

**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 personal financial advice immediately from your stockbroker, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Shares, please forward this document, together with the accompanying form of proxy, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Shares, you should retain these documents.

Peel Hunt, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Colefax and for no one else in relation to the Waiver and will not be responsible to anyone other than Colefax for providing the protections afforded to clients of Peel Hunt, nor for giving advice in relation to the Waiver or any other matter referred to in this document.

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# **Colefax Group Plc**

## **Approval of waiver under Rule 9 of the Takeover Code to be granted by the Takeover Panel**

### **Notice of General Meeting**

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Your attention is drawn to the letter from the Non-Executive Director of the Company on pages 3 to 6 of this document, which contains a unanimous recommendation by the Independent Directors that you vote in favour of the Waiver Resolution to be proposed at the General Meeting referred to below.

Notice of a General Meeting of Colefax Group Plc, to be held at 11.15 a.m. (or as soon thereafter as the Annual General Meeting convened on that day has been completed) on 14 September 2017 at 19-23 Grosvenor Hill, London, W1K 3QD, is set out at the end of this document. A form of proxy for use by Shareholders in connection with the General Meeting is enclosed. Shareholders are requested to complete the form of proxy in accordance with the instructions printed on it and return it to the Company's Registrars, Computershare Investor Services, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, so as to arrive no later than 11.15 a.m. on 12 September 2017.

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## PART I

# LETTER FROM THE NON-EXECUTIVE DIRECTOR OF COLEFAX GROUP PLC

*(Incorporated and registered in England & Wales with registered number 01870320)*

## COLEFAX GROUP PLC

*Directors:*

David Green (*Chairman and Chief Executive*)  
Robert Barker BSc ACA (*Finance Director*)  
Wendy Nicholls (*Decorating Managing Director*)  
Key Hall (*Chief Executive Officer – USA*)  
Alan Smith (*Non-Executive Director*)

*Registered Office:*

19-23 Grosvenor Hill  
London  
W1K 3QD

21 August 2017

*To Shareholders and, for information only, to participants in the Company's share option schemes*

Dear Shareholder

### **Proposed approval for waiver of obligations under Rule 9 of the Takeover Code**

In common with many listed companies, the Directors have in recent years included a resolution in the notice of annual general meeting of the Company to give limited authority to make market purchases of the Company's Shares. The Directors have always considered it to be in the interest of all Shareholders for the Company to have the right, in appropriate circumstances, to purchase its own Shares in the market. In previous years the Company has used this authority extensively and, for example, on 27 July 2016, the Company acquired 23,000 Shares representing 0.22 per cent. of the issued share capital. Accordingly, at the Company's annual general meeting to be held on 14 September 2017 the Company will be seeking to renew this authority. Notice of this meeting and the resolutions to be proposed are set out in the annual report and accounts which accompany this document.

David Green, your Chairman and Chief Executive, holds (beneficially and non-beneficially) 3,148,681 Shares and persons presumed to be acting in concert with David Green (namely Michael Green (David Green's brother) and Tangent Industries Limited (a company controlled by Michael Green)) hold a further 8,500 and 88,320 Shares respectively representing in aggregate 31.8 per cent. of the issued share capital of the Company. Consequently if, at some point in the future, the Company were to purchase any Shares in accordance with the Authority and cancel the Shares so acquired, then the aggregate shareholding of David Green, Michael Green and Tangent Industries Limited (together, "the Concert Party") would proportionately increase and, in accordance with Rule 9 of the Code, the Concert Party would be required to make an offer for the entire issued share capital of the Company. The Independent Directors are therefore seeking your approval, via the Waiver Resolution, for a waiver to be granted from the Rule 9 obligations that would otherwise apply to the Concert Party in these circumstances.

The purpose of this document is to explain why the Independent Directors consider the Rule 9 Waiver to be in the best interest of the Company and its Shareholders and to give notice of the General Meeting at which the Waiver Resolution will be proposed.

Mr Green has not taken part in the decision to seek the Rule 9 Waiver from the Panel pursuant to the Waiver Resolution nor in the recommendation given by the Independent Directors in relation to the Waiver Resolution. Further, no member of the Concert Party will vote on the Waiver Resolution at the General Meeting.

### **Information on the Company**

The principal activities of the Group are the design, marketing, distribution and retailing of furnishing fabrics, wallpapers, trimmings, related products and upholstered furniture in the UK and overseas and the sale of antiques, interior and architectural design, project management, decoration and furnishing for private and commercial clients.

On 25 July 2017, the Company announced its results for the year ended 30 April 2017 (“FY17 Final Results Announcement”). In that year Colefax achieved turnover of £80,475,000 (2016: £76,879,000) and profit before tax of £2,937,000 (2016: £5,016,000).

In compliance with the Code, enclosed with this document are the annual report and accounts of the Group for the financial year ended 30 April 2017.

### **Current trading and prospects**

The following statement has been extracted without adjustment from the Company’s FY17 Final Results Announcement:

*“In the US, our most important market, we have seen a steady improvement in confidence since the Presidential election and sales for the first two months of the new financial year are ahead of last year and budget. Sales in the UK and Europe are also ahead of last year although we remain cautious about growth prospects in these markets.*

*The weakness of Sterling against the US Dollar is extremely positive for our business due to the fact that approximately 60% of Fabric Division sales are in the US and invoiced in US Dollars. However, we will not benefit fully this year due to ongoing hedging, put in place prior to the Brexit Referendum, which is likely to give rise to a pre-tax charge of just over £1.2 million.*

*Overall we are cautiously optimistic about the Group’s prospects for the year ahead and will continue to invest with confidence in our portfolio of brands.”*

### **Background information on the Concert Party**

David Green, aged 71, is Chairman and Chief Executive of Colefax and has responsibility for the Company’s strategic business initiatives. David Green acquired a 40 per cent. stake in Colefax in 1986 and the Company was floated on the main market of the London Stock Exchange in November 1988. Since then, various share placings to finance acquisitions have diluted his stake. Prior to joining Colefax, David Green was a founder and executive director of Carlton Communications Plc. He was a non-executive director of Carlton Communications plc from 1986 until 2004.

David Green is presumed to be acting in concert with *Michael Green*, his brother, of 21 South Street, London W1K 2XB. Michael was previously the chairman of Carlton Communications plc.

*Tangent Industries Limited* is a limited company having its registered office at 21 South Street, London W1K 2XB, which is controlled by Michael Green, of which Michael Green, his wife and children are the only directors, and which holds some of Michael Green’s and his family’s investments.

### **The Waiver Resolution to grant approval for the Rule 9 Waiver**

Under Rule 9 of the Code, when any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which, when taken together with shares in which he is already interested and in which persons acting in concert with him are interested carry 30 per cent. or more of the voting rights of a company which is subject to the Code, that person is normally required to make a general offer to all remaining shareholders to acquire their shares.

Similarly, where a person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company, but does not hold shares carrying more than 50 per cent. of the voting rights of a company, a general offer will be required if any further interest in shares is acquired by any such person, or any person acting in concert with him.

A general offer, if required under Rule 9 of the Code, must be in cash and at not less than the highest price paid by the person required to make the offer or any person acting in concert with him for any interest in shares of the Company during the 12 months prior to announcement of the offer. Under Rule 37 of the Code, when a company purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9 (although a person who is neither a director nor acting in concert with a director will not normally incur an obligation to make an offer under Rule 9 of the Code).

## **Background to the Authority and Rule 9 Waiver**

The Independent Directors believe that it is in the best interests of the Company and its Shareholders as a whole to retain the flexibility to return cash to Shareholders. In the past, such authority has been used on a number of occasions and the Independent Directors believe that this flexibility should be retained. The Board has no immediate intention of exercising the Authority and cancelling or returning to treasury the Shares acquired and would only do so if it considered that the effect of so doing would be to increase earnings per Share and would be in the best interest of Shareholders generally. However, the Independent Directors would not be prepared to exercise the Authority and cancel or return to treasury the Shares so acquired in circumstances which would lead to the Concert Party becoming obliged to make a general offer to acquire all of the Shares not already held by them in accordance with Rule 9 of the Code.

It is for this reason that the Independent Directors have decided to seek a waiver from the Panel from the obligation on the Concert Party to make a general offer under Rule 9 of the Code which could arise as a result of the exercise of the Authority. Accordingly, subject to the Waiver Resolution being approved by the Independent Shareholders voting on a poll at the General Meeting, the Panel has agreed to grant the Rule 9 Waiver where the obligation on the Concert Party arises solely as a result of the exercise by the Company of the Authority and cancellation or return to treasury of the Shares so acquired.

The Company has sought the Authority to buy back Shares for a number of years and the Company has utilised the Authority when it has been beneficial to Shareholders to do so, but it has never utilised the full amount available. The Directors propose that the Authority will expire at the conclusion of the annual general meeting in 2018 or the close of business on 14 September 2018 (being the first anniversary of the date of the passing of the resolution to be held at the Company's Annual General Meeting), whichever is earlier. The Independent Directors propose that the Waiver Resolution will also expire on the same date as the Authority.

The Authority will enable the Company to make market purchases of up to a maximum of 15 per cent. of the Company's issued share capital. The Company will notify Shareholders by way of an announcement on the regulatory news service and by incorporating full details in its annual report and accounts when the Authority is utilised.

In order to be passed, the Waiver Resolution will require the approval by a simple majority of the votes cast by the Independent Shareholders on a poll.

The Rule 9 Waiver, if approved, would not apply to any purchases of Shares made by the Concert Party in the period between the date of this document and the General Meeting.

In the event that the Whitewash Resolution is passed by Independent Shareholders at the General Meeting, the Concert Party will not be restricted from making an offer for the Company.

**If the Company utilises the Authority to its full extent and buys back and cancels or returns to treasury the Shares so acquired, the Concert Party will be interested in an aggregate of 3,245,501 Shares representing 37.4 per cent. of the voting rights of the Company (assuming the Shares purchased were not held by the Concert Party).**

**Following utilisation of the Authority, the Concert Party would be interested in Shares carrying 30 per cent. or more of the Company's voting share capital, but would not hold Shares carrying more than 50 per cent. of such voting rights and any further increase in that interest in Shares will be subject to the provisions of Rule 9 of the Code.**

## **Shareholding interests of the Concert Party**

David Green has a personal holding of 3,148,681 Shares. Michael Green holds 8,500 Shares and Tangent Industries Limited, a company controlled by Michael Green, holds a further 88,320 Shares. Taken together, these holdings represent 31.8 per cent. of the current issued share capital of the Company. If at some point in the future the Board were to exercise the Authority, in whole or in part, and cancel the Shares acquired or put them into treasury, then the combined shareholdings of the Concert Party would proportionately increase, up to a possible maximum of 37.4 per cent. of the issued share capital of the Company and, in the absence of the Rule 9 Waiver, this could give rise to an obligation on the Concert Party to make a general offer to all Shareholders under Rule 9 of the Code.

	Current Shareholding (beneficial and non-beneficial)	Percentage of issued share capital	Percentage of issued share capital following maximum buy-back and cancellation <sup>1</sup>
David Green	3,148,681	30.8	36.2
Tangent Industries Limited	88,320	0.9	1.0
Michael Green	8,500	0.1	0.1
<b>Total</b>	<b>3,245,501</b>	<b>31.8</b>	<b>37.4</b>

**Notes:**

<sup>1</sup> The percentage shareholding which would arise assuming the Company was to acquire and subsequently cancel or put into treasury the maximum number of Shares possible under the Authority, assuming the Shares purchased were not held by the Concert Party

**Management, employees and continuation of the business**

The Concert Party have confirmed that their intentions regarding the future of the business, the location of the Company's place of business and the continued employment of its employees and management will not be altered as a result of these proposals. There are no plans to introduce any significant change in the business or in the terms of employment of the employees of the Group (including their pension contributions), nor are there plans for any redeployment of the fixed assets of the Group or any plans to change the Company's existing trading facilities on AIM, as a result of this proposal.

**Additional information**

Your attention is drawn to the additional information set out in Part II of this document.

**General Meeting**

You will find set out at the end of this document a notice convening the General Meeting to be held at 19-23 Grosvenor Hill, London, W1K 3QD at 11.15 a.m. (or as soon thereafter as the Annual General Meeting convened on that day has been completed) on 14 September 2017.

**Action to be taken**

Shareholders will find enclosed with this document a form of proxy to enable you to vote at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed on it to the Company's Registrars, Computershare Investor Services, The Pavilions, Bridgwater Road, Bristol BS99 6ZY so as to arrive no later than 11.15 a.m. on 12 September 2017. Completion and return of the form of proxy will not affect your right to attend in person and vote at the General Meeting if you so wish.

**Independent Directors' recommendation**

The Independent Directors, who have been so advised by Peel Hunt, consider that obtaining the Rule 9 Waiver is in the best interest of the Shareholders and the Company as a whole. In providing advice to the Independent Directors, Peel Hunt has taken into account the Independent Directors' commercial assessments. Accordingly, the Independent Directors unanimously recommend that Independent Shareholders vote in favour of the Waiver Resolution to be proposed at the General Meeting, as they intend to so do in respect of their own beneficial holdings amounting to, in aggregate, 521,552 Shares representing 5.1 per cent. of the current issued share capital of the Company.

Yours faithfully

Alan Smith  
*Non-Executive Director*

## PART II ADDITIONAL INFORMATION

### 1. Responsibility

- (a) Each of David Green and Michael Green (who also represents Tangent Industries Limited) accepts responsibility for the information contained in this document relating to himself and the members of his close family and related trusts and companies controlled by any of them. To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The Directors, whose names are set out in paragraph 2 below, accept responsibility for the information contained in this document (save that David Green does not take responsibility for the recommendation of the Waiver by the Independent Directors). To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

### 2. Directors of the Company

The names of the Directors of the Company and their respective functions are as follows:

<i>Name</i>	<i>Position</i>
David Green	Chairman and Chief Executive
Robert Barker BSc ACA	Finance Director
Wendy Nicholls	Decorating Managing Director
Key Hall	Chief Executive Officer – USA
Alan Smith	Non-Executive Director

The principal and registered office of the Company is 19-23 Grosvenor Hill, London W1K 3QD.

### 3. Market quotations

The following table shows the closing middle market quotations of Shares, as derived from the London Stock Exchange on the first dealing day of each of the six months immediately before the date of this document and 17 August 2017, being the last practicable date prior to the posting of this document.

<i>Date</i>	<i>Share price</i>
1 March 2017	492.50 p
3 April 2017	460.00 p
2 May 2017	460.00 p
1 June 2017	480.00 p
3 July 2017	490.00 p
1 August 2017	500.00 p
17 August 2017	505.00 p

### 4. Interests and dealings in Shares

#### (a) Definitions and references

For the purposes of this Part II:

- (i) “acting in concert” means any such persons who, pursuant to an agreement or understanding (whether formal or informal) co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company, as determined in the Code;
- (ii) “connected advisers” means an organisation advising the Company in relation to the Waiver or a corporate broker to the Company;

- (iii) “dealing” or “dealt” includes the following:
  - (aa) the acquisition or disposal of securities;
  - (bb) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
  - (cc) subscribing or agreeing to subscribe for securities;
  - (dd) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
  - (ee) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
  - (ff) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
  - (gg) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;
- (iv) “derivative” includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (v) “disclosure period” means the period of 12 months preceding the date of this document;
- (vi) “interested” in securities includes if a person:
  - (aa) owns them;
  - (bb) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
  - (cc) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire them or call for their delivery; or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise;
  - (dd) is party to any derivative whose value is determined by reference to their price; and which results, or may result, in his having a long position in them; or
  - (ee) has long economic exposure, whether absolute or conditional, to changes in the price of those securities (but a person who only has a short position in securities is not treated as interested in those securities);
- (vii) “relevant securities” means ordinary shares and securities convertible into, rights to subscribe for, derivatives referenced to and options (including traded options) in respect of Shares;
- (viii) ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status and “control” means a holding or aggregated holdings, of Shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or holdings give(s) *de facto* control.

(b) *Interests and dealings in Shares*

- (i) At the close of business on 17 August 2017 (being the latest practicable date prior to the publication of this document), the Directors, their close families and related trusts were interested in or had a right to subscribe for the following relevant securities of the Company:

<i>Director</i>	<i>Number of Shares (beneficial)</i>	<i>Number of Shares (non-beneficial)</i>
David Green	1,546,281	1,699,220
Robert Barker	194,002	24,100
Wendy Nicholls	97,350	–
Key Hall	161,100	–
Alan Smith	45,000	–

- (ii) No dealings in relevant securities of the Company (including the exercise of options under the Company's share option schemes) by the Directors, their immediate families and related trusts have taken place during the disclosure period.

- (iii) At the close of business on 17 August 2017 (being the latest practicable date prior to the publication of this document), each member of the Concert Party was interested in the following relevant securities of the Company:

	<i>Number of Shares (beneficial)</i>	<i>Number of Shares (non-beneficial)</i>
David Green	1,546,281	1,602,400
Michael Green	8,500	–
Tangent Industries Limited	88,320	–

Save as disclosed above, at the close of business on 17 August 2017 (being the latest practicable date prior to the publication of this document), no member of the Concert Party was interested in, or had any right to subscribe for, or had any short position in any relevant securities of the Company, nor has any of them dealt, nor has any of them borrowed or lent, any relevant securities of the Company during the disclosure period.

- (iv) Save as disclosed above, at the close of business on 17 August 2017 (being the latest practicable date prior to the publication of this document), no persons acting in concert with or presumed to be acting in concert with the Concert Party were interested in, or had any right to subscribe for, or had any short position in any relevant securities of the Company, nor has any such person dealt, nor has any such person borrowed or lent, any relevant securities of the Company during the disclosure period.
- (v) Save as disclosed in this paragraph, at the close of business on 17 August 2017 (being the latest practicable date prior to the publication of this document) no Directors, nor any of their immediate families or related trusts were interested in, or had any right to subscribe for, or had any short position in any relevant securities of the Company, nor has any such person dealt, nor has any such person borrowed or lent, any relevant securities of the Company during the disclosure period.
- (vi) Save as disclosed in this paragraph, at the close of business on 17 August 2017 (being the latest practicable date prior to the publication of this document) neither any person with whom the Company has an arrangement nor any person acting in concert with the Company or with whom any of the Directors has an arrangement, was interested in, or had any right to subscribe for, or had any short position in any relevant securities of the Company, nor has any such person dealt, nor has any such person borrowed or lent, any relevant securities of the Company during the disclosure period.

## 5. **Material contracts**

During the two years' preceding the date of this document, neither the Company nor any of its subsidiaries has entered into any material contracts which are, or may be, material (not being contracts entered into in the ordinary course of business).

## **6. Directors' service contracts**

- 6.1 David Green entered into a contract with Colefax and Fowler Limited with effect from 11 August 1986 which provides for him to act as a director and Chief Executive of Colefax and Fowler Limited for a continuous period. Mr Green is entitled to a basic salary of £643,000 per annum, from 1 May 2017. Prior to 1 May 2017, Mr Green's basic salary was £630,000. Additionally Mr Green is entitled to a company car and private medical insurance. Employment may be terminated at any time with either party giving twelve months notice.
- 6.2 Robert Barker entered into a contract with Colefax and Fowler Limited with effect from 4 January 1993 which provides for him to act as Finance Director of Colefax and Fowler Limited for a continuous period. Mr Barker is entitled to a basic salary of £200,000 per annum from 1 May 2017. Prior to 1 May 2017, Mr Barker's basic salary was £200,000. Colefax and Fowler Limited pays additional salary of 10% in lieu of contribution to a personal pension plan. Additionally Mr Barker is entitled to a company car and private medical insurance. Employment may be terminated at any time with either party giving twelve months notice.
- 6.3 Key Hall entered into a contract with Cowtan and Tout Inc with effect from 9 March 2000 which provides for her to act as Chief Executive Officer of Cowtan and Tout Inc for a continuous period. Ms Hall is entitled to a basic salary of US\$446,500 per annum from 1 May 2017. Prior to 1 May 2017, Ms Hall's basic salary was US\$455,000. Cowtan and Tout Inc pays a US\$22,750 per annum to a personal pension plan for Ms Hall. Additionally Ms Hall is entitled to private medical insurance. Employment may be terminated at any time with either party giving twelve months' notice.
- 6.4 Wendy Nicholls entered into a contract with Sibyl Colefax and John Fowler Limited with effect from 19 June 1986 which provides for her to act as Managing Director of Sibyl Colefax and John Fowler Limited for a continuous period. Mrs Nicholls is entitled to a basic salary of £190,300 per annum from 1 May 2017. Prior to 1 May 2017, Mrs Nicholls's basic salary was £186,550. Additionally Mrs Nicholls is entitled to a company car and private medical insurance. Employment may be terminated at any time with either party giving twelve months' notice.
- 6.5 Alan Smith entered into a contract with Colefax and Fowler Limited with effect from 1 September 2014 which provides for him to act as a non-executive director of Colefax and Fowler Limited for a fixed 3 year period to 31 August 2017. Mr Smith is entitled to a basic salary of £35,000 per annum.

Save as set out above there are no service contracts between the Group, any member of the group and any Director and no such contracts have been entered into or amended within six months preceding the date of this document.

## **7. Other information**

- (a) No agreement, arrangement or understanding (including any compensation arrangement) exists between the Concert Party and any of the Directors, recent Directors, Shareholders or recent Shareholders of the Company or any person interested or recently interested in Shares which has any connection with, or dependence on, or which is conditional upon the outcome of the matters referred to in this document.
- (b) There is no agreement, arrangement or understanding whereby the beneficial interest in any of the Shares held by the Concert Party will be transferred to any person.
- (c) There has been no significant change in the financial or trading position of the Company since 30 April 2017, the date of the Company's last audited accounts.
- (d) There is no financing arrangement in place where repayment of or security is dependent on the Company with regard to the Rule 9 Waiver.
- (e) Peel Hunt has consented in writing (and not withdrawn its consent) to the issue of this document with the inclusion herein of the references to the name Peel Hunt in the form and context in which they appear.

## **8. Incorporation of Information by Reference**

The audited consolidated accounts of the Company for two years ended 30 April 2016 and 30 April 2017, which have been announced or published, are incorporated into this document by reference.

The audited consolidated accounts of the Company for the year ended 30 April 2016 are available free of charge from the following website: [www.colefaxgroupplc.co.uk/annual\\_reports/colefax%202016.pdf](http://www.colefaxgroupplc.co.uk/annual_reports/colefax%202016.pdf)

The audited consolidated accounts of the Company for the year ended 30 April 2017 are available free of charge from the following website: [www.colefaxgroupplc.co.uk/annual\\_reports/colefax%202017.pdf](http://www.colefaxgroupplc.co.uk/annual_reports/colefax%202017.pdf)

The annual reports are available in “read-only” format and can be printed from the Colefax website. Hard copies of any information and/or documents incorporated by reference in this document will not be sent to recipients of this document. However, the Company will send within two Business Days, without charge, to each person to whom a copy of this document has been sent, on their request, a hard copy of any documents incorporated by reference in this document. Recipients may request to receive all future documents, announcements and information in hard copy. Requests should be addressed to Colefax Group plc, 19-23 Grosvenor Hill, London W1K 3QD or made by telephoning 0207 493 2231 between 9.00 am and 5.00 pm (London time) Monday to Friday (except UK public holidays) (or from outside the United Kingdom on +44 (0) 207 493 2231. Calls to the Company from within the UK are charged at applicable local or national rates and from outside the UK are charged at applicable international rates. Different charges apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. This is for requesting hard copies of documents only and cannot provide advice on the merits of the Rule 9 Waiver nor give any financial, legal or tax advice.

## **9 Documents available for inspection**

Copies of the following documents will be available for inspection at 19-23 Grosvenor Hill, London W1K 3QD during usual business hours on any weekday (Saturdays and public holiday excepted) and on the Company’s website: [www.colefaxgroupplc.co.uk](http://www.colefaxgroupplc.co.uk) (on the link shown below) until the time and date of the General Meeting.

- (a) the Memorandum and Articles of Association of the Company, ([www.colefaxgroupplc.co.uk](http://www.colefaxgroupplc.co.uk), link – Articles of Association);
- (b) the audited consolidated accounts of the Company for the two financial years ended 30 April 2016 and 30 April 2017, ([www.colefaxgroupplc.co.uk](http://www.colefaxgroupplc.co.uk), link – Annual Reports);
- (c) the written consent referred to in paragraph 7(e) of this Part II, ([www.colefaxgroupplc.co.uk](http://www.colefaxgroupplc.co.uk), link – Circulars);
- (d) the form of proxy in relation to the notice of General Meeting, ([www.colefaxgroupplc.co.uk](http://www.colefaxgroupplc.co.uk), link – Circulars); and
- (e) this document, ([www.colefaxgroupplc.co.uk](http://www.colefaxgroupplc.co.uk), link – Circulars).

21 August 2017

## NOTICE OF GENERAL MEETING

# COLEFAX GROUP PLC

Notice is hereby given that a General Meeting of Colefax Group Plc (the “Company”) will be held at 19-23 Grosvenor Hill, London, W1K 3QD on 14 September 2017 at 11.15 a.m. (or as soon thereafter as the Annual General Meeting convened on that day has been completed) to consider and, if thought fit, pass the following resolution which will be proposed as an Ordinary Resolution of the Company:

1. THAT the waiver, on the terms described under the headings “The Waiver Resolution to grant approval for the Rule 9 Waiver” on page 4 of the circular to shareholders dated 21 August 2017 (the “Circular”) and “Shareholding interests of the Concert Party” on page 5 of the Circular, by the Takeover Panel of any requirement under Rule 9 of the Takeover Code for the Concert Party to make a general offer to shareholders of the Company as a result of an increase in the aggregate percentage shareholding of the Concert Party to a maximum of 37.4 per cent. of the issued share capital, represented by 3,245,501 Shares, pursuant to the exercise in full of the Authority (as defined in the Circular) to make market purchases of its ordinary shares in accordance with section 693(4)166 of the Companies Act 2006, be and is hereby approved.

By Order of the Board

Robert Barker  
*Company Secretary*

21 August 2017

#### NOTES:

1. A member entitled to attend and vote at the above mentioned General Meeting is entitled to appoint a proxy or proxies to attend and, on a poll, vote in his/her place. A proxy need not be a member of the Company. Completion and return of a proxy form will not prevent a member from attending and voting at the meeting in person.
2. A form of proxy is enclosed with this Notice. To be valid, the form of proxy (together, if appropriate, with the power of attorney or other written authority under which it is signed or an office copy or a certified copy of such power or authority) must be received at the office of the Company’s Registrars Computershare Investor Services, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not later than 48 hours before the time appointed for holding the meeting.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders on the Register of Members at 9.00 a.m. on 12 September 2017 shall be entitled to attend and vote at the General Meeting in respect of the number of Shares registered in their name at that time. Changes to the entries in the register of members of the Company after 9.00 a.m. on 12 September 2017 will be disregarded in determining the rights of any person to attend or vote at the General Meeting.
4. In accordance with the requirements of the Takeover Panel, Resolution 1 will be decided on a poll of the Independent Shareholders (as defined in the Circular). The Concert Party will not be entitled to vote on such resolution.

## DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

<b>“Annual General Meeting”</b>	the annual general meeting of the Company to be held on 14 September 2017
<b>“Authority”</b>	the authority proposed to be granted to the Company by its Shareholders at the Company’s annual general meeting to be held on 14 September 2017 to make market purchases of Shares representing up to 15 per cent. of the Company’s issued share capital, which, if approved, will expire at the conclusion of the annual general meeting in 2018 or the close of business on 14 September 2018, whichever is earlier
<b>“Board” or “the Directors”</b>	the Directors of Colefax whose names appear at paragraph 2 of Part II to this document
<b>“Brexit Referendum”</b>	the UK’s referendum on leaving the European Union which took place on 23 June 2016
<b>“Business Day”</b>	a day (other than a Saturday, Sunday or public holiday) when clearing banks are open for business in the City of London
<b>“Code”</b>	The Takeover Code
<b>“Colefax” or “the Company”</b>	Colefax Group Plc
<b>“General Meeting”</b>	the general meeting of the Company which is due to be held at 19-23 Grosvenor Hill, London W1K 3QD at 11.15 a.m. (or as soon thereafter as the Annual General Meeting convened on that day has been completed) on 14 September 2017 and notice of which is given in this document
<b>“Group”</b>	Colefax and its subsidiaries
<b>“Shareholders”</b>	holders of any Shares
<b>“Shares”</b>	the existing issued ordinary shares of 10 pence each in the capital of the Company
<b>“Independent Directors”</b>	the Directors excluding David Green
<b>“Independent Shareholders”</b>	those Shareholders of the Company, other than the Concert Party, who are entitled to vote on a poll of Shareholders at the General Meeting of Colefax, notice of which is given in this document
<b>“Panel”</b>	The Takeover Panel
<b>“Peel Hunt”</b>	Peel Hunt LLP of Moor House, 120 London Wall, London, EC2Y 5ET
<b>“Rule 9 Waiver” or “Waiver”</b>	the waiver of the obligation to make a general offer under Rule 9 of the Code which has been granted to the Concert Party by the Panel subject to the passing of the Waiver Resolution at the General Meeting by the Independent Shareholders, which, if approved, will expire at the conclusion of the annual general meeting in 2018 or the close of business on 14 September 2018, whichever is earlier
<b>“Waiver Resolution”</b>	the resolution set out in the notice of General Meeting which will be proposed as an ordinary resolution

The terms “subsidiary” and “subsidiary undertaking” have the meanings given to them in section 1159 and Schedule 6 and section 1162 and Schedule 7 respectively of the Companies Act 2006.





