

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

**If you are in any doubt as to the action you should take, it is recommended that you seek your own advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent professional adviser 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 professional adviser.**

If you sell or have sold or otherwise transferred all your ordinary shares in Premier Technical Services Group PLC ('Ordinary Shares'), you should send this document together with the accompanying documents at once 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 sell or have sold only part of your holding of Ordinary Shares, you should retain this document and the accompanying documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

---

**PREMIER TECHNICAL SERVICES GROUP PLC**

(incorporated in England and Wales with registered number 06005074)

Proposed Capital Reduction

Notice of a General Meeting

---

Notice of a General Meeting of Premier Technical Services Group PLC (the 'Company') to be held at 9:00 a.m. on 12 November 2015 at 13 Flemming Court, Whistler Drive, Castleford WF10 5HW is set out at the end of this document.

A Form of Proxy for use at the General Meeting is enclosed and, to be valid, should be completed, signed and returned in accordance with the instructions printed on the form so as to be received by the Registrar, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible but, in any event, no later than 48 hours before the time appointed for the General Meeting or adjourned meeting or, in the case of a poll taken otherwise than at or on the same day as the General Meeting or adjourned meeting, not later than 48 hours before the time appointed for the taking of the poll at the meeting at which it is to be used. Completion and return of a Form of Proxy will not prevent members from attending and voting in person should they wish to do so.

Certain terms used in this document are defined on page 3.

## CONTENTS

DEFINITIONS.....	3
EXPECTED TIMETABLE OF PRINCIPAL EVENTS.....	4
LETTER FROM THE CHAIRMAN.....	5
NOTICE OF GENERAL MEETING.....	8

## DEFINITIONS

"AIM"	the AIM market operated by London Stock Exchange plc
"Board" or "Directors"	the board of directors of the Company
"Business Day"	any day other than a Saturday, Sunday or public holiday on which banks are open in the City of London for the transaction of general commercial business
"Capital Reduction"	the proposed cancellation of the Company's share premium account pursuant to the Resolution as set out in the Notice of General Meeting
"Company"	Premier Technical Services Group Plc
"Court"	the High Court of Justice in England and Wales
"Court Hearing"	the hearing by the Court to confirm the Capital Reduction
"Court Order"	the order of the Court confirming the Capital Reduction
"CREST Proxy Instruction"	as defined in paragraph 9 of the Notes
"Form of Proxy"	the form of proxy for the General Meeting as attached hereto
"General Meeting"	the general meeting of the Company to be held at 13 Flemming Court, Whistler Drive, Castleford WF10 5HW at 9:00 a.m. on 12 November 2015
"Notes"	the notes to the notice of the General Meeting
"Option Schemes"	the share option schemes for Directors and certain employees of the Company granted from time to time
"Ordinary Shares"	the issued ordinary shares of the Company
"Register"	the Company's register of members
"Registrar"	Capita Asset Services
"Regulatory Information Service"	any of the services approved by London Stock Exchange plc for the distribution of the AIM announcements and included within the list maintained on the website of London Stock Exchange plc
"Resolution"	the resolution to be proposed at the General Meeting
"Shareholders"	holders of Ordinary Shares
"Specified Time"	as defined in paragraph 7 of the Notes
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of publication of this circular	26 October 2015
Latest time and date for receipt of completed Forms of Proxy	9:00 a.m. 10 November 2015
General Meeting	9:00 a.m. 12 November 2015
Court Hearing to confirm directions	23 November 2015
Court Hearing to confirm Capital Reduction*	2 December 2015
Registration of Court Order and Effective Date of Capital Reduction**	3 December 2015

If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement to a Regulatory Information Service.

\* This date is subject to any changes which may be imposed by the Court.

\*\* This date will depend on, amongst other things, the date on which the Court confirms the Capital Reduction.

## LETTER FROM THE CHAIRMAN

### PREMIER TECHNICAL SERVICES GROUP PLC

*(incorporated in England and Wales with registered number 06005074)*

#### *Directors*

*John Foley (Chairman)  
Paul Teasdale (Chief Executive Officer)  
Roger Teasdale (Managing Director)  
Mark Watford (Finance Director)  
Alan Howarth (Non-Executive Director)  
Roger McDowell (Non-Executive Director)*

#### *Registered Office*

*13 Flemming Court  
Whistler Drive  
Castleford  
WF10 5HW*

26 October 2015

### PROPOSED CAPITAL REDUCTION AND NOTICE OF GENERAL MEETING

Dear Shareholder,

I am writing in connection with proposals recommended by the Board to increase the distributable reserves of the Company in order to support the Company's ability to pay dividends in the future.

In light of the Company's recent and anticipated further operational progress, the Board believes it is an appropriate time to create additional distributable reserves which would provide the Company with additional flexibility in relation to future dividends.

Accordingly, your approval is being sought to carry out a reduction of the Company's capital by way of the cancellation of the whole of the amount standing to the credit of the Company's share premium account so as to create additional distributable reserves.

The background to and reasons for the Capital Reduction are set out more fully below.

The Capital Reduction is conditional upon, amongst other things, the Company obtaining Shareholder approval at the General Meeting.

**The purpose of this document is to provide you with information about the background to and the reasons for the Capital Reduction and to explain why the Board considers the Capital Reduction to be in the best interests of the Company and its Shareholders as a whole and why the Board unanimously recommends that you vote in favour of the Resolution to be proposed at the General Meeting, notice of which is set out at the end of this document.**

**Shareholders should note that, unless the Resolution is approved at the General Meeting (and the Court confirms the Capital Reduction), the Capital Reduction will not take place.**

#### **Capital Reduction**

It is proposed that the amount standing to the credit of the Company's share premium account, as at 6:00 p.m. on the day before the date of the final hearing of the Company's application to cancel its share premium account, be cancelled. As at 20 October 2015, the amount standing to the credit of the Company's share premium account is £4,745,004.

The cancellation, if approved by the Court, will create additional distributable reserves which will augment the Company's existing distributable reserves from which dividends can be made to its Shareholders.

The Board believes that certain implications of IFRS accounting require a group with aspirations to grow both organically and by acquisition to have sizeable distributable reserves in order to do so. The Capital Reduction, if approved, is therefore a prudent move which decreases the likelihood that the Company will be unduly restricted in paying dividends due to the accounting treatment of deferred consideration in respect of previous and future acquisitions.

In addition to the approval by the Shareholders of the Resolution, the Capital Reduction requires the approval of the Court. Accordingly, following approval of the Capital Reduction by Shareholders, an application will be made to the Court in order to confirm and approve the Capital Reduction.

In seeking the Court's approval of the Capital Reduction, the Court may require protection for the creditors (including contingent creditors) of the Company whose debts remain outstanding on the relevant date, except in the case of creditors which have consented to the Capital Reduction. Any such creditor protection may include seeking the consent of the Company's creditors to the Capital Reduction or the provision by the Company to the Court of an undertaking to deposit a sum of money into a blocked account created for the purpose of discharging the non-consenting creditors of the Company. The Company currently owes no more than £7,602,000 to its creditors, consisting of banking facilities, intra-group cross guarantees, general trade creditors and, pursuant to recent corporate acquisitions, loan notes and deferred consideration obligations.

It is anticipated that the initial directions hearing in relation to the Capital Reduction will take place on 23 November 2015, with the final Court Hearing taking place on 2 December 2015 and the Capital Reduction becoming effective on the following day, following the necessary registration of the Court Order at Companies House.

The Capital Reduction itself will not involve any distribution or repayment of capital or share premium by the Company and will not reduce the underlying net assets of the Company.

The Board reserves the right to abandon or to discontinue (in whole or in part) the application to the Court in the event that the Board considers that the terms on which the Capital Reduction would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or the Shareholders as a whole. The Directors have undertaken a thorough and extensive review of the Company's liabilities (including contingent liabilities) and consider that the Company will be able to satisfy the Court that, as at the date (if any) on which the Court Order relating to the Capital Reduction and the statement of capital in respect of the Capital Reduction have both been registered by the Registrar of Companies at Companies House and the Capital Reduction therefore becomes effective, the Company's creditors will either consent to the Capital Reduction or be sufficiently protected.

Following the implementation of the Capital Reduction, there will be no change in the number of Ordinary Shares in issue. No new share certificates will be issued as a result of the Capital Reduction.

As a result of the Capital Reduction, any future profits of the Company earned after the date on which the Capital Reduction takes effect would be available for the Directors to use for the purposes of buying back the Ordinary Shares and/or paying dividends (should circumstances in the future make it desirable to do so).

### **Option Schemes**

The Capital Reduction is not expected to affect outstanding options and awards over the Company's shares granted under Option Schemes.

### **Directors' responsibility**

The Directors accept responsibility for the information contained in this document. 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 is in accordance with the facts and does not omit anything likely to affect the import of such information.

## **The General Meeting**

Set out at the end of this document is a notice convening the General Meeting to be held on 12 November 2015 at 13 Flemming Court, Whistler Drive, Castleford WF10 5HW at which the Resolution will be proposed.

The Resolution, which will be proposed as a special resolution, is to approve the Capital Reduction.

The business of the General Meeting will be conducted on a show of hands. I would encourage Shareholders to exercise their right to vote.

If you are not able to attend the General Meeting in person, you can cast your votes by proxy by completing the enclosed Form of Proxy and returning it to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Details of how to vote using the Form of Proxy can be found on page 9 of this document and on the Form of Proxy. Completion and return of the Form of Proxy will not prevent Shareholders from attending in person and voting at the meeting should they subsequently decide to do so.

CREST members may use the CREST electronic proxy appointment service to submit their proxy appointment in respect of the General Meeting as detailed in the Notes to the Notice of the General Meeting on pages 9 to 10 of this document.

Please note that all proxy forms and appointments, whether postal or electronic, must be received by no later than 9:00 a.m. (UK time) on 10 November 2015.

## **Recommendation**

The Directors consider the Capital Reduction to be in the best interests of the Company and its Shareholders as a whole and, accordingly, unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the General Meeting, as they have irrevocably committed to do in respect of their beneficial holdings which represents 57.7 per cent. of the issued Ordinary Shares in the capital of the Company as at 20 October 2015, being the latest practicable date before publication of this Notice. If I am appointed as proxy I will, of course, vote in accordance with any instructions given to me. However if I am given discretion as to how to vote, I intend to vote in favour of the Resolution.

Yours faithfully

John Foley  
Chairman

**NOTICE OF GENERAL MEETING**

**PREMIER TECHNICAL SERVICES GROUP PLC**

*(incorporated in England and Wales with registered number 06005074)*

**NOTICE IS HEREBY GIVEN THAT** a General Meeting of Premier Technical Services Group PLC (the 'Company') will be held at 13 Flemming Court, Whistler Drive, Castleford, WF10 5HW at 9:00 a.m. on 12 November 2015 to consider and, if thought appropriate, pass the following Resolution proposed as a Special Resolution:

**SPECIAL RESOLUTION**

**THAT**, the amount standing to the credit of the share premium account of the Company, at 6.00 p.m. on the day before the date of the final hearing of the Company's application to cancel its share premium account, be and hereby is cancelled.

By Order of the Board

Adam Coates

*Company Secretary*

26 October 2015

*Registered Office:*

13 Flemming Court

Whistler Drive

Castleford

WF10 5HW



## NOTES TO THE NOTICE OF GENERAL MEETING

1. A member entitled to attend and vote at the General Meeting is also entitled to appoint a proxy or proxies to attend, speak and vote instead of him. A member may appoint more than one proxy in relation to the General Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A Form of Proxy which may be used to make such an appointment and give proxy instructions accompanies this Notice. Please refer to the notes to the Form of Proxy for further information on appointing a proxy. To appoint more than one proxy please contact the Registrar at Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU.
2. A proxy need not be a member of the Company but must attend the General Meeting to represent you. Appointment of a proxy will not preclude a member from attending and voting in person at the General Meeting.
3. In the absence of instructions, the person appointed proxy may vote or abstain from voting as he/she thinks fit on the specified resolution and, unless otherwise instructed, may also vote or abstain from voting on any other matter (including amendments to the resolution) which may properly come before the General Meeting.
4. To be effective, the appointment of a proxy, or the amendment to the instructions given to a previously appointed proxy, must be received together with any power of attorney or other authority under which the proxy is appointed (or a notarially certified copy of such power or authority) by the Registrar by hand only to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU or in accordance with the reply paid details by no later than 48 hours prior to the time for holding the General Meeting.
5. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority is determined by the order in which the names of the holders stand in the Register in respect of the joint holding.
6. 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.
7. To be entitled to attend and vote at the 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 at 6.00 p.m. on the day two Business Days before the date of the meeting (the "**Specified Time**") (or if the meeting is adjourned to a time more than 48 hours after the Specified Time, by 6.00 p.m. on the day which is two Business Days prior to the time of the adjourned meeting). Changes to the Register after the relevant deadline shall be disregarded in determining rights to attend and vote. Persons who are not shareholders in the Company will not be admitted to the General Meeting unless prior arrangements are made with the Company.
8. 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.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message ("**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 (CREST ID No. RA10) by 9:00 a.m. on 10 November 2015. 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.

10. 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.
11. 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.
12. 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 the 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 General Meeting.
13. As at 20 October 2015, (being the latest practicable date prior to the printing of this Notice) the Company's issued share capital consisted of 87,425,765 Ordinary Shares carrying one vote each. Therefore, the total voting rights in the Company as at 20 October 2015 are 87,425,765.
14. This Notice, together with the information about the total number of shares in the Company in respect of which members are entitled to exercise voting rights at the Meeting as at 20 October 2015, being the latest practicable date prior to the printing of this Notice will be available at the Company's website, [www.ptsg.co.uk](http://www.ptsg.co.uk).
15. Any electronic address provided in this Notice or in any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purpose other than those expressly stated.