

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your shares in Ceres Power Holdings plc, please send this document, and the accompanying form of proxy, to the purchaser or transferee of those shares or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

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# **Ceres Power Holdings plc**

(the "Company")

## **Notice of Annual General Meeting**

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3 November 2017

Dear Shareholder,

**Ceres Power Holdings plc (the "Company")**

**Notice of Annual General Meeting**

Please find enclosed your Company's Annual Report for the financial year to 30 June 2017, the Notice of our Annual General Meeting ("**Notice of AGM**") to be held at 2pm on Wednesday 6 December 2017 detailing a number of resolutions proposed by the Company's board of directors (the "**Board**"), a proxy form for you to complete if you are unable to attend in person and explanatory notes which contain information on the resolutions to be proposed at the Annual General Meeting.

Resolutions 1 to 6 in the Notice of AGM will all be proposed as Ordinary Resolutions. This means that, for each of those Resolutions to be passed, a simple majority of votes cast on a show of hands must be in favour of the Resolution or, on a poll, members representing a simple majority of the total voting rights of the members voting (in person or by proxy), being more than 50%, must vote in favour of the Resolution.

Resolution 7 in the Notice of AGM will be proposed as a Special Resolution. For Special Resolutions to be passed, not less than 75% of the votes cast on a show of hands must be in favour of the Resolution, or, on a poll, members representing not less than 75% of the total voting rights of the members voting (in person or by proxy) must vote in favour of the Resolution.

**Ordinary Business**

Resolutions 1 to 5 constitute the ordinary business of the Annual General Meeting and explanatory details are set out in the note appended to the Notice of AGM.

**Special Business**

Resolutions 6 and 7 constitute the special business of the Annual General Meeting and explanatory details are set out in the note appended to the Notice of AGM.

The Annual General Meeting will be held at the offices of the Company, Viking House, Foundry Lane, Horsham, RH13 5PX at 2pm on Wednesday 6 December 2017. In addition to the Annual General Meeting, I invite all shareholders on a guided tour of our facilities, which includes our advanced manufacturing and test infrastructure areas, as well a presentation on the progress the Company has made in the last year. This will take place immediately after the Annual General Meeting.

If you are likely to attend the Annual General Meeting, please could you inform Sally Napper, the PA to the Board, via email (sally.napper@cerespower.com) in order that we can plan the facilities to be made available.

If you are unable to attend in person, and would like to appoint a proxy to attend and vote on your behalf, please complete the enclosed form of proxy and return it to the Company's registrar, Computershare Investor Services PLC, using the envelope provided so as to arrive no later than 2pm on 4 December 2017. Completion and return of the form of proxy will not preclude you from attending the Annual General Meeting in person, if you choose.

Your Board believes that the resolutions contained in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. Accordingly, the Board recommends that you vote in favour of each of the resolutions to be proposed at the Annual General Meeting, as your Directors on the Board intend to do in respect of their own shareholdings in the Company.

The Board looks forward to reporting to you on the year at the Annual General Meeting.

Yours faithfully,



Alan Aubrey  
**Chairman**  
**Ceres Power Holdings plc**

# Ceres Power Holdings Plc

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Ceres Power Holdings plc (the "**Company**") for the financial year ended 30 June 2017 will be held at the offices of the Company, Viking House, Foundry Lane, Horsham, RH13 5PX at 2pm on Wednesday 6 December 2017, or at any adjournment thereof, for the purposes of considering and, if thought fit, passing the following Resolutions ("**Resolutions**") of which Resolutions 1 to 6 will be proposed as Ordinary Resolutions and Resolution 7 will be proposed as a Special Resolution:

### Ordinary business

- 1 To receive and consider the accounts of the Company for the financial year ended 30 June 2017, together with the reports of the Directors of the Company (the "**Board**") and the auditor of the Company on those accounts.
- 2 To re-appoint KPMG LLP as auditor of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Board, through the Audit Committee, to fix their remuneration.
- 3 To re-elect Mr Aidan Hughes, who is retiring by rotation, as a Director of the Company.
- 4 To re-elect Mr Philip Caldwell, who is retiring by rotation, as a Director of the Company.
- 5 To re-elect Dr Mike Lloyd, who is retiring by rotation, as a Director of the Company.

### Special business

- 6 That, in place of the authorities granted at the Annual General Meeting of the Company held on 8 December 2016 ("**2016 AGM**"), the Directors be unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**2006 Act**") to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any Relevant Securities up to a maximum aggregate nominal amount of £3,345,061 (representing approximately 33 per cent. of the nominal value of the Issued Share Capital of the Company) provided that:
  - 6.1 this authority shall expire (unless previously renewed, varied or revoked) on the earlier of the date of the next Annual General Meeting of the Company and 6 March 2019; and
  - 6.2 in each case the Company may before the expiry of such period make an offer or agreement which would or might require Relevant Securities to be allotted after this authority expires and the Directors of the Company may allot Relevant Securities in pursuance of such offer or agreement as if the authority had not expired.
- 7 That, subject to and conditional upon the passing of Resolution 6 above, and in place of the powers granted at the 2016 AGM, the Directors be empowered pursuant to section 570 and 573 of the 2006 Act to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash, pursuant to the authority conferred by Resolution 6 as if section 561(1) of the 2006 Act did not apply to such allotment, provided that:
  - 7.1 such power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £1,013,655 (representing approximately 10 per cent. of the nominal value of the Issued Share Capital); and
  - 7.2 such power shall be limited other than in respect of the allotment of shares pursuant to the exercise of options granted under any share option scheme adopted or operated by the Company; and
  - 7.3 this power shall expire (unless previously renewed, varied or revoked) on 6 March 2019 or, if sooner, the end of the next Annual General Meeting of the Company provided that the Company may make an offer or agreement which would or might require Relevant Securities to be allotted after this power expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

Dated: 3 November 2017

Registered office: Viking House, Foundry Lane, Horsham, West Sussex, RH13 5PX

By order of the Board

**Company Secretary**

## Notes

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

1. Only holders of Ordinary Shares are entitled to attend and vote at the meeting.
2. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 specifies that only those shareholders registered on the register of shareholders of the Company as of 6.00 p.m. on 4 December 2017 or, in the event that the Annual General Meeting is adjourned, on the register of shareholders 48 hours before the time of the adjourned meeting(s), shall be entitled to attend and vote in respect of the shareholding registered in the name of the relevant shareholder at the relevant time. Changes to entries on the register of shareholders after 6.00 p.m. on 4 December 2017 or, in the event that the Annual General Meeting is adjourned, less than 48 hours before the time of any adjourned meeting(s), shall be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

### **Proxies**

3. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting and at any adjournment of it. Such a member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company.
4. A form of proxy is enclosed. A member may only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting in person.
5. If you submit more than one valid proxy appointment in respect of the same share(s), the appointment received last before the latest time for the receipt of proxies will take precedence.
6. The form of proxy must be executed by the shareholder or his or her attorney duly authorised in writing and (in the case of an individual) must be signed by the individual or his or her attorney duly authorised in writing or (in the case of a corporation) either executed under its common seal or signed on its behalf by a duly authorised officer or attorney of the corporation.
7. To be valid, a form of proxy, duly completed, signed or sealed (as appropriate) and dated, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be returned to the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, so as to arrive no later than 2pm on 4 December 2017 or not less than 48 hours before the time of any adjourned meeting or the taking of a poll at which the person named in the form of proxy proposes to vote.
8. In the case of joint registered holders, the signature of one holder will be accepted and the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority will be determined by the order in which the names stand on the register of shareholders of the Company in respect of the relevant joint holding.

### **Changing proxy instructions**

9. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY.

### **Termination of proxy appointment**

10. A shareholder may terminate a proxy instruction but to do so you will need to inform the Company in writing by: sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY. In the case of a shareholder 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 Computershare Investor Services PLC no later than 2pm on 4 December 2017.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.

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.

### **Corporate representatives**

11. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.

### **Communications**

12. You may not use any electronic address provided (including in this notice of Annual General Meeting or any related documents) to communicate with the Company for any purposes other than those expressly stated.

### **Website giving information regarding the meeting**

13. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at [www.cerespower.com](http://www.cerespower.com) including information on the number of shares and voting rights.

### **Documents available for inspection**

14. There will be available for inspection at the registered office of the Company during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) and at the place of the meeting from at least 15 minutes prior to the meeting until the end of the meeting copies of the service contract of each executive Director and the letter of appointment of each non-executive Director.

### **Questions at the meeting**

15. Any member attending the meeting has the right to ask questions. The Company must answer any question you ask relating to the business being dealt with at the meeting unless:

- Answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information.
- The answer has already been given on a website in the form of an answer to a question.
- It is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

# Explanatory Note

## INFORMATION ON THE RESOLUTIONS TO BE PROPOSED AT THE ANNUAL GENERAL MEETING

Enclosed with this document is a notice convening the Annual General Meeting of Ceres Power Holdings plc (the “**Company**”) for 2pm on Wednesday 6 December 2017. This explanatory note gives further information on the resolutions numbered 1 to 7 set out in that notice.

### **Resolution 1 – To receive the report and accounts**

Company law requires the Directors to present the Annual Report and Accounts of the Company to the Company’s shareholders in respect of each financial year.

### **Resolution 2 – To re-appoint KPMG LLP as auditor and authorise the Board to determine their remuneration**

The Audit Committee has decided to recommend to the Board the re-appointment of KPMG LLP as auditor of the Company for the financial year 2017-18. The Board subsequently approved the recommendation of the Audit Committee. The Board recommend to shareholders that KPMG LLP again be appointed as the Company’s auditor to hold office until the conclusion of the next Annual General Meeting and to authorise the Board, through the Audit Committee, to fix their remuneration.

### **Resolutions 3, 4, 5 – To re-elect as Directors Mr Aidan Hughes, Mr Philip Caldwell and Dr Mike Lloyd**

Pursuant to article 56.1 of the Company’s articles of association one third of the Directors shall retire from office at each Annual General Meeting, and will then be eligible to stand for re-election. Mr Aidan Hughes, Mr Philip Caldwell and Dr Mike Lloyd are accordingly resigning and standing for re-election as Directors of the Company.

The service contract of Mr Philip Caldwell may be terminated on 6 months’ notice and letters of appointment of Mr Aidan Hughes and Mr Mike Lloyd may be terminated by the Company on one month’s notice. Copies of these service contracts and letters of appointment are available for inspection at the registered office of the Company and will be available for inspection at the Annual General Meeting.

### **Resolution 6 – Authority to allot shares**

The Companies Act 2006 (the “**2006 Act**”) prevents Directors of a public company from allotting unissued shares, other than pursuant to an employee share scheme, without the authority of shareholders in General Meeting. In certain circumstances this could be unduly restrictive. The Directors’ existing authority to allot shares, which was granted at the Annual General Meeting held on 6 December 2016, will expire at the end of this year’s Annual General Meeting.

Resolution 6 in the notice of Annual General Meeting will be proposed, as an ordinary resolution, to authorise the Directors to allot shares in the capital of the Company up to a maximum nominal amount of £3,345,061, representing approximately 33 per cent. of the nominal value of the issued share capital of the Company (as at 29 October 2017, the latest practicable date before the publication of this notice of Annual General Meeting).

The authority conferred by the resolution will expire on 6 March 2019 or, if sooner, at the end of next year’s Annual General Meeting.

The Directors believe it to be in the best interests of the Company that they should continue to have this authority so that such allotments can take place to finance appropriate business opportunities that may arise.

### **Resolution 7 – To disapply pre-emption rights**

Unless given appropriate authority by shareholders, if the Directors wish to allot any of the unissued shares for cash or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme) they must first offer them to existing shareholders in proportion to their existing holdings. These are known as pre-emption rights.

The existing disapplication of these statutory pre-emption rights, which was granted at the Annual General Meeting held on 8 December 2016, will expire at the end of this year’s Annual General Meeting.

Accordingly, Resolution 7 in the notice of Annual General Meeting will be proposed, as a special resolution, to give the Directors power to allot shares without the application of these statutory pre-emption rights to the allotment of equity securities, otherwise than as stated above, up to an aggregate nominal amount of £1,013,655, representing approximately 10 per cent. of the nominal value of the ordinary shares in issue on 29 October 2017 (the latest practicable date before the publication of this notice of Annual General Meeting).

The power conferred by this resolution will expire on 6 March 2019 or, if sooner, at the end of next year’s Annual General Meeting.

