

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Jelf Group plc (registered in England and Wales with registered number 2975376) (the "Company") will be held at The Barn Function Centre, Berkeley Heath, Berkeley, Gloucestershire, GL13 9EW on 14 March 2011 at 2.00 p.m. for the following purposes:

### **ORDINARY BUSINESS**

**To consider and, if thought fit, to pass the following resolutions which will be proposed as Ordinary Resolutions:**

1. To receive the report of the directors, the auditor's report and the audited financial statements for the period ended 30 September 2010.
2. To re-appoint Jonathan Kelly as a director of the Company who retires in accordance with the Company's Articles of Association and who, being eligible, offers himself for re-appointment.
3. To re-appoint Arthur Leslie Owen as a director of the Company who retires in accordance with the Company's Articles of Association and who, being eligible, offers himself for re-appointment.
4. To re-appoint Anthony Grahame Stott as a director of the Company who retires in accordance with the Company's Articles of Association and who, being eligible, offers himself for re-appointment.
5. To re-appoint Christopher Jelf as a director of the Company who retires in accordance with the Company's Articles of Association and who, being eligible, offers himself for re-appointment.
6. To re-appoint John Harding as a director of the Company who retires in accordance with the Company's Articles of Association and who, being eligible, offers himself for re-appointment.
7. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company.
8. To authorise the Directors to determine the remuneration of the auditors.

### **SPECIAL BUSINESS**

**To consider and, if thought fit, to pass the following resolutions of which resolution numbered 9 will be proposed as an Ordinary Resolution and resolution numbered 10 will be proposed as a Special Resolution:**

9. THAT, in substitution for all previous authorities to the extent unused, the Directors be and are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 ("the Act"), to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any securities into, shares in the Company, provided that such authority shall be limited to the allotment of Ordinary Shares of £0.01 each in the capital of the Company ("Ordinary Shares") or the grant of rights to subscribe for or to convert any securities into Ordinary Shares up to an aggregate nominal amount of £283,165.94 (the equivalent of up to 28,316,594 Ordinary Shares), this authority to expire on the earlier of fifteen months from the date of the passing of this resolution or the conclusion of the Annual General Meeting of the Company to be held in 2012 unless previously renewed, varied or revoked by the Company in general meeting, save that the

Company may before such expiry make any offer or agreement which would or might require shares in the Company to be allotted or rights to subscribe for or to convert any securities into shares in the Company to be granted after such expiry and the Directors may allot shares in the Company, or grant rights to subscribe for or to convert any securities into shares in the Company, in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

10. THAT, subject to the passing of Resolution 9 above, in substitution for all previous powers to the extent unused, the Directors be and are hereby unconditionally empowered pursuant to Sections 570 and 571 of the Act to allot equity securities (as defined in Section 560 of the Act) pursuant to the authority granted to the Directors pursuant to Resolution 9 above as if Section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

10.1 the allotment of equity securities in connection with a rights issue, open offer or equivalent offer in favour of the holders of Ordinary Shares and such other equity securities of the Company as the Directors may determine in which such holders are offered the right to participate in proportion (as nearly as may be) to their respective holdings of such equity securities or in accordance with the rights attached thereto but subject to such exclusions or other arrangements as the Directors may consider necessary or expedient in connection with shares representing fractional entitlements or on account of either legal or practical problems arising in connection with the laws of any territory, or of the requirements of any recognised regulatory body or stock exchange in any territory;

10.2 other than pursuant to sub-paragraph 10.1 above, the allotment of equity securities, being Ordinary Shares only, up to an aggregate nominal amount of £84,949.78 (the equivalent of up to 8,494,978 Ordinary Shares),

and this power shall expire on the earlier of fifteen months from the date of passing of this resolution or upon the conclusion of the Annual General Meeting of the Company to be held in 2012 unless previously renewed, varied or revoked by the Company in general meeting, save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired.

By order of the Board

John Harding  
*Company Secretary*

*Registered Office:*

Fromeforde House  
Church Road  
Yate  
Bristol BS37 5JB

18 February 2011

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered on the Company's register of members at 6.00 p.m. on 12 March 2011 or, if this Annual General Meeting is adjourned, 48 hours prior to the adjourned meeting, shall be entitled to attend and vote at the Annual General Meeting.
2. If you are a member of the Company at the time set out in Note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. Completion and return of a proxy form will not preclude you from attending and voting in person at the Annual General Meeting should you subsequently decide to do so.

4. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Annual General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If no voting indication is given on a proxy form the proxy appointed will vote or abstain from voting at his or her discretion.
5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Ordinary Shares. You may not appoint more than one proxy to exercise rights attached to any one Ordinary Share.
7. To appoint a proxy the form must be completed and signed, sent or delivered to the Company's Registrars, Capita Registrars, PXS, PO Box 25, Beckenham, Kent, BR3 4TU and received by Capita Registrars no later than 2.00 p.m. on 12 March 2011.
8. In the case of a member which is a company, the proxy form 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 proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
10. CREST members who wish to appoint a proxy or proxies by utilising the procedures described in the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by utilising the procedures detailed in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting 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 made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (CREST ID RA10) by 2.00 p.m. on 12 March 2011. 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 Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. 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(s), 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 systems by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. 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.
13. Except as provided above, members who have general queries about the Annual General Meeting should telephone the Company's Registrars, Capita Registrars on 0871 664 0300 (calls cost 10p per minute plus network charges and lines are open 8.30 a.m. - 5.30 p.m. Mon-Fri).
14. You may not use any electronic address provided either in this notice of Annual General Meeting; or any related documents (including the proxy form), to communicate with the Company for any purposes other than those expressly stated.
15. The following documents will be available for inspection at the Company's registered office during normal business hours on any weekday (Saturdays, Sundays and English public holidays excluded) from the date of this notice of the Annual General Meeting until the date of the Annual General Meeting and at the place of the meeting at least 15 minutes prior to the commencement of the Annual General Meeting until its conclusion:
  - (a) copies of the directors' contracts of service;
  - (b) copies of the non-executive directors' letters of appointment;
  - (c) a copy of the Articles of Association of the Company (which is also available on the Investor Relations section of the Jelf Group website ([www.jelfgroup.com](http://www.jelfgroup.com)) on the Shareholder Information page).

## EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

This year, ten Resolutions are proposed at the Annual General Meeting and the purpose of each of the Resolutions is as follows:

### Ordinary Business

#### Resolution 1: The Accounts and Reports

The directors will present their report and the audited financial statements for the year ended 30 September 2010, together with the auditors' report therein.

#### Resolutions 2, 3 and 4: Election of directors

These Resolutions concern the election of Jonathan Kelly, Arthur Leslie Owen (known as Les Owen) and Anthony Grahame Stott (known as Grahame Stott) as directors of the Company. Jonathan Kelly was appointed by the board on 15 March 2010 as a non-executive director, Arthur Leslie Owen was appointed by the board on 18 November 2010 as non-executive chairman and Anthony Grahame Stott was appointed by the board on 15 November 2010 as a non-executive director. Jonathan Kelly, Arthur Leslie Owen and Anthony Grahame Stott are required by the Company's Articles of Association to offer themselves for re-appointment at the next Annual General Meeting following their appointments by the board.

The biographies of each of Jonathan Kelly, Arthur Leslie Owen and Anthony Grahame Stott can be found in the directors' report accompanying the audited financial statements for the year ended 30 September 2010.

#### Resolutions 5 and 6: Re-election of retiring directors

The Articles of Association of the Company require that a proportion of the directors are to retire at each Annual General Meeting. Two of the current directors, Christopher Jelf and John Harding, are therefore retiring and offering themselves for re-appointment. Biographical details relating to Christopher Jelf and John Harding can be found in the directors' report accompanying the audited financial statements for the year ended 30 September 2010.

#### Resolution 7: Appointment of Auditors

The Company is required to appoint auditors at each Annual General Meeting at which accounts are laid before shareholders, to hold office until the next such meeting. This Resolution proposes that PricewaterhouseCoopers LLP be re-appointed as auditors for the current year.

#### Resolution 8: Auditors' remuneration

This Resolution authorises the directors to fix the auditor's remuneration.

### Special Business

#### Resolution 9: Directors' power to allot securities

Section 549 of the Companies Act 2006 stipulates that directors cannot allot shares or rights to subscribe for shares in the Company (other than the shares allotted in accordance with an employee share scheme) unless they are authorised to do so by the shareholders in general meeting. The directors' general authority to allot shares was granted at a General Meeting held in 2010 and is due to expire at the conclusion of the 2011 Annual General Meeting. Resolution 9 seeks a new general authority from shareholders (to the exclusion of the previous general authority granted at the aforementioned General Meeting held in 2010) for the directors to allot Ordinary Shares up to an aggregate nominal value of £283,165.94, representing approximately 33.3 per cent of the nominal value of the issued ordinary share capital of the Company as at the date of this notice. The directors do not have any present intention of exercising this authority, but they consider it desirable that the specified amount of Ordinary Shares be available for issue so that they can more readily take advantage of possible opportunities. Unless renewed, revoked, varied or extended, this authority will expire at the conclusion of the next Annual General Meeting of the Company.

#### Resolution 10: Disapplication of pre-emption rights

If the directors wish to allot any Ordinary Shares for cash in accordance with the authority proposed in Resolution 9, the Companies Act 2006 requires that new shares must generally be offered first to shareholders in proportion to their existing holdings. These are the pre-emption rights of shareholders. In certain circumstances, it may be in the interests of the Company for the directors to be able to allot some shares for cash without having to offer them first to existing shareholders.

In line with common practice, Resolution 10 therefore seeks approval to renew the current authority to empower the directors to allot Ordinary Shares for cash other than in accordance with the statutory pre-emption rights, in connection with a rights issue and other pre-emptive offers and otherwise up to a maximum nominal amount of £84,949.78, representing approximately 10 per cent of the nominal value of the issued ordinary share capital of the Company.

In addition, there are legal, regulatory and practical reasons why it may not always be possible to issue new shares under a rights issue to some shareholders, particularly those resident overseas. To cater for this, this Resolution also permits the directors to make appropriate exclusions or arrangements to deal with such difficulties.

Unless renewed, revoked, varied or extended, this authority will expire at the conclusion of the next Annual General Meeting of the Company.

### Recommendation

The directors believe that the proposals in Resolutions 1 to 10 are in the best interests of the Company and its shareholders as a whole. Accordingly, the directors recommend that shareholders vote in favour of each Resolution as they intend to do in respect of their own beneficial shareholdings.