

# **ADVENTIS GROUP PLC**

**NOTICE OF ANNUAL GENERAL MEETING**



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (if you are in the UK) or (if you are outside the UK) another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the stockbroker, bank or other agent who arranged the sale or transfer so they can pass these documents to the person who now holds the shares. If you have sold part of your holding, please consult with the stockbroker, bank or other agent through whom the sale was effected and they will guide you as to what action to take.

## **ADVENTIS GROUP PLC**

(the “Company”)

(Incorporated and registered in England and Wales under number 03542727)

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice of the Annual General Meeting of the Company to be held at Adventis House, Post Office Lane, Beaconsfield, Buckinghamshire HP9 1FN on 30 June 2011 at 2.00 pm is set out on pages 5 to 7 of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not later than 2.00 pm on 28 June 2011.

## **ADVENTIS GROUP PLC (the “Company”)**

(Incorporated and registered in England and Wales under number 03542727)

### **Registered Office:**

Adventis House,  
Post Office Lane,  
Beaconsfield,  
Buckinghamshire  
HP9 1FN

6 June 2011

To the holders of ordinary shares of 0.25p each

Dear Shareholder,

### **2011 Annual General Meeting**

I am pleased to be writing to you with details of the Annual General Meeting (the “AGM”) of the Company which will be held at Adventis House, Post Office Lane, Beaconsfield, Buckinghamshire HP9 1FN on 30 June 2011 at 2.00 pm. The formal notice of the AGM is set out on pages 5 to 7 of this document.

Shareholders should read the contents of this document in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2010, together with the reports of the Directors and auditors thereon, enclosed with this document (the “Accounts”).

If you would like to vote on the resolutions but cannot attend the AGM, please complete the proxy form enclosed and return it to our registrars as soon as possible. They must receive it by 2.00 pm on Tuesday, 28 June 2011.

The AGM affords the board an opportunity to communicate with its shareholders and to respond to shareholder questions. The board positively encourages shareholder participation, either through attending the AGM in person or voting by proxy on the resolutions.

### **Resolutions**

The following resolutions will be proposed at this year’s AGM. A more detailed explanation of each of the resolutions is set out at Appendix 1.

- Resolution 1 is to receive the Company’s annual report and accounts for the financial year ended 31 December 2010.
- Resolutions 2 to 4 are to approve the re-election of three of the Company’s Directors who have been appointed by the Board since the 2010 annual general meeting and are retiring in accordance with the Company’s articles of association and who are offering themselves for re-election.
- Resolution 5 is to approve the re-appointment of the Company’s auditors.

- Resolution 6 is to authorise the Directors to fix the remuneration of the auditors.
- Resolution 7 is to authorise the Directors to make allotments of ordinary shares within specified limits.
- Resolution 8 is to disapply the statutory pre-emption rights from the allotment of ordinary shares within specified limits.
- Resolution 9 is to approve the adoption of new articles of association which create a new class of shares (the “A” Ordinary Shares”) and to authorise the Directors to make allotments of the A Ordinary Shares and to disapply pre-emption rights in connection with the issue of such A Ordinary Shares.

The A Ordinary Shares are being created in order to effect a new performance-based incentive scheme to be adopted by the Company (the “New Incentive Scheme”). The New Incentive Scheme is designed to reward senior management where on a sale of the Company (or in certain other limited circumstances) the Company’s share value is over and above a certain hurdle value. The New Incentive Scheme is being implemented as the board does not consider that the current existing incentive schemes adequately incentivise the new management team who have been brought in to improve the Company’s financial performance.

It is proposed that all the new A Ordinary Shares are issued to Andrew Pearson and to me as members of the senior management team. Andrew Pearson shall hold 2,689,515 A Ordinary Shares and I shall hold 2,689,515 A Ordinary Shares.

The A Ordinary Shares will not be admitted to trading on AIM or any other stock exchange nor will they grant the holder any voting rights or rights to dividends. A more detailed summary of the New Incentive Scheme, including how the hurdle value shall be calculated and the rights of the A Ordinary Shares, is set out at Appendix 1.

The issue of the A Ordinary Shares to Andrew Pearson and to me constitutes a “related party transaction” for the purposes of AIM Rule 13 of the AIM Rules for Companies (the “AIM Rules”). In accordance with the AIM Rules, the remaining directors of the Company being Allan Collins and Julian Spooner, having consulted with the Company’s nominated adviser, Arbuthnot Securities Limited, consider that the issue of the “A” Ordinary Shares is fair and reasonable insofar as shareholders are concerned.

### **Action to be taken**

Shareholders will find enclosed with this document a proxy form for use at the AGM. Whether or not you propose to attend the AGM in person, you are requested to complete the proxy form and to return it to the Company’s registrars, Neville Registrars Limited at 18 Laurel Lane, Halesowen, West Midlands B63 3DA so as to arrive by no later than 2.00 pm on 28 June 2011. Unless the proxy form is received by this date and time, it will be invalid. The completion and return of a proxy form will not preclude you from attending the AGM and voting in person if you so wish.

### **Recommendation**

Your Board considers that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole and unanimously recommends that you vote in favour of them (save as to Resolution 9 relating to the issue of the A Ordinary Shares in accordance with the New Incentive Scheme, where Andrew Pearson and

I are not making a recommendation as we stand to benefit from the arrangements if the resolution is approved by the shareholders).

Yours faithfully,

Nick Winks  
Chairman

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Adventis Group Plc (the “Company”) will be held at Adventis House, Post Office Lane, Beaconsfield, Buckinghamshire HP9 1FN on 30 June 2011 at 2.00 pm. You will be asked to consider and, vote on the resolutions below. Resolutions 1 to 7 (inclusive) will be proposed as ordinary resolutions and resolutions 8 and 9 will be proposed as special resolutions.

### ORDINARY RESOLUTIONS

1. To receive the financial statements of the Company for the financial year ended 31 December 2010 together with the reports of the directors and the auditors on those financial statements.
2. To re-elect as a director Nick Winks who retires from the Board in accordance with Article 89 of the Company’s articles of association and, being eligible, offers himself for re-election.
3. To re-elect as a director Andrew Pearson who retires from the Board in accordance with Article 89 of the Company’s articles of association and, being eligible, offers himself for re-election.
4. To re-elect as a director Julian Spooner who retires from the Board in accordance with Article 89 of the Company’s articles of association and, being eligible, offers himself for re-election.
5. THAT Mazars LLP be reappointed as auditors of the Company to hold office from the conclusion of the meeting until the conclusion of the next annual general meeting at which audited financial statements are laid before the Company.
6. THAT the Directors be authorised to determine the remuneration of the auditors.
7. THAT the Directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “2006 Act”) to exercise all the powers to allot Relevant Securities up to an aggregate nominal amount of £40,342 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 30 September 2012 or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority revokes and replaces all unexercised authorities granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

For the purposes of this resolution 7, “Relevant Securities” means:

- (a) shares in the Company other than shares allotted pursuant to:
  - (i) an employee share scheme (as defined by section 1166 of the 2006 Act);
  - (ii) a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security; or

- (iii) a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security; and
- (b) any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme. References to the allotment of Relevant Securities in this resolution 7 include the grant of such rights.

## SPECIAL RESOLUTIONS

8. THAT, subject to the passing of resolution 7 above, the Directors be generally empowered pursuant to sections 570 and 573 of the 2006 Act to allot equity securities (within the meaning of section 560 of the 2006 Act) wholly for cash, either pursuant to the authority conferred by resolution 7 above or by way of a sale of treasury shares, as if section 561(1) of the 2006 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 an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  - (b) otherwise than pursuant to sub-paragraph (a) above up to an aggregate nominal amount of £12,102

and is for a period from the date of the passing of this resolution to the conclusion of the Company's annual general meeting in 2012 and 30 September 2012, whichever is the earlier, 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 any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the directors to allot equity securities as if either section 89(1) of the Companies Act 1985 or section 561(1) of the 2006 Act did not apply but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such powers.

- 9.
- (a) THAT the articles of association in the form contained in the document produced to the meeting (and signed by the chairman of the meeting for the purpose of identification) be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.
  - (b) THAT the Directors be generally and unconditionally authorised for the purposes of section 551 of the 2006 Act to exercise all the powers to allot "A" Ordinary Shares up to an aggregate nominal amount of £134.48

provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 30 September 2012 or, if earlier, the date of the next annual general meeting of the Company.

(c) THAT the Directors be generally empowered pursuant to sections 570 and 573 of the 2006 Act to allot "A" Ordinary Shares wholly for cash, either pursuant to the authority conferred by resolution 9(b) above or by way of a sale of treasury shares, as if section 561(1) of the 2006 Act did not apply to any such allotment and for a period from the date of the passing of this resolution to the conclusion of the Company's annual general meeting in 2012 and 30 September 2012, whichever is the earlier.

6 June 2011

By order of the Board

Andrea Parsons  
Company Secretary

**Registered Office:**

Adventis House,  
Post Office Lane,  
Beaconsfield,  
Buckinghamshire  
HP9 1FN

Registered in England and Wales No. 00756128

*Inspection of documents*

*The following documents will be available for inspection at the Company's registered office from the date of this document until the time of the AGM from 15 minutes before the AGM until it ends:*

- *Copies of the Executive Director's service contract; and*
- *Copies of letters of appointment of the Non-Executive Directors.*
- *Proposed revised articles of association.*

## Notes

1. Shareholders entitled to attend and to speak and vote 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 the Company's registrars, Neville Registrars Limited at 18 Laurel Lane, Halesowen, West Midlands B63 3DA no later than 2.00 pm on 28 June 2011.
3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so 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 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.
4. 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 instruction, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID7RA11) by 2.00 pm on 28 June 2011. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
5. 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 message. 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, 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
6. 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.

7. The return of a completed proxy form will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
8. 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 at 6.00 pm on 28 June 2011 (or, in the event of any adjournment, on the date which is two days 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.
9. 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.
10. Any member attending the meeting has the right to ask questions. The company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.

## APPENDIX 1

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

The notes on this page give an explanation of the proposed resolutions.

Resolutions 1 to 7 are 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. Resolutions 8 and 9 are 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.

#### **Resolution 1: Annual Report and Financial Statements**

The Directors are required to present to shareholders at the AGM the Accounts, a copy of which is enclosed with this document.

#### **Resolutions 2 to 4: Re-election of Directors**

Resolution 2 is for the re-election as a Director of Nick Winks, who was appointed to the Board since the date of the 2010 annual general meeting ("2010 AGM") and who therefore automatically retires by virtue of Article 89 of the Company's articles of association. His brief biographical details appear in Appendix 2, Part 1.

Resolution 3 is for the re-election as a Director of Andrew Pearson, who was appointed to the Board since the date of the 2010 AGM and who therefore automatically retires by virtue of Article 89 of the Company's articles of association. His brief biographical details appear in Appendix 2, Part 2.

Resolution 4 is for the re-election as a Director of Julian Spooner, who was appointed to the Board since the date of the 2010 AGM and who therefore automatically retires by virtue of Article 89 of the Company's articles of association. His brief biographical details appear in Appendix 2, Part 3.

#### **Resolution 5: Re-appointment of auditors**

The Company is required to appoint auditors at each annual general meeting at which accounts are laid. Resolution 5 proposes the re-appointment of Mazars LLP as auditors of the Company to hold office until conclusion of the next general meeting at which accounts are laid.

#### **Resolution 6: Fixing of auditors' remuneration**

In accordance with the Company's articles of association, this resolution gives authority to the Directors to determine the remuneration of the auditors.

#### **Resolution 7: Authority to Allot**

This resolution deals with the Directors' authority to allot Relevant Securities (as defined in the resolution) in accordance with section 551 of the Companies Act 2006 and replaces the authority granted at last year's AGM.

The resolution complies with guidance issued by the Association of British Insurers (ABI) in December 2008 and will, if passed, authorise the Directors to allot Relevant Securities up to a maximum nominal amount of £40,342 which represents approximately 33% of the

Company's issued ordinary share capital as at 3 June 2011 (the latest practicable date prior to the publication of this document).

The authority lapses at the conclusion of the Company's next annual general meeting in 2012 or 30 September 2012, whichever is the earlier.

As at the close of business on 3 June 2011 (the latest practicable date prior to the publication of the notice), the Company held 728,953 ordinary shares in treasury.

#### **Resolution 8: Dis-application of Pre-emption Rights**

Resolution 8 contains an authority for the Directors to allot shares and/or to sell shares held in treasury for cash, without regard to the statutory pre-emption rights in relation to offers of equity securities. The resolution complies with guidance issued by the ABI in December 2008 (as revised in November 2009). The authority is limited to the allotment and/or sale of equity securities:

- (a) in connection with a rights issue where those equity securities are proportionate (as nearly as may be) to existing ordinary shareholdings up to a maximum nominal amount of £40,342 which represents approximately 33% of the Company's issued ordinary shares as at 3 June 2011 (the latest practicable date prior to the publication of the notice); and
- (b) otherwise, up to an aggregate nominal amount of £12,102 (which is equal to 4,840,800 ordinary shares of 0.25p each), which represents approximately 10% of the Company's issued share capital as at that date.

The authority lapses at the conclusion of the Company's next annual general meeting in 2012 or 30 September 2012, whichever is the earlier.

The Directors have no immediate plans to make use of the authorities in resolutions 7 and 8 save to finance appropriate business opportunities, should they arise.

#### **Resolution 9: Adoption of New Articles of Association**

This resolution deals with (i) the adoption of new articles of association (the "New Articles") in order to create a new class of shares (the "A Ordinary Shares"); (ii) the granting of authority to the directors to allot the A Ordinary Shares; and (iii) empowering the directors to disapply pre-emption rights in connection with the issue of the A Ordinary Shares. The A Ordinary Shares are being created in order to effect a new performance based incentive scheme to be adopted by the Company (the "New Incentive Scheme"). The board considers that the existing incentive schemes do not adequately incentivise senior management and that a new incentive plan is required which is designed to reward members of the senior management team where there is an increase in the Company's share value over and above a certain hurdle value.

The New Articles provide that, on any third party sale of the Company (or on certain other events specified below), the holders of A Ordinary Shares will be entitled to receive a hurdle amount for each A Ordinary Share. The hurdle amount will be calculated by deducting a set hurdle share value from an exit share value. The hurdle amount will be calculated before any payments are made to the holders of the ordinary shares of 0.25 pence in the capital of the Company. All payments made to the holders of the Ordinary Shares shall be pro rata to their shareholdings.

The hurdle share value will be calculated as the amount equal to 50% above the closing price of the Ordinary Shares on Friday 3 June 2011 (being the last business day before the posting of the notice of the AGM).

The exit share value will be an amount equal to the total consideration payable on a third party sale for the Company divided by the aggregate amount of Ordinary Shares and "A" Ordinary Shares in issue at the exit. If the exit share value is less than or the same as the hurdle share value, the holders of A Ordinary Shares will not be entitled to receive anything.

The other circumstances where a holder of A Ordinary Shares might be entitled to a hurdle payment would be on a liquidation of the Company or on a return of assets following a business sale if the relevant exit share value exceeds the hurdle share value.

Under the provisions of the New Articles if a holder of A Ordinary Shares ceases to hold office with or be employed by the Company for any reason, then the A Ordinary Shares held by that individual will convert automatically to deferred shares of 0.0025 pence in the capital of the Company (the "Deferred Shares"). The Deferred Shares have no real economic rights.

The A Ordinary Shares do not have any voting rights nor any rights to dividends and are not freely transferable.

The New Articles are similar to the Company's existing articles of association, save for the provisions relating to the new A Ordinary Shares and the Deferred Shares, which have been summarised above. The above summary is intended to cover only the material differences between the existing articles of association and the New Articles, any changes of a minor, conforming or a technical nature have not been mentioned specifically.

The board has agreed that following the passing of resolution 9, in accordance with the New Incentive Scheme, a total of 5,379,030 A Ordinary Shares shall be issued (representing 10% of the issued share capital of the Company as enlarged by the issue of the A Ordinary Shares), of which 2,689,515 A Ordinary Shares (being 50% of the total A Ordinary Shares to be issued) shall be issued to Nick Winks and 2,689,515 A Ordinary Shares (being the remaining 50% of the total A Ordinary Shares to be issued) to Andrew Pearson.

An illustrative example of how the New Incentive Scheme would operate on an exit and based on the closing mid-market share price on 1 June 2011, being 2.5 pence is shown as follows: if there was an exit share value at 10 pence with a hurdle share value of 3.75 pence this would mean that a total of £336,189.38 of the sale proceeds would be payable to the holders of the A Ordinary Shares and Nick Winks and Andrew Pearson would both receive £168,094.69.

**Shareholders should be aware that the example provided above is purely illustrative and the exit share value price used in the example is highly speculative and any eventual exit share value is likely to require a large improvement in profitability and may be affected by any agreements reached on deferred consideration on recent acquisitions. In addition, any dilution of the current issued Ordinary Shares will affect the future calculations.**

## **APPENDIX 2**

### **Part 1**

#### **BIOGRAPHICAL DETAILS OF NICK WINKS**

Nick has been Chairman of Adventis Group PLC since February 2011. He is a Senior Partner in WayPoint Change LLP which specialises in business turnaround.

### **Part 2**

#### **BIOGRAPHICAL DETAILS OF ANDREW PEARSON**

Andrew, a chartered accountant, was appointed Finance Director of Adventis Group PLC on April 20th 2011. As a Senior Partner for 16 years, he formed and led KPMG's Transaction Services business in the Midlands, building a multi-disciplined team of over 40 senior professionals supporting corporate, PE and bank clients on every type of M&A transaction. Andrew currently is a Senior Partner in WayPoint Change LLP specialising in hands-on business turnaround and M&A projects for banks and PE funds.

### **Part 3**

#### **BIOGRAPHICAL DETAILS OF JULIAN SPOONER**

Julian was appointed as non-Executive Director on 15 September 2010. He spent more than 20 years of his career in marketing and general management roles latterly at Diageo. He led a MBI/MBO of Media Audits Group with private equity funding in 2001 and subsequently sold the business to Accenture which he then joined as COO Accenture Marketing Sciences. Since then Julian has taken a number of directorships of businesses specialising in marketing services and thereby brings significant client and agency experience to Adventis.

