

PENNANT INTERNATIONAL GROUP PLC

NOTICE OF ANNUAL GENERAL MEETING

This year's ANNUAL GENERAL MEETING will be held at Pennant Court, Staverton Technology Park, Cheltenham, GL51 6TL on Tuesday 14 April 2015 at 10.30 a.m., You will be asked to consider and pass the resolutions below. Resolutions 1 to 6 will be proposed as ordinary resolutions. Resolutions 7 and 8 will be proposed as special resolutions.

Ordinary resolutions

1. That the Company's financial statements and the reports of the directors and auditors for the year ended 31 December 2014 be received and adopted.
2. That the final dividend of 2.00p per share be declared for the year ended 31 December 2014 payable on 1 May 2015 to shareholders on the register at close of business on 17 April 2015.
3. That Mr C. Snook, who retires by rotation, be re-elected a director of the Company.
4. That Mr P. Walker, who retires pursuant to the Company's Articles of Association, having been appointed a director since the Company's 2014 Annual General Meeting, be appointed a director of the Company.
5. That Mazars LLP be re-appointed auditors of the Company to hold office until the conclusion of the next general meeting at which the accounts are laid before the members and that the directors be authorised to fix the auditors' remuneration.
6. That the general unconditional authority conferred upon the directors by the Articles of Association to allot relevant securities (as defined in the Articles of Association) under section 551 of the Companies Act 2006 be renewed for the period ending on the date of the Annual General Meeting of the Company held in 2016 or 14 July 2016, whichever is earlier, and that the maximum aggregate nominal value of relevant securities which can be allotted is £467,087.

Special resolutions

7. That in substitution for all previous authorities, which are hereby revoked, the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of section 693 of the said Act) of ordinary shares of 5p each in the capital of the Company ("Ordinary Shares") provided that:
 - a. the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is up to 15% of the Ordinary Shares in issue at the date of this meeting, being 3,970,839 Ordinary Shares if no more Ordinary Shares are purchased by the Company between the date of the notice convening this meeting and the date of this meeting;
 - b. 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 taken from the Daily Official List of the London Stock Exchange Plc for the five business days immediately preceding the day on which the Ordinary Share is purchased;
 - c. the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 5p;
 - 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 2016;
 - 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; and
 - f. the foregoing authority may not be exercised if the result thereof would be to require any person to make a mandatory offer for the whole of the ordinary share capital of the Company not already owned by that person or persons acting in concert with that person pursuant to Rule 9 of the City Code on Takeovers and Mergers.

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NOTICE OF ANNUAL GENERAL MEETING (continued)

8. That the period during which the power conferred upon the directors by the Articles of Association to allot equity securities (as defined in section 560 of the Companies Act 2006) entirely paid for in cash free of the restriction in section 561(1) of the Companies Act 2006 be fixed as the period ending on the date of the Annual General Meeting of the Company held in 2016 or 14 July 2016, whichever is the earlier, and that the limit on the maximum amount of equity securities that can be allotted under that power be and is fixed as the number which has an aggregate nominal value of £140,140.

17 March 2015

By order of the Board

P. Walker

Company Secretary

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 Annual 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 must be received by post or (during normal business hours only) by hand at Neville Registrars Ltd, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA not later than 48 hours before the time of the meeting.
- 3 The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 6 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
- 4 To be entitled to attend and vote at the Annual 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 48 hours before the time of the meeting (or, in the event of any adjournment, 48 hours 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.
- 5 As at 16 March 2015 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 28,000,000 ordinary shares, carrying one vote each and 1,400,000 B shares which are non-voting. 1,527,739 of these ordinary shares 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.
- 6 To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the Company's agent 7RA11 no later than 48 hours before the time of the meeting. 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 issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed voting service providers should contact their CREST sponsor or voting service providers for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST manual. The Company may treat as invalid a proxy appointment sent through CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.
- 7 In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all the other corporate representatives for that shareholder at the meeting, 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 meeting 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, who will vote on a poll and 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) for further details of this procedure.