

Griffin House  
40 Lever Street  
Manchester  
M60 6ES

**Registered No. 814103**

To the holders of shares in N Brown Group plc

## 2016 ANNUAL GENERAL MEETING

Dear Shareholder,

Notice of the annual general meeting to be held on Tuesday, 12 July 2016 at 12:30 pm at Griffin House, 40 Lever Street, Manchester, M60 6ES is set out on pages 4 to 7 of this document.

I provide below further information regarding the resolutions, which shareholders are to be asked to approve at the annual general meeting.

The directors consider the resolutions which are set out in the notice of meeting on pages 4 and 5 which are to be proposed at the forthcoming annual general meeting to be in the best interests of the company and its shareholders as a whole and unanimously recommend shareholders to vote in favour of the resolutions as they intend to do so in respect of their own beneficial shareholdings.

You will find enclosed a form of proxy for use at the annual general meeting. Please complete, sign and return the enclosed form as soon as possible in accordance with the instructions printed thereon whether or not you intend to be present at the meeting. Forms of proxy should be returned so as to be received by the company's registrars, Capita Registrars, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF as soon as possible and in any event not later than 48 hours before the time appointed for the meeting.

Yours faithfully,



June 2016

**Andrew Higginson**

Chairman

---

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

**If you are in any doubt as to the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or independent financial adviser authorised under the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your shares in the capital of N Brown Group plc, please send this document, together with the accompanying documents as soon as possible 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.

## **EXPLANATORY NOTES**

### **Resolution 1**

#### **Annual Report and Accounts**

Shareholders will be asked at the annual general meeting to receive the accounts for the previous financial year, together with their report and the report of the auditors. A copy of the annual report and accounts is enclosed.

### **Resolutions 2 and 3**

#### **Directors' Remuneration**

S.439A of the Companies Act 2006 ("the 2006 Act") requires the company to offer shareholders a binding vote on the directors' remuneration policy at least every three years or sooner if the directors wish to change the policy and separate, annual advisory vote on the implementation of the company's existing remuneration policy in terms of the payments and share awards made to directors during the year (the remuneration report).

Resolution 2 seeks shareholder approval for the directors' remuneration policy, which can be found on pages 66 to 72 of the annual report and accounts. This includes an explanation of the proposed changes to the company's current policy on directors' remuneration relating to the granting of share awards. If resolution 2 is approved, the effective date of the remuneration policy will be the date of the 2016 AGM, namely 12 July 2016. If the directors' remuneration policy is approved and remains unchanged, it will be valid for up to three financial years without new shareholder approval being required. If the company wishes to change the policy, it will need to put the revised policy to a shareholder vote before it is able to implement that new policy.

In accordance with the 2006 Act, Resolution 3 asks shareholders to approve the directors' remuneration report which is set out on pages 73 to 79 of the annual report and accounts. As the vote is advisory it does not affect the actual remuneration paid to any individual director.

### **Resolution 4**

#### **Dividends**

Final dividends are approved by the shareholders. However, they cannot be more than the amount the board recommends. The board is recommending a final dividend of 8.56 pence per ordinary share for the 52 weeks ended 27 February 2016. If shareholders approve the recommended dividend, it will be paid on 29 July 2016 to shareholders on the register at the close of business on 1 July 2016. An interim dividend of 5.67 pence per ordinary share was declared on 14 October 2016 which means the total dividend will be 14.23 pence per ordinary share for the 52 weeks ended 27 February 2016.

### **Resolution 5, 6, 7, 8, 9, 10, 11 and 12**

#### **Directors Re-Election**

Under the UK Corporate Governance Code, all directors of FTSE 350 companies should be subject to annual election by shareholders. Accordingly, all of the directors will offer themselves for re-election. Biographical details of all directors are included on pages 50-51 of the annual report and accounts.

### **Resolution 13**

#### **Auditor's Appointment**

This resolution proposes the re-appointment of KPMG LLP as auditor of the company and authorises the directors to determine their remuneration.

### **Resolution 14**

#### **Authority to Allot Shares**

The authority of shareholders is required to enable directors to allot shares and grant certain rights to subscribe for shares, such as options. Accordingly, in line with the company's usual procedure, which is also standard practice amongst other public companies, this resolution seeks authority for the directors to issue shares until the conclusion of next year's annual general meeting or 20 July 2017, if sooner. The resolution will provide for the directors to be able to allot shares in the company, or grant rights to subscribe for, or to convert any security into shares in the company (together "Rights") up to a nominal amount of £10,442,189. This represents one third of the issued share capital together with the amount of Rights that the company may be obliged to allot to satisfy its obligations under the various option schemes, long term incentive plan and annual performance bonus that the company operates.

In December 2008, the Association of British Insurers ("ABI") revised its guidelines on directors' authority to allot shares (in line with the recommendations of the report issued in November 2008 by the Rights Issue Review Group). The guidelines state that ABI members will permit, and treat as routine, resolutions seeking authority to allot shares representing up to one third of the company's issued share capital. In addition they will treat as routine a request for authority to allot shares representing an additional one third of the company's issued share capital provided that it is only used to allot shares pursuant to a fully pre-emptive rights issue.

In light of these guidelines, the directors consider it appropriate that the directors be granted authority to allot shares in the capital of the company up to an additional maximum nominal amount of £10,442,189 representing the guideline limit of one third of the company's issued share capital. This additional authority can only be used to allot shares pursuant to a rights issue. The additional power will last until the conclusion of the next annual general meeting of the company or, if earlier, 20 July 2017.

With the exception of shares to be issued under the company's share option schemes, the directors have no current intention of exercising the above mentioned authorities. However, the directors consider it appropriate to maintain the flexibility that these authorities provide. It is intended to renew these authorities at successive annual general meetings.

## Resolution 15

### Permission to Allot a Limited Number of Shares other than to Existing Shareholders

When shares and certain rights to subscribe for shares are issued for cash, they normally have to be offered first to existing shareholders in proportion to their current shareholding. Resolution 16 will give the directors authority to allot shares in the capital of the company, pursuant to the authority granted under Resolution 15 above, for cash without complying with the pre-emption rights in the 2006 Act in certain circumstances. In the light of the ABI guidelines described in relation to Resolution 15 above, this authority will permit the directors to allot:

- (a) shares up to a nominal amount of £20,884,378 (representing approximately two thirds of the company's issued share capital) on an offer to existing shareholders on a pre-emptive basis. However unless the shares are allotted pursuant to a rights issue (rather than an open offer), the directors may only allot shares up to a nominal amount of £10,442,189 (representing one third of the company's issued share capital) (in each case subject to any adjustments, such as for fractional entitlements and overseas shareholders, as the directors see fit); and
- (b) shares up to a maximum nominal value of £1,566,328, representing approximately 5% of the issued ordinary share capital of the company otherwise than in connection with an offer to existing shareholders.

The directors have no present intention of exercising this authority.

The directors will have due regard to institutional guidelines in relation to any exercise of this power, in particular the requirement for advance consultation and explanation before making any non pre-emptive cash issue pursuant to this resolution which exceeds 7.5% of the company's issued share capital in any rolling three year period.

In this context, shareholders should note that under the 2006 Act the rights of pre-emption conferred by Section 561 of the 2006 Act (to the extent not disapplied) also apply to the sale by the company of any shares which it holds as treasury shares. Resolution 16, if passed, will also disapply the provisions of Section 561 of the 2006 Act in relation to any sales of treasury shares, within the limits referred to in the resolution. As at 7 June 2016, the company did not hold any shares in the company in treasury.

## Resolution 16

### Notice Period for General Meetings

Under the 2006 Act, prior to 3 August 2009, the minimum notice period to be given for general meetings other than annual general meetings was 14 days. However, the Companies (Shareholders' Rights) Regulations 2009, which came into force on 3 August 2009, amended this requirement by increasing the minimum notice period for general meetings of listed companies to 21 days but with an ability for companies to reduce this period back to 14 days (other than for annual general meetings) provided that:

- (a) the company offers a facility for shareholders to vote by electronic means. This condition is met if the company has a facility enabling all shareholders to appoint a proxy by means of a website; and
- (b) on an annual basis, a shareholders' resolution approving the reduction of the minimum notice period from 21 days to 14 days is passed.

At the last annual general meeting of the company a resolution was passed as a Special Resolution that the minimum period of notice for all general meetings other than annual general meetings be reduced to 14 days. Resolution 17 proposes a renewal of that resolution. The approval of this resolution will be effective until the conclusion of the annual general meeting in 2017, when it is intended that the approval be renewed.

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of N Brown Group plc will be held at Griffin House, 40 Lever Street, Manchester M60 6ES on Tuesday, 12 July 2016 at 12:30 pm. You will be asked to consider and, if thought fit, pass the resolutions proposed below. Resolutions 14 to 16 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

### **Ordinary Business**

1. To receive the annual accounts of the company for the 52 weeks ended 27 February 2016 together with the directors' and auditors' report on those accounts.
2. To approve the Directors Remuneration Policy.
3. To approve the Directors Remuneration Report for the year ended 27 February 2016.
4. To declare a final dividend of 8.56 pence per ordinary share for the 52 weeks ended 27 February 2016.
5. To re-elect as a director Angela Spindler.
6. To re-elect as a director Lord Alliance of Manchester CBE.
7. To re-elect as a director Ivan Fallon.
8. To re-elect as a director Andrew Higginson.
9. To re-elect as a director Ronald Thomas McMillan.
10. To re-elect as a director Fiona Campbell Laird.
11. To re-elect as a director Lesley Jones.
12. To re-elect as a director Craig Lovelace.
13. To re-appoint KPMG LLP as the company's auditors and to authorise the directors to fix their remuneration.

### **Special Business**

To consider and, if thought fit, to pass the following resolution as ordinary resolution:

14. THAT the directors be and are hereby generally and unconditionally authorised to allot shares in the company and to grant rights to subscribe for or convert any security into shares in the company:
  - a. up to an aggregate nominal amount of £10,442,189; and
  - b. comprising equity securities (as defined in section 560 of the 2006 Act) up to a further nominal amount of £10,442,189 in connection with an offer by way of a rights issue:

- i. to ordinary shareholders in proportion (as nearly as practicable) to their existing holdings; and
- ii. to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to expire on the earlier of the next annual general meeting or on the close of business on 20 July 2017 but, in each case, so that the company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or subscription or conversion rights to be granted after the authority ends and the directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

To consider and, if thought fit, pass the following resolutions as special resolutions:

15. THAT, subject to the passing of resolution 14, the directors be and are hereby generally authorised to allot equity securities (as defined in the 2006 Act) for cash under the authority given by that resolution and/or to sell treasury shares, as if Section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to:
  - a. the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities made to (but in the case of the authority granted under paragraph (b) of resolution 14, by way of a rights issue only):
    - i. ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
    - ii. holder of other equity securities, as required by the rights of those securities, or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- b. in the case of the authority granted under paragraph (a) of resolution 14 and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than under paragraph (a) of this resolution 15) of equity securities or sale of treasury shares up to a nominal amount of £1,566,328.

This authority shall expire on the earlier of the next annual general meeting or on the close of business on 20 July 2017 whichever is earlier, but so that the company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

16. THAT, a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

By Order of the Board



**Theresa Casey LL.B (Hons), Solicitor**

Secretary  
7 June 2016

Registered Office:  
Griffin House  
40 Lever Street  
Manchester  
M60 6ES

## NOTES

1. To be entitled to attend and vote at the annual general meeting (and for the purpose of the determination by the company of the votes they may cast), members must be registered in the Register of Members of the company at COB on 8 July 2016 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. A member entitled to attend and vote at the annual general meeting convened by the notice set out above is entitled to appoint a proxy or proxies to exercise all or any of his rights to attend, speak and vote in his place. 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 a member. Completion and return of the form of proxy or any CREST Proxy Instructions (as described below) will not preclude a member from attending and voting in person at the annual general meeting should he or she so wish.
3. A proxy need not be a member of the company but must attend the meeting in person to represent you. Your proxy could be the Chairman, another director of the company or another person who has agreed to attend to represent you. Your proxy must vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chairman or another person as your proxy using the Form of Proxy are set out on the Form of Proxy and in its notes. Appointing a proxy does not preclude you from attending the meeting and voting in person on any matters in respect of which the proxy or proxies is or are appointed but in the event that and to the extent that you personally vote your share, your proxy shall not be entitled to vote and any vote cast by your proxy in such circumstances shall be ignored.
4. A form of proxy which may be used to make such appointment and give proxy instructions is enclosed for your use.
5. To be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited by hand only at the office of the company's registrars, Capita Registrars, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF or in accordance with the replied paid details not later than 12:30 pm on 8 July 2016.
6. 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 of members in respect of the joint holding.
7. To change your proxy instructions you may return a new Form of Proxy using the methods set out below. Please contact the company's registrars, Capita Registrars, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF if you require another Form of Proxy. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two (or more) valid but differing appointments of proxy are received in respect of the same share(s) for use at the same meeting and in respect of the same matter, the one which is last validly received (regardless of its date or of the date of its execution or submission) shall be treated as replacing and revoking the other or others as regard the relevant share(s). If the company is unable to determine which appointment was last validly received, none of them shall be treated as valid in respect of the relevant share(s).
8. As an alternative to completing your hard-copy proxy form, you can now appoint a proxy electronically at [www.capitashareportal.com](http://www.capitashareportal.com). Details of how to appoint a proxy electronically can be found on the website above. For an electronic proxy appointment to be valid, your appointment must be received by no later than 12.30pm on 8 July 2016.
9. Copies of all directors' service contracts with the company and the terms and conditions of appointment of non-executive directors which are currently available for inspection during normal business hours at the registered office of the company and at the offices of Pinsent Masons LLP, 30 Crown Place London EC2A 4ES, (public holidays excluded), will also be available for inspection on the date and at the place of the annual general meeting 15 minutes before the start of the annual general meeting until its conclusion.
10. 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 on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). 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.
11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications, and must contain the information required for such instruction, as described in the CREST Manual. 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 (RA10) by the latest time for receipt of proxy appointments set out above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp 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.

12. 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.
13. 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.
14. Please note that the company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the company cannot accept responsibility for loss or damage arising from the opening or use of any e-mail or attachments from the company and recommends that shareholders subject all messages to virus checking procedures prior to use. Please note that any electronic communication received by the company that is found to contain any virus will not be accepted.
15. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the company specifies that only those shareholders registered in the register of members of the company as at close of business on 8 July 2016 (or in the case of an adjournment as at 48 hours before the time appointed for the holding meeting) shall be entitled to attend or vote at the above meeting and that the number of votes which any shareholder may cast, on a poll, will be determined by reference to the number of shares registered in such shareholder's name at that time. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.
16. A copy of this notice has been sent for information only to persons who have been nominated by a member of the company to enjoy information rights under Section 146 of the Companies Act 2006 (a "Nominated Person"). The rights to appoint a proxy cannot be exercised by a Nominated Person; they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
17. If you are a Nominated Person, you have been nominated to receive general shareholder communications directly from the company but it is important to remember that your main contact in terms of your investment remains as it was (so the registered member of the company, or perhaps the custodian or broker, who administers the investment on your behalf). Therefore, any changes or queries relating to your personal details and holding (including any administration thereof) must continue to be directed to your existing contact at your investment manager or custodian. The company cannot guarantee dealing with matters that are directed to it in error. The only exception to this is where the company, in exercising one of its powers under the Companies Act 2006, writes to you directly for a response.
18. As at 7 June 2016 (being the latest business day prior to the publication of this notice) the company's issued share capital consists of 283,429,454 ordinary shares of 111/19 pence each, carrying one vote each. Therefore, the total voting rights in the company are 283,429,454.
19. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided they do not do so in relation to the same shares.
20. Members satisfying the thresholds in Section 527 of the Companies Act 2006 can require the company to publish a statement on its website setting out any matter relating to: (a) the audit of the company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting or (b) any circumstances connected with an auditor of the company ceasing to hold office since the last annual general meeting, that the members propose to raise at the meeting. The company cannot require members requesting the publication to pay its expenses. Where the company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the company has been required to publish on its website.
21. Any member attending the meeting has the right to ask questions. The company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would unduly interfere with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
22. A copy of this notice, and other information required by Section 311A of the Companies Act 2006 can be found at **[www.nbrown.co.uk](http://www.nbrown.co.uk)**.
23. You may not use any electronic address provided in this Notice of Annual General Meeting to communicate with the company for any purposes other than those expressly stated.

**N BROWN GROUP PLC**

Griffin House  
40 Lever Street  
Manchester M60 6ES

[www.nbrown.co.uk](http://www.nbrown.co.uk)