed the Chairman of the AGM as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the AGM, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the AGM but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated from those corporate representatives who attend and that designated corporate representative will vote on a poll. The other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure.
6. As at 28 April 2009 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 74,158,437 ordinary shares of 1p, carrying one vote each.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions.
9. Pursuant to regulation 41(1) of the Uncertificated Securities Regulations 2001 (2001 No. 3755) the Company has specified that only those members registered on the Register of Members of the Company at 6.00pm on 1 June 2009 shall be entitled to attend and vote at the AGM in respect of the number of ordinary shares registered in their name at that time. Changes to the Register of Members after 6.00pm on 1 June 2009 shall be disregarded in determining the rights of any person to attend and vote at the AGM.
10. There will be available for inspection at the Company's registered office during normal business hours from the date of this notice to the date of the AGM and for 15 minutes prior to and during the Meeting the following:
  - (a) the Register of Directors' interests;
  - (b) the Memorandum and Articles of Association; and
  - (c) copies of the Directors' Service Contracts with the Company or its subsidiaries and the terms and conditions of appointment of Non-Executive Directors.