

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT OR AS TO WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN PERSONAL ADVICE FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER DULY AUTHORISED PURSUANT TO THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED), WHO SPECIALISES IN ADVISING ON THE ACQUISITION OF SHARES AND OTHER SECURITIES.

If you have sold or otherwise transferred all of your registered holding of Ordinary Shares, please immediately forward this document, together with the accompanying Proxy Form, to the purchaser or transferee (or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee). If you have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and contact the stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

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# NORTHERN BEAR PLC

(Registered in England and Wales under No. 5780581)

## Notice of Annual General Meeting

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This document should be read in its entirety. Your attention is drawn to the letter from the Chairman of Northern Bear which is set out on pages 2 to 3 (inclusive) of this document and which contains a recommendation by the Directors that you vote in favour of the Resolutions to be proposed at the Annual General Meeting referred to below.

Copies of this document are available from the Company's registered office from the date of this document until the date of the Annual General Meeting. This document will also be available for download from the Company's website: [www.northernbearplc.com](http://www.northernbearplc.com).

**Notice of the Annual General Meeting to be held at A1 Grainger, Prestwick Park, Prestwick, Newcastle upon Tyne, NE20 9SJ at 11:00am on 19th August 2019, is set out on pages 4 to 7 of this document. To be valid, the enclosed Proxy Form should be completed and returned, in accordance with the instructions printed thereon, to the Company's registrar, Link Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible but in any event so as to arrive no later than 11.00am on 15th August 2019. The completion and return of a Proxy Form will not preclude a Shareholder from attending and voting in person at the Annual General Meeting should he or she wish to do so.**

This document does not constitute, or form part of, any offer or invitation to issue, or any solicitation of any offer to subscribe for, any ordinary shares in Northern Bear.

## DEFINITIONS

The following definitions apply throughout this document (including the notice of the Annual General Meeting) and in the accompanying Proxy Form, unless the context requires otherwise:

<b>2006 Act:</b>	the Companies Act 2006.
<b>Annual General Meeting or AGM:</b>	the annual general meeting of the Company to be held at A1 Grainger, Prestwick Park, Prestwick, Newcastle upon Tyne, NE20 9SJ on 19th August 2019 (and any adjournment thereof).
<b>AIM:</b>	the market known as AIM operated by the London Stock Exchange.
<b>Company or Northern Bear:</b>	Northern Bear plc (incorporated in England and Wales with company number 5780581) whose registered office is located at A1 Grainger, Prestwick Park, Prestwick, Newcastle Upon Tyne, England, NE20 9SJ.
<b>Directors or Board:</b>	the board of directors of the Company whose names are set out on page 2 of this document (or any duly authorised committee thereof).
<b>Issued Share Capital:</b>	the existing issued Ordinary Shares, excluding those Ordinary Shares held in treasury.
<b>London Stock Exchange:</b>	London Stock Exchange plc.
<b>Option Holders:</b>	holders of existing options to subscribe for Ordinary Shares.
<b>Ordinary Shares:</b>	the ordinary shares of 1 pence each comprised in the capital of the Company.
<b>Proxy Form:</b>	the form of proxy (for use by Shareholders in connection with the Annual General Meeting) which accompanies this document.
<b>Resolutions:</b>	the resolutions to be proposed at the Annual General Meeting (and a reference to a <b>Resolution</b> is to the relevant resolution set out in the notice of Annual General Meeting contained in this document).
<b>Rights:</b>	rights to subscribe for or to convert any security into shares in the Company.
<b>Shareholders:</b>	holders of Ordinary Shares.

# LETTER FROM THE CHAIRMAN OF NORTHERN BEAR PLC

*Directors:*

Steven Mark Roberts (Chairman)  
Graham Roy Jennings  
Thomas Edward Hayes  
Keith Soulsby  
Howard Barry Gold  
Ian Thomas McLean

*Registered and Head Office:*

A1 Grainger  
Prestwick Park  
Prestwick  
Newcastle upon Tyne  
NE20 9SJ

22nd July 2019

*To the Shareholders and, for information only, to the Option Holders*

## Notice of Annual General Meeting

Dear Shareholder

### 1. Introduction

I am pleased to be writing to you with details of the Company's Annual General Meeting, to be held at A1 Grainger, Prestwick Park, Prestwick, Newcastle upon Tyne, NE20 9SJ on 19th August 2019 at 11:00am.

The purpose of this document is to set out the details of the ordinary and special business which is to be put to Shareholders at the AGM, to explain why the Directors consider the Resolutions to be in the best interests of the Company and Shareholders as a whole and to provide you with details of the AGM.

### 2. Annual General Meeting

Shareholders are being asked to vote on 8 Resolutions. Resolutions 1 to 4 relate to the routine business of the AGM. Resolutions 5 to 8 relate to special business. The Resolutions are summarised and explained below.

#### **Resolution 1: Report and financial statements**

Resolution 1 is to receive and consider the Directors' and Auditor's Reports and Financial Statements for the year ended 31st March 2019.

#### **Resolution 2: Authority for the Directors to declare and pay a final dividend**

As a result of the strong performance in the financial year, the Board intends to continue with its progressive dividend policy and the Directors propose the payment of a final dividend for the year ended 31st March 2019. The amount of dividend proposed is three and one quarter (3.25) pence per Ordinary Share, to be paid on 30th August 2019 to the Shareholders at the close of business on 9th August 2019.

Accordingly, Resolution 2 authorises the Directors to declare and pay a final dividend for the year ended 31st March 2019.

#### **Resolutions 3 and 4: Re-appointment of Auditor and remuneration**

Resolution 3 is for the re-appointment of Mazars LLP as auditor of the Company.

Resolution 4 is to authorise the Directors to determine the remuneration of Mazars LLP as auditor of the Company.

#### **Resolution 5: Authority for the Directors to declare and pay a special dividend**

Having regard to the exceptional performance during the financial year, the Board propose to distribute funds which are deemed surplus to strategic requirements. Accordingly, the Directors also propose a special dividend for the year ended 31st March 2019.

The amount of dividend proposed is three quarters of one (0.75) pence per Ordinary Share, to be paid on 30th August 2019 to the Shareholders at the close of business on 9th August 2019.

Accordingly, Resolution 5 authorises the Directors to declare and pay a special dividend. The approval of this resolution is not conditional upon the approval of Resolution 2, nor is the approval of Resolution 2 dependent upon the approval of Resolution 5.

### **Resolutions 6 and 7: Authority to allot shares and disapply pre-emption rights**

As part of its strategy, the Company continues to assess acquisition opportunities as they arise. The ability to issue shares for cash without the need for further shareholder approval will enable the Company to take advantage of such opportunities in a timely manner.

Accordingly, Resolution 6, which will be proposed as an ordinary resolution, renews the Directors' authority to allot up to 5,555,766 Ordinary Shares (representing 30 per cent. of the Issued Share Capital).

Resolution 7, which will be proposed as a special resolution, renews the Directors' power to allot up to 925,961 Ordinary Shares (representing 5 per cent of the Issued Share Capital), for cash, without first offering such shares to existing Shareholders. This special resolution also enables the Company, in the event of a rights issue or open offer, to overcome certain practical difficulties which may arise in connection with fractional entitlements.

The authorities conferred by Resolutions 6 and 7 shall expire at the earlier of the conclusion of the Company's annual general meeting held in 2020 or (if earlier) 31st August 2020.

### **Resolution 8: Authority for the Company to purchase its own shares**

The Directors consider it would be beneficial for the Company to continue to have the power to purchase its own shares in certain circumstances. If the authority were to be granted, the Company would be able to purchase its own shares and either cancel them (so reducing the total number of Company shares in issue) or hold them as treasury shares (if the shares were purchased out of distributable profits), subject to certain limitations.

Treasury shares themselves may be cancelled, sold for cash or transferred for the purposes of employee share schemes. All rights attaching to Company shares, including voting rights and the right to receive dividends, are suspended while they are held in treasury.

Resolution 8, which will be proposed as a special resolution, authorises the Directors to purchase up to a maximum of 925,961 Ordinary Shares.

The maximum price per Ordinary Share payable on the exercise of the authority shall not be more than 5 per cent above the average middle market quotations for the Ordinary Shares as derived from the London Stock Exchange Daily Official List for the five business days prior to making any purchase. The minimum price payable shall be an Ordinary Share's nominal value, being 1 penny.

The authority will expire at the conclusion of the Company's annual general meeting to be held in 2020 or (if earlier) 31st August 2020.

The Directors will only implement purchases of Ordinary Shares if, after careful consideration, they are satisfied that such purchases are in the best interests of the Company and Shareholders generally and would result in an increase in expected earnings per share. Furthermore, account will be taken of the overall financial implications for the Company.

### **3. Recommendations**

The Directors consider that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and its Shareholders as a whole. The Directors unanimously recommend shareholders vote in favour of the Resolutions set out in the notice of Annual General Meeting, as they intend to do in respect of their own beneficial holdings.

Yours sincerely

**Steven Roberts**  
(Chairman)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Northern Bear plc will be held at A1 Grainger, Prestwick Park, Prestwick, Newcastle upon Tyne, NE20 9SJ on 19th August 2019 commencing at 11:00am for the purpose of considering and, if thought fit, passing thereat (or at any adjournment thereof) the following resolutions:

### Ordinary Business

As to the ordinary business of the Company, as follows:

- 1) To receive and adopt the Company's financial statements for the financial year ended 31st March 2019 together with the reports of the Directors and auditor thereon.
- 2) To authorise the Directors to declare and pay to the Shareholders a final dividend in respect of the year ending 31st March 2019 in an amount equal to three and one quarter (3.25) pence per Ordinary Share, which will be paid on 30th August 2019 to the holders of Ordinary Shares at close of business on 9th August 2019.
- 3) To re-appoint Mazars LLP as the Company's auditor to hold office from the conclusion of this meeting until the conclusion of the next meeting at which accounts are laid before the Company.
- 4) To authorise the Directors to agree the remuneration of the auditor.

### Special Business

As to special business (of which Resolutions 5 and 6 shall be proposed as ordinary resolutions and Resolutions 7 and 8 as special resolutions), as follows:-

- 5) To authorise the Directors to declare and pay to the Shareholders a special dividend in an amount equal to three quarters of one (0.75) pence per Ordinary Share, which will be paid on 30th August 2019 to the holders of Ordinary Shares at close of business on 9th August 2019.
- 6) That, in accordance with section 551 of the 2006 Act, the Directors be and they are hereby generally and unconditionally authorised to allot shares in the Company or grant Rights up to a maximum aggregate nominal amount of £55,557.66 PROVIDED THAT:
  - a) this authority shall (unless renewed, varied or revoked by the Company) expire at the earlier of the conclusion of the annual general meeting next held after the passing of this Resolution or 31st August 2020 (unless renewed or extended prior to or at such meeting); and
  - b) the Company may, before such expiry, make an offer, agreement or other arrangement which would or might require shares to be allotted or Rights to be granted after the expiry of such period and the Directors may allot shares or grant Rights in pursuance of any such offer, agreement or other arrangements as if the authority conferred hereby had not expired.
- 7) That, subject to the passing of Resolution 6, the Directors be and they are hereby given the general power to allot equity securities (as defined in section 560 of the said 2006 Act) for cash, either pursuant to the authority conferred upon them by Resolution 8 (as varied from time to time by the Company in general meeting) 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:
  - a) this power shall be limited to:
    - i) the allotment of equity securities in connection with a rights issue or any other pre-emptive offer in favour of holders of equity securities where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as may be) to the respective amounts of equity securities held by them subject only to such exclusions or other arrangements as the Directors may consider appropriate to deal with treasury shares, fractional entitlements, record dates or legal and practical difficulties under the laws of or the requirements of any recognised regulatory body in any territory or otherwise or as regards shares held by an approved depository or in issue in uncertified form or otherwise howsoever; and
    - ii) the allotment (otherwise than pursuant to sub-paragraph (a)(i) above) of equity securities up to an aggregate nominal value of £9,259.61; and
  - b) this power shall expire on whichever is the earlier of the conclusion of the next annual general meeting of the Company or 31st August 2020 (unless renewed or extended prior to or at such meeting); and
  - c) the Company may, before such expiry, make an offer, agreement or other arrangement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer, agreement or arrangement as if the power conferred hereby had not expired.

- 8) That the Company be and is hereby generally authorised to make market purchases (within the meaning of section 693(4) of the 2006 Act) of Ordinary Shares upon and subject to the following conditions:
- a) the maximum aggregate number of Ordinary Shares which may be purchased is 925,961; and
  - b) Ordinary Shares may not be purchased at a price which is more than 5 per cent. above the average of the middle market quotations for the Ordinary Shares as taken from the London Stock Exchange Daily Official List for the five business days preceding the date of purchase (or at a price which is less than 1 penny per Ordinary Share);

and the authority to purchase conferred by this Resolution shall expire on whichever is the earlier of the conclusion of the next annual general meeting of the Company or 31st August 2020, save that the Company may before such expiry enter into a contract of purchase under which such purchase may be completed or executed wholly or partly after the expiration of this authority.

By order of the Board

**Wendy Edgell**  
(Company Secretary)

22nd July 2019

*Registered Office:*  
A1 Grainger,  
Prestwick Park,  
Prestwick,  
Newcastle upon Tyne,  
England,  
NE20 9SJ

# NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

## *Defined terms*

- 1) Words and expressions defined in the document of which this notice of meeting forms part shall have the same meaning in this notice of meeting (save where the context otherwise requires).

## *Entitlement to attend and vote*

- 2) Only those members registered on the Company's register of members at:
  - a) close of business on 15th August 2019; or
  - b) if this meeting is adjourned, at close of business on the day which is two days prior to the adjourned meeting; shall be entitled to attend and vote at the meeting.

## *Appointment of proxies*

- 3) If you are a member of the Company who is entitled to attend and vote at the meeting, 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 the Proxy Form with this notice of meeting. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the Proxy Form.
- 4) If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in these notes. Please read note 14 below.
- 5) 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 Proxy Form are set out in the notes to the Proxy Form. 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.
- 6) You may appoint more than one proxy, provided that 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.

To appoint more than one proxy, the Proxy Form should be photocopied and completed for each proxy holder. The proxy holder's name should be written on the Proxy Form, together with the number of shares in relation to which the proxy is authorised to act. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by you will result in the proxy appointment being invalid.
- 7) 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.
- 8) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against a Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

## *Appointment of proxy using hard copy proxy form*

- 9) The notes to the Proxy Form explain how to direct your proxy how to vote on each Resolution or withhold their vote.

To appoint a proxy using the Proxy Form, the form must be:

- a) completed and signed;
- b) sent or delivered to Link Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
- c) received by Link Asset Services no later than 11.00am on 15th August 2019.

In the case of a member which is a company, the Proxy Form must be executed under its common seal (if applicable) 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 Proxy Form is signed (or a duly certified copy of such power or authority) must be included with the Proxy Form.

If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact Link Asset Services:

- a) by e-mail, sent to [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk); or
- b) by phone on 0871 664 0391 (between the hours 9.00am and 5.30pm, Monday to Friday, excluding public holidays in England and Wales);

quoting the Company's name and the date and time of the meeting and requesting a proxy form. Calls to the telephone number set out above cost 12p per minute (plus your phone company's access charge). If you are outside the United Kingdom, please call +44 371 664 0391. Calls outside the United Kingdom will be charged at the applicable international rate.

## *Appointment of proxy by joint members*

- 10) 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).

### *Changing proxy instructions*

- 11) To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see note 9 above) also applies in relation to amended instructions. Any amended proxy appointment received after the relevant cut-off time will be disregarded.

To change your instructions using another hard-copy Proxy Form, please contact Link Asset Services:

- a) by e-mail, sent to enquiries@linkgroup.co.uk; or
- b) by phone on 0871 664 0391 (between the hours 9.00am and 5.30pm, Monday to Friday, excluding public holidays in England and Wales);

quoting the Company's name and the date and time of the meeting and requesting another hard-copy Proxy Form. Calls to the telephone number set out above cost 12p per minute (plus your phone company's access charge). If you are outside the United Kingdom, please call +44 371 664 0391. Calls outside the United Kingdom will be charged at the applicable international rate.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

### *Termination of proxy appointments*

- 12) In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Link Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4TU. In the case of a member which is a company, the revocation notice 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 revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Link Asset Services no later than 11.00am on 15th August 2019.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to note 7 above, your proxy appointment will remain valid.

### *Corporate representatives*

- 13) 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.

### *Information rights*

- 14) If you are a person who has been nominated under section 146 of the 2006 Act to enjoy information rights:

- a) You may have a right under an agreement between you and the Shareholder who has nominated you to have information rights (the **Relevant Member**) to be appointed or to have someone else appointed as a proxy for the meeting.
- b) If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.
- c) Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

The rights relating to proxies set out in note 3 above do not apply directly to nominated persons.

### *Issued shares and total voting rights*

- 15) As at 6.00pm on 19th July 2019, the Company's issued share capital comprised 18,519,222 Ordinary Shares, exclusive of 362,040 Ordinary Shares held by the Company in treasury (which have no right to vote). Therefore, the Company has 18,519,222 Ordinary Shares trading on AIM as at 6.00pm on 22nd July 2019. Each Ordinary Share (excluding the Ordinary Shares held in treasury) carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00pm on 19th July 2019 is 18,519,222.

### *Documents on display*

- 16) The following documents will be available for inspection at A1 Grainger, Prestwick Park, Prestwick, Newcastle upon Tyne, England, NE20 9SJ from 25th July 2019 until the time of the meeting and for at least 15 minutes prior to the meeting and during the meeting:

- a) Copies of the service contracts of executive Directors.
- b) Copies of the letters of appointment of the non-executive Directors.

### *Communication*

- 17) Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):

- a) by email, sent to info@northernbearplc.com; or
- b) by phone, on 01661820369 (between the hours 9.00am and 5.30pm, Monday to Friday).

Shareholders may not use any electronic address provided either:

- a) in this notice of general meeting; or
  - b) any related documents (including the chairman's letter and Proxy Form);
- to communicate with the Company for any purposes other than those expressly stated.