

# DX (Group) plc

(Company registered number 8696699)



## Notice of Annual General Meeting 2014

To be held on **4 November 2014 at 10.00 am**

at the registered office of DX (Group) plc:

DX House

The Ridgeway

Iver, Buckinghamshire

SL0 9JQ

### **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your shares in DX (Group) plc, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

2 October 2014

Dear Shareholder

## **Annual General Meeting 2014**

### **Introduction**

I am pleased to inform you that the first Annual General Meeting of DX (Group) plc (the “**Company**”) will be held at the Company’s registered office at DX House, The Ridgeway, Iver, Buckinghamshire, SL0 9JQ on Tuesday, 4 November at 10.00 am (the “**Meeting**”).

The formal notice convening this Meeting (“**Notice**”) is set out on pages 3 and 4 of this document. Explanatory notes and further information on each of the resolutions to be considered at the Meeting appear on pages 5 to 9 of this document.

Accompanying the Notice of the Meeting is the 2014 Annual Report (“**Annual Report**”).

### **Action to be taken**

You are asked to complete and sign the enclosed Form of Proxy and return it, together with any power of attorney or other authority under which it is signed or certified by a notary or an office copy thereof in accordance with the instructions printed on it to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and, in any event, to arrive by no later than 10.00 am on 2 November 2014. Alternatively, if you hold your ordinary shares in un-certificated form, you may use the CREST electronic proxy appointment service, details of which are set out in Note 2 to the Notice.

Completion and return of the Form of Proxy or appointment of a proxy through CREST does not prevent you from attending the Meeting and voting in person should you wish to do so.

### **Recommendation**

The Board considers that all of the resolutions to be put to the Meeting are in the best interests of the Company and its shareholders and are most likely to promote the success of the Company for the benefit of its shareholders as a whole. The Board unanimously recommends that you vote in favour of all the proposed resolutions as each of the Directors intend to do in respect of their own beneficial holdings.

Yours faithfully

**Bob Holt**  
Chairman

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting ("**Meeting**") of DX (Group) plc ("**Company**") will be held at DX House, The Ridgeway, Iver, Buckinghamshire SLO 9JQ on 4 November at 10.00 am for the following purposes:

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 9 will be proposed as ordinary resolutions and Resolution 10 will be proposed as a special resolution.

## Resolutions

### *Ordinary business (each to be proposed as Ordinary Resolutions)*

- Resolution 1** THAT the audited Accounts for the year ended 30 June 2014, together with the Directors' Report and Auditor's Report thereon, be received.
- Resolution 2** THAT a final dividend of 2p per ordinary share for the year ended 30 June 2014 be declared.
- Resolution 3** THAT KPMG LLP be reappointed as auditor of the Company.
- Resolution 4** THAT the Directors be authorised to determine the auditor's remuneration.
- Resolution 5** THAT Bob Holt be reappointed as a Director.
- Resolution 6** THAT Paul Murray be reappointed as a Director.
- Resolution 7** THAT Petar Cvetkovic be reappointed as a Director.
- Resolution 8** THAT Ian Pain be reappointed as a Director.

### *Special business*

- Resolution 9** (to be proposed as an ordinary resolution) THAT the Board be and is hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 ("**Act**") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any securities into shares in the Company ("**Rights**"):
- (a) up to a maximum nominal amount of £668,351.49; and
  - (b) comprising equity securities (as defined in the Act) up to a nominal aggregate amount of £1,336,702.98 (including within such limit any shares and rights to subscribe for or convert any security into shares allotted under paragraph (a) above) in connection with an offer by way of a rights issue:
    - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
    - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary, and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or other matter,

provided that this authority shall expire at the conclusion 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 shares to be allotted or Rights to be granted after such expiry and the Board may allot shares or grant Rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

# Notice of Annual General Meeting continued

**Resolution 10**  
(to be proposed  
as a special  
resolution)

THAT subject to the passing of Resolution 9, the Board be and is hereby authorised, pursuant to Section 570 of the Act, to allot equity securities (within the meaning of Section 560 of the Act) for cash during the period referred to in Resolution 9, and/or where the allotment is treated as an allotment of equity securities under section 560(2)(b) of the Act as if sub-section (1) of Section 561 of the Act did not apply to any such allotment, provided that this power shall be limited:

- (a) to the allotment of equity securities (but in the case of the authority granted under paragraph 9(b) of Resolution 9, by way of a rights issue only):
  - (i) to the holders of ordinary shares on the register on a fixed record date in proportion (as nearly as may be practicable) to their respective holdings of such securities; and
  - (ii) to the holders of other equity securities, as required by the rights of those securities, or as the Board otherwise consider necessary and so that the Board may impose any limits or restrictions and make any arrangements which it 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; and
- (b) in the case of the authority granted under paragraph 9(b) of Resolution 9 and/or in the case of a transfer of treasury shares which is treated as an allotment of equity securities under section 560(2)(b) of the Act, to the allotment (otherwise than pursuant to sub-paragraph (a) above) up to an aggregate nominal amount equal to 10% of the issued share capital of the Company at the date of this Notice,

and shall expire at such time as the authority conferred under Resolution 9 expires save that the Company may before such expiry make an offer or enter into agreements which would or might require equity securities to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the Board may allot equity securities or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

By order of the Board

**Raquel McGrath**  
Company secretary  
DX (Group) plc  
DX House, Ridgeway,  
Iver, Buckinghamshire  
SL0 9JQ  
2 October 2014

# Explanatory Notes to the Notice of Annual General Meeting

## **Resolution 1: Reports and Accounts (Ordinary Resolution)**

The Directors are required to present the audited accounts and the reports of the Directors and the auditors for the financial year ended 30 June 2014 to shareholders at the Meeting.

## **Resolution 2: Declaration of a final dividend (Ordinary Resolution)**

Shareholders are being asked to approve a final dividend of two pence for each ordinary share of one pence in the capital of the Company with respect to the period from the date of the admission of the share capital of the Company to trading on AIM to the end of the financial year on 30 June 2014. If approved, the dividend will be paid on 12 December 2014 to holders of ordinary shares on the register of members at the close of business on 14 November 2014. The ex-dividend date will be 13 November 2014.

## **Resolution 3: Reappoint auditors (Ordinary Resolution)**

The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company, to hold office until the end of the next Annual General Meeting. The Directors, on the recommendation of the Audit Committee (which has evaluated the effectiveness and independence of the external auditor), are proposing the reappointment of KPMG LLP.

## **Resolution 4: Authority to set the auditors' remuneration (Ordinary Resolution)**

In accordance with standard practice, this resolution gives authority to the Directors to determine the remuneration to be paid to the auditors.

## **Resolutions 5 to 8: Re-election of Directors (Ordinary Resolution)**

The Company's articles of association require that all Directors should be subject to election by shareholders at the first Annual General Meeting following their appointment and that one third of the Directors (or the number nearest to but not less than one third) retire by rotation at each Annual General Meeting, with each Director also being subject to re-election at intervals of not more than three years. As this is the first Annual General Meeting of the Company and in line with best practice, it is proposed that all the Directors of the Company should offer themselves for re-election. It is proposed that at subsequent Annual General Meetings, the retirement by rotation provisions of the Company's articles of association will apply. Biographical details of the Board can be found on page 24 of the Annual Report.

The performance of the Board as a whole, as well as the contribution made by individual Directors, has been reviewed. After considering this evaluation, the Board believes that the performance of every Executive and Non-executive Director continues to be effective, that they continue to demonstrate commitment to their respective roles and that their respective skills complement one another to enhance the overall operation of the Board.

## **Resolution 9: Authority to allot securities (Ordinary Resolution)**

The authority sought by this resolution is for the shareholders to grant the Directors authority under section 551 of the Act to allot shares or grant such subscription or conversion rights as are contemplated by sections 551(1) (a) and (b) respectively of the Act up to a maximum aggregate nominal value of £1,336,702.98. This represents approximately two thirds of the issued share capital (excluding shares held in treasury). This is within the guidelines issued by the ABI in that it is considered routine and standard practice for a listed company to seek authorisation to allot up to two thirds of its existing issued share capital (excluding shares held in treasury). 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 Annual General Meeting.

The Directors will be seeking annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources.

The authorities granted under Resolution 9 will expire at the end of the next Annual General Meeting.

## **Resolution 10: Disapplication of statutory pre-emption rights (Special Resolution)**

Under Section 561 of the Act, if the Directors wish to allot any of the unissued shares or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. This resolution is seeking to authorise the Directors (pursuant to Section 570 of the Act) to disapply the statutory pre-emption provisions and to allot ordinary shares of up to an aggregate nominal amount of £200,525.50 otherwise than on a pro rata basis. This represents 10% of the Company's issued share capital on 2 October 2014 (being the latest practical date prior to the printing of this Notice). This authority will expire at the end of the next Annual General Meeting of the Company.

# Explanatory Notes to the Notice of Annual General Meeting continued

## General notes:

1. Only those members registered on the Company's register of members at 6.00 pm on 2 November 2014 or, if this Meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a Form of Proxy with this Notice. 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 Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.

The notes to the Form of Proxy explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the Form of Proxy, the form must be completed and signed; sent or delivered to Capita Asset Services at PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; and received by Capita Asset Services no later than 10.00 am on 2 November 2014.

In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

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.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). 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.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("**EUI**") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 10.00 am on 2 November 2014. 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 by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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 a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be 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.

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).

3. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
4. Voting on all resolutions will be conducted by way of a poll save for procedural issues.
5. The following documents will be available for inspection at the registered office of the Company from the date of this Notice and at the place of the Meeting for at least 15 minutes prior to the Meeting until the end of the Meeting:
  - Copies of the service contracts of Executive Directors of the Company.
  - Copies of the letters of appointment of the Non-executive Directors of the Company.
6. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):
  - [LegalandRegulatory@thedx.co.uk](mailto:LegalandRegulatory@thedx.co.uk).

You may not use any electronic address provided either in this Notice or any related documents (including the Chairman's letter and Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

