

**SPRINGFIELD PROPERTIES PLC**

**(Registered in Scotland with No. SC031286)**

**NOTICE OF 2018 ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2018 annual general meeting of Springfield Properties plc (the “**Company**”) will be held at Laichmoray Hotel, Maisondieu Road, Elgin, IV30 1QR on 26 October 2018 at 1.00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1 to 7 (inclusive) will be proposed as ordinary resolutions and resolutions 8 to 10 (inclusive) will be proposed as special resolutions:-

- 1 To receive and adopt the financial statements of the Company and the directors' and auditors' reports thereon for the year ended 31 May 2018.
- 2 To approve the report of the board to the members on directors' remuneration for the year ended 31 May 2018.
- 3 To reappoint Michelle Motion (who retires by rotation and, being eligible, offers herself for re-election) as a director of the Company.
- 4 To appoint Nicholas Cooper as a director of the Company.
- 5 To declare a final dividend for the year ended 31 May 2018 of 2.7p per share payable on 23 November 2018 to shareholders on the register of members at the close of business on 9 November 2018.
- 6 To reappoint Johnston Carmichael LLP, Chartered Accountants, as auditors of the Company from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before shareholders and to authorise the directors to fix the auditors' remuneration.
- 7 THAT the directors of the Company are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all powers to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company:
  - (a) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to an aggregate nominal amount of £80,278.04 (including within such limit any shares issued or rights granted under paragraph (c) below) in connection with an offer by way of rights issue:
    - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
    - (ii) to the holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

and subject to such exclusions or other arrangements as the directors consider expedient in relation to fractional entitlements, legal, regulatory or practical problems

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under the laws of, or the requirements of any regulatory body or stock exchange in, any territory, or any other matter; and

- (b) comprising equity securities up to an aggregate nominal amount of £12,041.71 in connection with the grant or exercise of options under any share option scheme of the Company; and
- (c) in any other case up to an aggregate nominal amount of £40,139.02 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authority in paragraph (a) above in excess of £40,139.02),

provided that such authority, unless renewed, varied or revoked by the Company, shall expire on 30 November 2019 or, if earlier, the date of the next annual general meeting of the Company after the passing of this resolution save that the Company may, before such expiry, make an 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 authority conferred hereby had not expired.

This resolution revokes and replaces all unexercised authorities previously granted to the directors to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company but is without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

- 8 THAT, subject to the passing of resolution 7, the directors of the Company are authorised pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authority given by resolution 7 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority be limited:

- (a) to the allotment of equity securities in connection with an offer of equity securities (but, in the case of the authority granted under resolution 7(c), by way of a rights issue only) to:
  - (i) the ordinary shareholders made in proportion (as nearly as may be practicable) to their existing respective holdings; and
  - (ii) to the holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

and 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) to the allotment of equity securities pursuant to paragraph 7(b) above; and
- (c) to the allotment of equity securities or sale of treasury shares (otherwise than pursuant to paragraphs (a) and (b) above) up to an aggregate nominal amount of £6,020.85,

such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on 30 November 2019) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the

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authority expires and the board of directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

- 9 THAT, subject to the passing of resolution 7, the directors of the Company are authorised in addition to any authority granted under resolution 8 to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authority given by resolution 7 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be:

- (a) limited to the allotment of equity securities up to a nominal amount of £6,020.85; and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the board of directors of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on 30 November 2019) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the board of directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

- 10 THAT 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(4) of that Act) of ordinary shares of 0.125 pence each in the Company provided that:

- (a) the maximum number of ordinary shares hereby authorised to be purchased is 9,633,364 (representing 10% of the Company's issued ordinary share capital at the date of the notice of this annual general meeting);
- (b) the minimum price (exclusive of any expenses) which may be paid for each ordinary share is 1 pence;
- (c) the maximum price (exclusive of any expenses) which may be paid for each ordinary share shall be not more than 5% above the average of the middle market quotations for an ordinary share on the relevant investment exchange on which the ordinary shares are traded for the five business days immediately preceding the date on which such ordinary share is contracted to be purchased;
- (d) unless previously revoked or varied, the authority hereby conferred shall expire on the conclusion of the next annual general meeting of the Company; and
- (e) the Company may make a contract or contracts for the purchase of ordinary shares under this authority before the expiry of this authority which would or might be executed wholly or partly after the expiry of such authority, and may make purchases of ordinary shares in pursuance of such a contract or contracts, as if such authority had not expired.

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By order of the board

***Andrew Todd***

***Company Secretary***

**2 October 2018**

**c/o Alexander Fleming House**

**8 Southfield Drive**

**Elgin**

**Morayshire IV30 6GR**

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### **NOTES:**

#### **Appointment of Proxy**

- 1 As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a meeting of the Company. You should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in the notes to the proxy form. A proxy need not be a member of the Company.
- 2 To be effective, the proxy form, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be deposited at the office of the Company's registrars, Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not less than 48 hours (excluding weekends and bank holidays) before the time for holding the meeting (i.e. by 1.00 p.m. on Wednesday 24 October 2018) and if not so deposited shall be invalid.

#### **Entitlement to attend and vote**

- 3 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered in the Company's register of members at:
  - close of business on 24 October 2018; or
  - if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting,shall be entitled to attend and vote at the meeting.

#### **Documents on Display**

- 4 Copies of the service contracts and letters of appointment of the directors of the Company will be available:
  - for at least 15 minutes prior to the meeting; and
  - during the meeting.

#### **Communication**

- 5 Except as provided above, members who wish to communicate with the Company in relation to the meeting should do so by post to the Company's registered office, details of which are below. No other methods of communication will be accepted.

Address: The Company Secretary  
Alexander Fleming House  
8 Southfield Drive  
Elgin  
Morayshire  
IV30 6GR

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**EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING**

**SPRINGFIELD PROPERTIES PLC**

**Ordinary Resolutions**

Resolutions 1 to 7 are all to be proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

**Resolution 1 – To receive and adopt the financial statements for the year ended 31 May 2018 and the directors' and auditors' reports thereon**

For each financial year the directors of the Company must present the audited financial statements, the directors' report and the auditors' report on the financial statements to the shareholders at an annual general meeting.

**Resolution 2 – To approve the directors' remuneration report**

Shareholders are asked to approve the directors' remuneration report which may be found in the annual report on pages 20 to 23. This resolution is an advisory one and no entitlement to remuneration is conditional on the resolution being passed.

**Resolution 3 – Re-election of director**

Under article 85 of the Company's articles of association one third of the directors are required to retire by rotation at each annual general meeting (excluding any director who is required to retire pursuant to article 90 of the Company's articles and provided that if the number of directors who are the subject of the article 85 retirement by rotation provisions is not a multiple of three then the number nearest to, but not exceeding, one third shall retire by rotation). Pursuant to that article, Mrs Michelle Motion will retire by rotation at this annual general meeting and, being eligible, offer herself for reappointment. The board of directors is satisfied that the performance of Mrs Michelle Motion continues to be effective and demonstrates commitment to her role with the Company including commitment of time for board meetings and other duties required of her. Accordingly, resolution 3 proposes the reappointment of Mrs Michelle Motion.

Brief biographical details of Mrs Michelle Motion are given below.

Michelle joined the Company as a Finance Director in 2013. Michelle has over 20 years of experience within the property and construction industry, previously working for Morrison Developments Limited, a subsidiary 22 of AWG plc, a FTSE 250 company, and the house building company Avant Group, previously known as Gladedale Group. Michelle graduated with a BA in Accounting and an MBA and is a qualified accountant from the Chartered Institute of Management Accountants.

**Resolution 4 – Election of director**

It is proposed to appoint Mr Nicholas Cooper, who was appointed by the board on 1 June 2018 subject to the approval of his appointment at the annual general meeting, as an additional director of the Company. Accordingly, resolution 4 proposes the appointment of Mr Nicholas Cooper as a director of the Company.

Brief biographical details of Mr Nicholas Cooper are given below.

Mr Nicholas Cooper, aged 54, is a qualified solicitor with over 20 years' board experience as an executive and nonexecutive director, General Counsel and Company Secretary with UK-listed and private companies in several sectors. From 2010 to May 2015, he was Corporate Services Director on the board of Cable & Wireless Communications plc having previously spent four years,

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from 2006 to 2010, as General Counsel and Company Secretary of Cable & Wireless plc where he was also Corporate Services Director of the international division. In these roles, he was instrumental in multiple significant corporate transactions – including the demerger of Cable & Wireless – and in strategy development and implementation as well as having board responsibility for legal and regulatory affairs, risk management and other corporate matters. Previous roles have included General Counsel and Company Secretary of Energis Communications Ltd where he played an active role in the sale of that business to Cable & Wireless plc for £800m; Director of Legal Services and Company Secretary at JD Wetherspoon plc; General Counsel and Company Secretary at The Sage Group plc; and Company Solicitor and Assistant Company Secretary at Asda Group plc. At Asda, Mr Cooper was involved in the delivery of the business turnaround programme and in a number of acquisitions, such as George Clothing, and high profile, commercially disruptive litigation campaigns. Mr Cooper is currently a Non-executive Director of AIM-listed CPP Group Plc, a provider of financial assistance products, and of a number of private start-up companies in which he is also an investor.

#### **Resolution 5 – To declare a dividend 2.7 per ordinary share**

Subject to the provisions of the Companies Acts, the Company may by ordinary resolution declare dividends, but no dividend shall exceed the amount recommended by the board of directors. The board of directors recommends the payment of a final dividend of 2.7p per ordinary share, to be payable to shareholders registered at close of business on 9 November 2018.

#### **Resolution 6 – Re-appointment and remuneration of auditors**

The Company is required at each general meeting at which financial statements are presented to shareholders to appoint auditors who will remain in office until the next such meeting. Johnston Carmichael LLP have expressed their willingness to continue in office for a further year. In accordance with company law and corporate governance best practice, shareholders are also asked to authorise the directors to determine the auditors' remuneration.

#### **Resolution 7 – Authority to allot shares**

Under section 551 of the Companies Act 2006, the directors of a company may only allot shares or grant rights to subscribe for, or to convert any security, into shares in the Company if authorised to do so.

In line with guidance issued by the Investment Management Association (now the Investment Association), the authority contained in paragraph (a) of this resolution will (if passed) give the directors authority to allot ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to £80,278.04 (representing 64,222,428 ordinary shares) as reduced by the nominal amount of any shares issued under paragraph (c) of this resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date prior to publication of the notice of the meeting.

The authority contained in paragraph (b) of this resolution will (if passed) give the directors the authority to allot ordinary shares up to an aggregate nominal value of £12,041.71 (representing 9,633,368 ordinary shares of 0.125p each) in connection with the issue of shares pursuant to any share option scheme of the Company. This amount represents approximately 10% of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date prior to the publication of the notice of the meeting. This authority will expire on 30 November 2019 or, if earlier, at the conclusion of the next annual general meeting.

The authority contained in paragraph (c) of this resolution will (if passed) give the directors the authority to allot ordinary shares up to an aggregate nominal value of £40,139.02 (representing

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32,111,216 ordinary shares of 0.125p each). This amount represents approximately one-third of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date prior to the publication of the notice of the meeting. This authority will expire on 30 November 2019 or, if earlier, at the conclusion of the next annual general meeting.

#### **Special Resolutions**

Resolutions 8, 9 and 10 will be proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

#### **Resolutions 8 and 9 – Disapplication of statutory pre-emption rights**

The Companies Act 2006 gives holders of ordinary shares, with limited but important exceptions, certain rights of pre-emption on the issue for cash of new ordinary shares or on the sale of any shares which the Company may hold in treasury following a purchase of its own shares. The directors of the Company believe that it is in the best interests of the Company that the board of directors of the Company should have limited authority to allot some shares for cash or sell treasury shares without first having to offer such shares to existing shareholders. The directors' current authority expires at the close of the forthcoming annual general meeting.

The authority sought by way of resolution 8 would expire at the earlier of the close of the next annual general meeting or 30 November 2019. The authority, if granted, will relate to the allotment of new ordinary shares or the sale of treasury shares in respect of (a) rights issues and similar offerings, where difficulties arise in offering shares to certain overseas shareholders, and in relation to fractional entitlements and certain other technical matters, (b) the allotment of ordinary shares pursuant to any share option scheme of the Company having an aggregate nominal value not exceeding £12,041.71 (being equal to 10% of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date prior to the publication of the notice of the meeting), and (c) generally to allotments (other than in respect of pre-emptive offerings) of ordinary shares or the sale of treasury shares having an aggregate nominal value not exceeding £6,020.85 (being equal to 5% of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date prior to the publication of the notice of the meeting).

Resolution 9, if approved, would give the directors of the Company an additional authority to issue ordinary shares, or sell treasury shares, for cash in connection with an acquisition or capital investment of kind contemplated by the Pre-Emption Group's Statement of Principles up to an additional aggregate nominal amount of £6,020.85 (being equal to 5% of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date prior to the publication of the notice of the meeting). The directors confirm that they will only allot shares pursuant to this authority where the allotment is in connection with an acquisition or specified capital investment (as defined in the Pre-Emption Group's Statement of Principles) which is



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announced contemporaneously with the allotment or sale, or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment of sale.

The powers given by resolutions 8 and 9 will, unless sooner revoked or renewed by the Company in a general meeting, last until the earlier of the close of the next annual general meeting or 30 November 2019.

#### **Resolution 10 – Authority to purchase the Company's own shares**

This resolution grants authority to the Company to make purchases of up to a maximum of 10% of the issued ordinary share capital of the Company as at the date of the notice of this meeting.

In certain circumstances it may be advantageous for the Company to purchase its ordinary shares. The directors would use the share purchase authority with discretion and purchases would only be made from funds not required for other purposes and in light of market conditions prevailing at the time. In reaching a decision to purchase ordinary shares, your directors would take account of the Company's cash resources and capital, the effect of such purchases on the Company's business and on earnings per ordinary share.

The directors have no present intention of using the authority. However, the directors consider that it is in the best interests of the Company and its shareholders as a whole that the Company should have flexibility to buy back its own shares should the directors in the future consider that it is appropriate to do so.

In relation to any buy back, the maximum price per ordinary share at which the Company is authorised in terms of resolution 10 to effect that buy back is 5% above the average middle market price of an ordinary share for the five business days immediately preceding the date on which the buy back is effected.

The statutory provisions governing buy backs of own shares are currently contained in, inter alios, sections 693 and 701 of the Companies Act 2006.





