



PPHE HOTEL GROUP LIMITED

(Registered in Guernsey under number 47131)

NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in PPHE Hotel Group Limited, please forward this document, together with the accompanying documents, to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Notice of the Annual General Meeting to be held on 19 May 2020 at 12 noon at 1st floor, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW is set out on pages 5 to 6 of this document.

You will not receive a form of proxy for the Annual General Meeting in the post. Instructions on how to appoint a proxy electronically and how to register are detailed in the notes. You will still be able to vote in person at the Annual General Meeting, and may request a hard copy proxy form directly from the registrar, Link Asset Services, 34 Beckenham Road, Beckenham, BR3 4TU at enquiries@linkGroup.co.uk (telephone number: 0044 371 664 0300).

PPHE Hotel Group Limited

(Incorporated in Guernsey with registered number 47131)

Directors:

Eli Papouchado
(non-Executive Chairman)
Boris Ivesha
Daniel Kos
Dawn Morgan
Ken Bradley
Kevin McAuliffe
Nigel Keen
Nigel Jones
(each a “**Director**” and together
the “**Directors**” and/or “**Board**”)

Registered office:

1st and 2nd floors
Elizabeth House
Les Ruettes Brayes
St Peter Port
Guernsey
GY1 1EW

26 February 2020

Dear Shareholder,

Notice of the Annual General Meeting (“AGM”) of PPHE Hotel Group Limited (the “Company”)

I am writing to inform you that the AGM of the Company will be held at 12 noon on 19 May 2020 at 1st floor, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW.

The formal notice of the AGM and the resolutions to be proposed are set out on pages 5 to 6 of this document. Further information on the business to be conducted at the AGM and the resolutions to be proposed is set out below.

Ordinary business

Accounts (Resolution 1)

The Directors are required by the Companies (Guernsey) Law, 2008 (as amended) (“**Companies Law**”) to present each year the Company’s most recent financial statements and the Directors’ and the auditors’ reports on those financial statements to the shareholders at the AGM.

Resolution 1 will, therefore, propose that the report of the Directors and the Accounts of the Company for the year ended 31 December 2019 together with the report of the auditors, be received.

The Company’s financial statements and the Directors’ and the auditors’ reports on the financial statements are available from the Company’s website (www.pphe.com).

Final dividend (Resolution 2)

A final dividend of 20 pence per ordinary share for the year ended 31 December 2019 is recommended for payment by the Directors. If Resolution 2 is passed then the recommended final dividend will be paid on 22 May 2020 to all shareholders who were on the register of members as at the close of business on 24 April 2020.

The Companies Law has adopted a solvency based regime rather than a capital maintenance regime, which requires that a company can only pay a dividend provided it satisfies the “**solvency test**” (as detailed in section 527 of the Companies Law) immediately after the dividend is paid. A company satisfies the “**solvency test**” if: (i) it is able to pay its debts as they become due; and (ii) the value of its assets is greater than the value of its liabilities. In recommending the payment of the final dividend, the Directors have already considered the “**solvency test**”. However, payment of the final dividend will remain conditional on the Directors reconfirming before paying the proposed dividend that the “**solvency test**” will be satisfied immediately following such payment being made on 22 May 2020.

Re-appointment of auditors and approval of remuneration (Resolutions 3 and 4)

The Company is required to appoint auditors for each of its financial years.

Resolution 3 will, therefore, propose the re-appointment of Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, as the Company’s auditors. Resolution 4 will authorise the Directors to determine their remuneration.

Re-election and election of Directors (Resolutions 5 to 11)

To be noted, the articles of incorporation of the Company require that at each annual general meeting: (a) any Director who was elected, or last re-elected, at or before the annual general meeting held in the third calendar year preceding that annual general meeting is required to retire from office by rotation; and (b) such further Directors if any shall retire by rotation as would bring the number retiring by rotation up to one-third of the number of Directors in office at the date of the notice of the meeting, but in each case such Director is eligible for re-election.

The UK Corporate Governance Code 2018 (the “**Code**”) recommends that all Directors of listed companies should be subject to annual re-election by shareholders. The Directors have decided to endorse this recommendation of the Code and therefore all the Directors will retire at the AGM and (other than Nigel Jones) offer themselves for election or re-election. The biographical details on page 4 set out the skills and experience each Director brings to the Board and why their contribution continues to be important for the long-term sustainable success of the Company. Each Director’s contribution is based on, amongst other things, their business skills, experience and knowledge, both as an individual and also in contribution to the balance of capability, experience, knowledge and skills of the Board as a whole. The Board concluded that it is operating effectively, with each Director able to discharge their duties and each with sufficient capacity to meet their commitments to the Company. The Board, accordingly, recommends each retiring Director (other than Nigel Jones) for election or re-election.

As part of the Board’s succession planning programme and in consideration of independent shareholder views regarding tenure, Nigel Jones will be retiring and stepping down from the Board and will therefore not seek for re-election at the AGM.

Resolutions 5 to 11 relate the re-election and/or election of the Directors. Resolutions 8 and 9 relate to the re-election of Kevin McAuliffe and Dawn Morgan and resolutions 10 and 11 relate to the election of Ken Bradley and Nigel Keen. Kevin McAuliffe has served on the Board for more than 12 years and in that respect only, will not meet the usual criteria for independence set out in the Code. While the Board continues to believe that Kevin McAuliffe is independent in character and judgement, he is no longer deemed an independent director by virtue of his role as Deputy Chairman. Dawn Morgan, Ken Bradley and Nigel Keen are regarded by the Company as being independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgment.

Under the Financial Conduct Authority’s Listing Rules (“**LR**”), because the Company has entered into separate relationship agreements (the “**Relationship Agreements**”) with its immediate controlling shareholders: (1) Euro Plaza Holdings B.V. and Eli Papouchado (acting in his capacity as trustee of an endowment created under Israeli law); and (2) Walford Investments Holdings Limited and Clermont Corporate Services Limited (a professional corporate trustee in its capacity as trustee of certain trusts established for the benefit of Boris Ivesha and his family), which as a concert party hold 43.33% of the issued share capital of the Company (and exercises or controls more than 30% of the voting rights of the Company) (“**Concert Party**”), the re-election of any independent director by shareholders must be approved by a majority of both the shareholders as a whole, and separately by all the independent shareholders of the Company (that is the shareholders entitled to vote on the re-election of Directors who are not controlling shareholders and are not a party of the Concert Party (“**Independent Shareholders**”)).

Resolutions 9, 10 and 11 are therefore being proposed as ordinary resolutions that all shareholders may vote on. However, in addition, the Company will separately count the number of votes cast by Independent Shareholders in favour of each of the resolutions (as a proportion of the total votes of the Independent shareholders cast on each resolution). At the time of the AGM results announcement in respect of resolutions 9, 10 and 11, the Company will announce the results of both the vote of all shareholders and also the vote of the Independent Shareholders of the Company.

If a vote to re-elect an independent non-executive Director is not passed by the Independent Shareholders, the Company may propose a further resolution to re-elect the relevant Director(s) between 90 and 120 days from the date of the AGM. This further resolution in respect of each non-executive Director must be passed by a majority of the shareholders as a whole, and there is no requirement for an additional vote by the Independent Shareholders. LR 9.2.2DG allows any non-executive Director who is not re-elected by the Independent Shareholders to remain in office until the further resolution has been voted on.

The Company is required by the LR to provide details of:

- (i) any previous or existing relationship, transaction or arrangement between an independent director and the Company, its directors, any controlling shareholder or any associate of a controlling shareholder;
- (ii) why the Company considers the proposed independent director will be an effective director;
- (iii) how the Company has determined that the proposed director is an independent director; and
- (iv) the process by which the Company has selected each independent director.

The Company confirms the following to meet these requirements:

1. Previous/existing relationships: There are no existing or previous relationships, transactions or arrangements between each Director who was independent at appointment and the Company, any of its directors, any controlling shareholder of the Company or any associate of such a controlling shareholder.
2. Effectiveness: Each of the Directors who were independent at appointment continues to be effective, to contribute to the performance of the Board and to demonstrate commitment to their role. In addition to the board/committee meetings and AGM, they attend and contribute to executive management and each of them provides additional support to the Board and the Company on a specific area of interest related to their skills and experience, which for (i) Dawn Morgan is accounting matters; (ii) Ken Bradley is banking and financial services; and (iii) Nigel Keen is real estate and commercial property.
3. Independence: The Board has determined that each independent director is independent by considering the various relationships referred to above and that the relevant independent director was not involved in any decisions relating to the dealings referred to or any other dealing between the independent director or any organisation with which he or she is connected and the Company, any of its directors, any controlling shareholder of the Company or any associates of such a controlling shareholder.
4. Selection: The nomination committee meets at least annually and considers, among other matters, board appointments, succession planning and the re-election of directors. No director is involved in any decision about their own reappointment. In carrying out these activities, the nomination committee follows the guidelines of the Code.

The Company recommends that the independent directors should be re-elected as set out in the relevant resolutions.

Eli Papouchado, (82) Non-Executive Chairman

- Chairman of the group since formation
- Founder of the Red Sea Group and acted as its Chairman for ten years
- Wealth of experience in the construction, design, development, financing, acquisition and management of leading hotels, including Park Plaza Westminster Bridge London, Park Plaza London Riverbank and many others
- Involved in the development of hundreds of thousands of square metres of retail space in shopping malls and large residential projects in the US, Eastern Europe and the Middle East
- Served as Chairman of the Israel Hotel Association
- Appointed to the Board on 20 June 2007

Boris Ivesha, (74) President & CEO

- President of the group since formation
- Brought Park Plaza® Hotels & Resorts brand to the group in 1994 in collaboration with the Red Sea Group
- Major influencer in the expansion of the group's portfolio
- Established the Yamit Hotel, Israel in 1984 and served as its President
- Director of the Carlton Hotel in Israel (1979 – 1984)
- General Manager of the Royal Horseguards Hotel in London (1972 – 1979)
- Appointed to the Board on 14 June 2007

Daniel Kos, (41) CFO and Executive Director

- Appointed CFO in January 2018
- Previously Vice President Corporate Finance of the group, which he joined in 2011
- Held, prior to joining the group, various senior leadership positions within auditing and finance, including at Mazars LLP
- Certified Public Accountant (Register Accountant)
- Appointed to the Board on 27 February 2018

Kevin McAuliffe, (62) Non-Executive Deputy Chairman

Responsibilities: Responsible for Corporate Governance, engaging with Stakeholders and acting as a sounding board for the other Executive and Non-Executive Directors. I am a member of the Supervisory Board of Arena Hospitality Group.

Qualifications: Retired Member of the Society of Trust and Estate Practitioners, BTEC Higher Business Studies with Distinction.

Committee membership: Nomination Committee.

Member of Nomination and Remuneration committee and Audit committee of the Group company Arena Hospitality Group.

Skills and experience: Over 30 years of experience dealing with Regulated businesses at Board level, including holding office as Finance Director, Chief Executive or Chairman of Banks, Investment Management or Trust and Corporate Administration businesses.

Career experience: Retired Chairman of Carey Group, previous Chief Executive Officer of Carey Group, Ansbacher and Paribas Suisse in Guernsey, Finance Director of Ansbacher's Offshore Banking Group, and Director of Regulated Businesses in 9 jurisdictions.

Current directorships/business interests: Director of CKLB International Management Limited and C M Management Limited.

Specific contribution to the company's long-term success:

11 years as senior independent non-executive director contributing to the growth of the Group from the initial IPO in 2007. Became Non-executive Deputy Chairman in 2018 with a brief to act as a point of continuity and experience to support the Group and its emerging management team through the next stages of its transition and growth.

Dawn Morgan, (55) Independent Non-Executive Director

Responsibilities: Chairwoman of Audit Committee. Overseeing the financial reporting and disclosure process. Overseeing appointment, performance and independence of the external auditors. Monitoring the internal control process. Approve annual internal audit plan, monitor and review the performance of the internal audit function. Overseeing risk management policies and practices with management.

Qualifications: Fellow of the Institute of Chartered Accountants in England and Wales.

Committee membership: Audit, Remuneration and Nomination Committees.

Committee membership:: During a 21 year role with a commercial group, 9 years of which as Finance Director, extensive coverage of all aspects of commercial accounting and management. This included the group consolidations and cash flows, disaster recovery, restructuring and the centralisation of the finance function. Actively involved in the flotation of the group on the London Stock Exchange and various group acquisitions and disposals, including the sale of the group and its integration into an Australian and Canadian quoted company.

Career experience: Finance Director and Company Secretary of International Energy Group Limited. Main Board Company Secretary of International Energy Group Limited. Group accountant of International Energy Group Limited.

Current directorships/business interests: No external Directorships.

Specific contribution to the company's long-term success:

4 years as independent non-executive director supporting the move of the Group to a Premium Listing in 2018. Became Chairwoman of Audit Committee from June 2018. Overseeing further embedding and strengthening of enterprise risk management within the Group.

Ken Bradley, (54) Independent Non-Executive Director

Responsibilities: Since joining the Board in September 2019, completed an extensive induction programme and he has played an active role in supporting the committees. As part of the transition of the Board following Nigel Jones stepping down it is intended that I will chair the Nomination Committee.

Qualifications: First class BSc (HONS) and MBA from Warwick University, he also holds a diploma from IOD in the Company Direction Program.

Committee Membership: Audit, Remuneration and Nomination committee.

Skills and Experience: Over 30 years of experience in Banking and other regulated Financial Services Businesses, covering wealth management, corporate banking, structured finance and insurance.

Career Experience: Spent 22 years with RBS Group, with focus on corporate banking and structured finance, he was Island Director with responsibility for all their business in Guernsey, including Retail and Private Banking, Corporate Banking, Asset Finance, Treasury Management and Insurance. Country Manager for Barclays, overseeing their Banking and Fiduciary business, whilst having responsibility for businesses in five other jurisdictions.

Current Directorships: Chairman of a Guernsey subsidiary of a Private Bank, Director of a Private Fiduciary Company and a small Finance Company.

Specific contribution to company's long term success: Since joining the company in September 2019 as independent Non-Executive Director I have supported the further development and embedding of the enterprise risk management framework for the Group.

Nigel Keen, (57) Independent Non-Executive Director

Responsibilities: Joined The Board 20 February 2020. As part of the transition of the Board following Nigel Jones stepping down it is intended that I will chair the Remuneration Committee. I will also provide management a sounding board on Real Estate Development and Asset Management of the portfolio.

Qualifications: Chartered Surveyor.

Committee membership: Audit, Remuneration and Nomination Committee.

Skills and Experience: Over 35 years of property experience from site acquisition through to Asset Management. He sat on the Board of Waitrose for 15 years and is now an NED on Vistry Group PLC (previously Bovis Homes) and RG Carter Group chairing Remco's and sitting on nomination committees and Audit committee

Career Experience: He spent 10 years at Tesco Plc. during a period of rapid expansion in 1990's rising to Construction Director He acted as Property Director for The John Lewis Partnership, leading the expansion of the Group across the UK. He was appointed to the Waitrose Board in 2003 and served on it for 15 years, during a period of significant growth in turnover and expansion of the property estate. He is Non Executive Director of FTSE 250 constituent Vistry Group PLC and chairs their remuneration committee.

Current Directorships: Non Executive Director of Vistry Group PLC, and RG Carter Construction Company and deputy chairman of Maudsley Mental Health Charity.

Specific contribution to company's long term success:

Independent Non-Executive Director bringing Board level governance experience and his property expertise will support the company's development pipeline in-line with the strategy.

Special business

Purchase of Own Shares (Resolution 12)

The purpose of resolution 12 is to put in place an authority to enable the Company to make market purchases of up to 4,245,934 ordinary shares of nil par value of the Company ("Ordinary Shares"), being approximately 10% of the issued ordinary share capital (excluding treasury shares) as at 21 February 2020 (the latest practicable date prior to the publication of this document).

The Company's exercise of this authority will be subject to the stated upper and lower limits on the price payable (as set out in resolution 12). The Directors will only exercise the power of purchase after careful consideration and in circumstances where they are satisfied, that to do so would result in an increase in earnings per share and would be in the best interests of the Company and of its shareholders generally. The Directors intend to keep under review the potential to purchase Ordinary Shares. If granted, this authority will expire on the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after this resolution is passed.

If the authority conferred by this resolution is exercised, the Company will have the option of either holding in treasury or of cancelling any of its own shares purchased pursuant to this authority and will decide at the time of purchase which option to pursue. As at 21 February 2020 (the latest practicable date prior to the publication of this document), there were 412,290 share options outstanding under the Company's share option plans in respect of 412,290 Ordinary Shares representing 0.97% of the Company's issued share capital (excluding treasury shares). If the authority to purchase the Ordinary Shares were exercised in full, then the total number of options to subscribe for Ordinary Shares outstanding would represent 1.08% of the reduced issued share capital (excluding treasury shares).

Power to allot (Resolution 13)

In certain circumstances, it may be in the best interests of the Company to allot shares (or to grant rights over shares). The purpose of resolution 13 is to grant the power to the Directors to allot Ordinary Shares (or sell treasury shares) up to 14,153,113 Ordinary Shares which is equivalent to approximately one-third of total issued Ordinary Shares (excluding treasury shares) as of 21 February 2020 being the latest practicable date prior to publication of this document.

As at 21 February 2020, the Company held 1,888,070 Ordinary Shares in treasury.

The authority sought in resolution 13 revokes and replaces all unexercised authorities previously granted to the Directors to allot Ordinary Shares but without prejudice to any issue or grant of rights already made, offered or agreed to be made pursuant to such authorities.

Disapplication of pre-emption rights (Resolutions 14 and 15)

Pursuant to article 4.12 of the Company's articles of incorporation ("Articles"), if the Directors wish to allot Ordinary Shares or to sell treasury shares for cash, they must in the first instance offer them to existing holders of Ordinary Shares in proportion to their existing holdings. However, there may be occasions when the Directors need flexibility to finance business opportunities by the issue of Ordinary Shares without a pre-emptive offer to existing holders of Ordinary Shares.

This cannot be done under the Articles without the holders of Ordinary Shares first waiving their pre-emption rights in accordance with article 4.20 of the Articles.

Resolution 14 is conditional on the passing of resolution 13 and authorises the Directors to allot Ordinary Shares or sell treasury shares for cash without application to the pre-emption rights contained in article 4.12 of the Articles up to 2,122,967 Ordinary Shares representing approximately 5% of the Company's issued Ordinary Shares (excluding treasury shares) as at 21 February 2020 (the latest practicable date prior to the publication of this document). If given the authority will expire at the conclusion of the next annual general meeting of the Company or if earlier, 15 months after the resolution is passed.

The Directors are seeking further authority under resolution 15 to allot Ordinary Shares or sell treasury shares for cash otherwise than to existing holders of Ordinary Shares pro rata to their existing holdings up to 2,122,967 Ordinary Shares representing approximately 5% of the Company's issued Ordinary Shares (excluding treasury shares) as at 21 February 2020 (the latest practicable date prior to the publication of this document). If given the authority will expire at the conclusion of the next annual general meeting of the Company or if earlier, 15 months after the resolution is passed.

This is in addition to 5% in resolution 14. The extra authority is being sought in accordance with the Pre-Emption Groups' Statement of Principles for the Disapplication of Pre-emption Rights ("**Statement of Principles**"). The Statement of Principles permits disapplication authorities up to 10% of Ordinary Shares in total to be sought provided the extra 5% is used only in connection with the financing (or refinancing) of an acquisition or specified capital investment (as defined in the Statement of Principles). The Directors confirm that they intend to use the authority sought in resolution 15 only in connection with such an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

The Directors have no present intention of exercising these authorities but consider that the authorities are appropriate in order to allow the Company flexibility. In accordance with the Statement of Principles, the Directors further confirm that they have no present intention of issuing more than 7.5% of the total issued share capital of the Company (excluding treasury shares) on a non pre-emptive basis pursuant to the authority in resolution 14 in any rolling three-year period.

Action to be taken

You will find enclosed voting instructions on page 7 of this document. Please follow the instruction as set at on this page.

Recommendation

The Directors consider that all the resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend shareholders to vote in favour of all the resolutions, as they intend to do in respect of their own beneficial holdings.

Yours sincerely,



ELI PAPOUCHADO
NON-EXECUTIVE CHAIRMAN
PPHE HOTEL GROUP LIMITED
(Registered in Guernsey under number 47131)

NOTICE IS HEREBY GIVEN that the AGM of the Company will be held at 1st floor, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW at 12 noon on 19 May 2020 for the following purposes:

Ordinary business

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

1. That the report of the Directors and the accounts of the Company for the year ended 31 December 2019, together with the report of the auditors, be received.
2. That a final dividend for the year ended 31 December 2019 of 20 pence per ordinary share be authorised.
3. That Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, be re-appointed as auditors of the Company for the ensuing year.
4. That the Directors are authorised to determine the remuneration of the Company's auditors until the end of the next annual general meeting of the Company.
5. That Eli Papouchado, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
6. That Boris Ivesha, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
7. That Daniel Kos, who, retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
8. That Kevin McAuliffe, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
9. That Dawn Morgan, who retires and who, being eligible, offers herself for re-appointment as a Director of the Company, be re-elected.
10. That Ken Bradley, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be elected.
11. That Nigel Keen, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be elected.

Special business

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

12. That the Company be and is hereby unconditionally and generally authorised at any time at the absolute discretion of the Directors in accordance with sections 313 and 315 of the Companies (Guernsey) Law, 2008 (as amended) to make market acquisitions (as defined in that law) of the ordinary shares of the Company (the "**Ordinary Shares**") on such terms and in such manner as the Directors of the Company shall from time to time determine, provided that:
 - (A) the maximum aggregate number of Ordinary Shares hereby authorised to be acquired is 4,245,934 (equal to 10% of the Ordinary Shares in issue (excluding treasury shares) at 21 February 2020 (the latest practicable date prior to the publication of this document));
 - (B) the minimum price (exclusive of expenses) that may be paid for each Ordinary Share is £0.01;
 - (C) the maximum price (exclusive of expenses) that may be paid for each Ordinary Share is the higher of:
 - (i) not more than 5% above the average of the middle market quotations for the Ordinary Shares (as derived from the Daily Official List of London Stock Exchange plc) for the five business days immediately preceding the date on which the Ordinary Shares is contracted to be purchased; or

- (iii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the trading venues where the purchase is carried out;
- (D) the authority conferred shall be in substitution for all such pre-existing authorities and shall expire at the conclusion of the next annual general meeting of the Company, or, if earlier, the date 15 months after the date on which this resolution is passed; and
- (E) the Company may make a contract or contracts to acquire its Ordinary Shares under the authority conferred prior to the expiry of such authority, which will be executed wholly or partly after the expiry of such authority, and may purchase its Ordinary Shares in pursuance of any such contract or contracts.

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

13. That, in substitution for all subsisting authorities to the extent unused, the Directors of the Company be and they are hereby generally and unconditionally authorised pursuant to article 4.20 of the Company's articles of incorporation to exercise all the powers of the Company to allot ordinary shares in the Company, and to grant rights to subscribe for, or to convert any security into, shares in the Company up to 14,153,113 Ordinary Shares equivalent to approximately one third of the issued share capital (excluding treasury shares) to such persons and generally on such terms as the Directors may determine (subject always to the articles of incorporation).

The authority hereby conferred on the Directors shall expire at the end of the next annual general meeting of the Company or, if earlier, the date falling 15 months after the date this resolution 13 is passed, save that under such authority the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted or rights to subscribe for, or to convert any security into, Ordinary Shares to be granted after such expiry and the Directors may issue Ordinary Shares or sell treasury shares or grant rights to subscribe for or convert securities into Ordinary Shares under such an offer or agreement as if the authority conferred hereby had not expired.

14. That subject to the passing of resolution 13, and in substitution for all subsisting authorities to the extent unused, the Directors of the Company be and they are hereby generally and unconditionally authorised, under the authority given in resolution 13, as if article 4.12 of the Company's articles of incorporation did not apply to any such issue, provided that this authority shall be limited to:

- (A) the allotment of Ordinary Shares or sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities:
 - (i) to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings on the register on a fixed record date; and
 - (ii) to holders of other securities as required by the rights of those securities or as the Directors otherwise consider necessary,
 and so that the Directors may impose limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements or securities represented by depositary receipts, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter; and

- (B) the allotment (otherwise than under paragraph (A) of this resolution 14) of Ordinary Shares or sale of treasury shares up to 2,122,967 Ordinary Shares being approximately 5% of the issued Ordinary Shares (excluding treasury shares) save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be issued or treasury shares to be sold or rights to subscribe for or convert securities into Ordinary Shares to be granted after the authority expires and the Directors may issue Ordinary Shares or sell treasury shares or grant rights to subscribe for or convert Ordinary Shares under any such offer or agreement as if the authority hereby conferred had not expired.

15. That, subject to the passing of resolution 13, and in addition to any authority granted under resolution 14, the Directors of the Company be and they are hereby generally and unconditionally authorised, as if article 4.12 of the Company's articles of incorporation did not apply to any such issue, provided that this authority shall be:

- (A) limited to the allotment of Ordinary Shares for cash or sell treasury shares up to 2,122,967 Ordinary Shares being approximately 5% of the issued Ordinary Shares (excluding treasury shares); and
- (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption rights most recently published by the Pre-Emption Group prior to 21 February 2020 (the latest practicable date prior to the publication of this document).

Such authority shall apply until the end of the next annual general meeting of the Company or, if earlier, the date falling 15 months after the date of the passing of this resolution 15 save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be issued or treasury shares to be sold or rights to subscribe for or convert securities into Ordinary Shares to be granted after the authority expires and the Directors may issue Ordinary Shares or sell treasury shares or grant rights to subscribe for or convert Ordinary Shares under any such offer or agreement as if the authority hereby conferred had not expired.



By Order of the Board

C.L. SECRETARIES LIMITED
COMPANY SECRETARY

Registered Office:

1st and 2nd Floors
 Elizabeth House
 Les Ruettes Brayes
 St Peter Port
 Guernsey
 GY1 1EW

Dated: 26 February 2020

Notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at the AGM or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the number of votes they may cast), Shareholders must be registered in the register of members of the Company at 12 noon on 17 May 2020 or, if the AGM is adjourned, 48 hours prior to the time fixed for 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 AGM.
2. Shareholders, or their proxies, intending to attend the AGM in person are requested, if possible, to arrive at the AGM venue at least 20 minutes prior to the commencement of the AGM at 12 noon on 19 May 2020 so that their shareholding may be checked against the Company's register of members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company.
4. 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).
5. To allow effective constitution of the AGM, if it is apparent to the chairman that no shareholders will be present in person or by proxy, other than by proxy in the chairman's favour, the chairman may appoint a substitute to act as proxy in his stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the chairman.
6. 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 may vote or abstain from voting at their discretion. Your proxy may vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the AGM.
7. You can appoint a proxy:
by logging on to www.shares.pphe.com/welcome and following the instructions; or by requesting a hard copy form of proxy directly from the registrar, Link Asset Services (previously called Capita), on Tel: 0044 371 664 0300. Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales; or in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below. In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Asset Services at 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by 12 noon on 17 May 2020.
8. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
9. The return of a completed form of proxy, electronic filing or any CREST proxy instruction (as described in note 11 below) will not prevent a shareholder from attending the AGM and voting in person if he/she wishes to do so.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM (and any adjournment of the AGM) by using the procedures described in the CREST manual (available from www.euroclear.com/site/public/EUI). 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 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 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 (ID RA10) by 12 noon on 17 May 2020. For this purpose, the time of receipt will be taken to mean 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(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 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. 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 (as amended).
13. Any corporation which is a shareholder may, by resolution of its directors or other governing body, authorise one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder (other than a power to appoint a proxy) provided that no more than one corporate representative exercises powers in relation to the same shares.
14. As at 21 February 2020 (the latest practicable date prior to the publication of this document), the Company's ordinary issued share capital consists of 44,347,410 ordinary shares of no par value, carrying one vote each (1,888,070 of which were held as treasury shares). Therefore, the total voting rights in the Company as at 21 February 2020 are 42,459,340.
15. Copies of the Directors' letters of appointment or service contracts as well as the articles of incorporation of the Company are available for inspection during normal business hours at the registered office of the Company on any business day from 26 February 2020 until the time of the AGM and may also be inspected at the AGM venue, as specified in this document, from 9 am on the day of the AGM until the conclusion of the AGM.
16. A copy of this document can be found on the Company's website at www.pphe.com.

