
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own advice from an appropriate professional adviser who is authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in Harworth Group plc, please send this document and the accompanying documents to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Harworth

HARWORTH GROUP PLC

(Incorporated and registered in England and Wales no. 02649340)

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Harworth Group plc will be held on 21 May 2019 at 2:00 p.m. at The Bessemer Conference Room, AMP Technology Centre, Advanced Manufacturing Park, Brunel Way, Waverley, Rotherham, S60 5WG.

This document should be read as a whole. Nevertheless, your attention is drawn to the letter from the Chairman which commences at page 4 of this document and the recommendation that you vote in favour of the resolutions to be proposed at the Annual General Meeting referred to below. This document should be read in conjunction with the Notice of Annual General Meeting set out at the end of this document and the accompanying Form of Proxy for use in connection with the meeting.

Notice of Annual General Meeting of Harworth Group plc, to be held at 2:00 p.m. on 21 May 2019, is set out at the end of this document. To be valid, the enclosed Form of Proxy for use at the meeting should be completed in accordance with the instructions thereon, signed and returned so as to be received by the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 8JB as soon as possible but in any event not later than 2:00 p.m. on 17 May 2019. You may appoint a proxy in CREST by completing and transmitting a CREST proxy instruction to Equiniti Limited so that it is received no later than 2:00 p.m. on 17 May 2019. Completion of the Form of Proxy will not preclude a Shareholder from attending and voting at the meeting in person. Further instructions relating to the Form of Proxy are set out in the Notice of Annual General Meeting.

The contents of the Company's website or any website directly or indirectly linked to the Company's website do not form part of this document.

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Expected timetable of principal events

Date of this document	16 April 2019
Record date for dividend	3 May 2019
Latest time and date for receipt of forms of proxy for the Annual General Meeting	2:00 p.m. on 17 May 2019
Annual General Meeting 2019	2:00 p.m. on 21 May 2019
Expected date for payment of dividend	31 May 2019

References to time in this document are to British Summer Time.

The timetable assumes that the Annual General Meeting is not adjourned as a result of there being no quorum, or for any other reason, and that the resolution for a final dividend is approved by Shareholders. If there is an adjournment, all subsequent dates and any other dates referred to in this document are likely to be later than those shown. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement on a Regulatory Information Service.

Harworth Group plc
(Incorporated and registered in
England and Wales no. 02649340)

Registered office:
Advantage House
Poplar Way
Catcliffe
Rotherham
S60 5TR

To: Shareholders of Harworth Group plc

16 April 2019

Alastair Lyons: Chairman
Owen Michaelson: Chief Executive
Andrew Kirkman: Finance Director
Lisa Clement: Senior Independent Director
Anthony Donnelly: Independent Non-Executive Director
Andrew Cunningham: Independent Non-Executive Director
Ruth Cooke: Independent Non-Executive Director
Angela Bromfield: Independent Non-Executive Director
Steven Underwood: Non-Executive Director
Martyn Bowes: Non-Executive Director

Dear Shareholder

Annual General Meeting 2019

The Annual General Meeting of the Company will be held on 21 May 2019 at 2:00 p.m. at The Bessemer Conference Room, AMP Technology Centre, Advanced Manufacturing Park, Brunel Way, Waverley, Rotherham, S60 5WG. A map to help you with its location is found on the last page of the notice of meeting. As you can see from the notice of meeting there are several items of business to be considered at the Annual General Meeting. The purpose of this letter is to explain this business.

Resolutions 1 to 19 (inclusive) are proposed as ordinary resolutions. This means that, except for Resolution 12 which is an advisory vote only in accordance with the requirements of the Companies Act, for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 20 to 22 (inclusive) are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three quarters of the votes cast must be in favour of the resolution.

Ordinary Resolutions

1 – Adoption of Annual Report and Financial Statements

The Directors must present the report of the Directors and the financial statements of the Company for the period ended 31 December 2018 to Shareholders at the Annual General Meeting. The report of the Directors, the financial statements, and the independent auditors' report are contained within the Annual Report.

2 – Approval of Dividend

The Board restored the payment of dividends to Shareholders in 2015 at an initial level of £2 million on an annualised basis and intends to increase the dividend over time broadly in line with the rate of long-term growth of the business. In October 2018, the Board paid an interim dividend for the financial year ended 31 December 2018 at 0.278p per Ordinary Share and the Board is recommending a final dividend of 0.633p per Ordinary Share, to give a total dividend for the financial year ended 31 December 2018 of £2.928 million or 0.911p per Ordinary Share. It is proposed that the final dividend be paid on 31 May 2019 to those Shareholders on the register of members at the close of business on 3 May 2019.

3 – 4 Election of Non-Executive Directors

Resolutions 3 and 4 propose the election of:

- (1) Ruth Cooke, who joined the Company as an independent Non-Executive Director with effect from 19 March 2019; and
- (2) Angela Bromfield, who joined the Company as an independent Non-Executive Director with effect from 1 April 2019.

Their biographical details are contained in Appendix 1. The Board unanimously recommends their elections.

5 – 11 – Re-election of Directors

Resolutions 5 to 11 are being put before Shareholders in accordance with the principles of best practice in corporate governance. The Articles of Association provide that one third of the Directors should offer themselves for re-election each year. However, best practice recommends that all Directors should offer themselves for re-election each year and accordingly all seven of the continuing Directors will offer themselves for re-election. Their biographical details are also shown in Appendix 1. As announced by the Company on 1 April 2019, Andrew Kirkman has tendered his resignation from the Board and will not, therefore, seek re-election at the Annual General Meeting. The seven Directors seeking re-election are:

- (1) Alastair Lyons – Chairman;
- (2) Owen Michaelson – Chief Executive;
- (3) Lisa Clement – Senior Independent Director;
- (4) Anthony Donnelly – Independent Non-Executive Director;
- (5) Andrew Cunningham – Independent Non-Executive Director;
- (6) Steven Underwood – Non-Executive Director representing the Peel Group; and
- (7) Martyn Bowes – Non-Executive Director representing the Pension Protection Fund.

The Board unanimously recommends their re-election. Each resolution for re-election will be taken as a separate vote.

The Nomination Committee has reviewed the effectiveness of those directors who are offering themselves for re-election. Following that review, I confirm that the Board has determined that each of the Directors offering themselves for re-election is and continues to be valuable and effective, that each of them has demonstrated the appropriate level of commitment to his or her role, and that each of the Non-Executive Directors is and continues to be fully independent in both character and judgement, and there are no relationships or circumstances which are likely to affect their character or the exercise of their judgement. The review process for existing Directors, selection process for new Directors and the Company's assessment of independence are described in the corporate governance section in the 2018 Annual Report and Financial Statements.

12 – Approval of the Directors' Remuneration Report

The Directors' Remuneration Report gives details of the remuneration that was paid to your Directors for the year ended 31 December 2018 and will be paid to them for the year ended 31 December 2019, in accordance with the Company's current Remuneration Policy. The Company's auditors, PricewaterhouseCoopers LLP, have audited those parts of the Directors' Remuneration Report capable of being audited.

The Board considers that appropriate executive remuneration plays a vital part in helping to achieve the Company's overall objectives and, accordingly, and in compliance with legislation, Shareholders will be invited to approve the Directors' Remuneration Report. The vote is advisory in nature in that payments made or promised to Directors will not have to be repaid, reduced or withheld in the event that the Resolution is not passed.

13 – Approval of the Directors' Remuneration Policy

The Shareholders last approved the Company's Remuneration Policy at the 2016 annual general meeting. As such, it is due to be updated and presented for Shareholder approval at this Annual General Meeting. A copy of the new Remuneration Policy and a summary of, and explanation of the rationale for, the main changes to the current Remuneration Policy can be found on pages 100-111 of the Annual Report. If approved by Shareholders at the Annual General Meeting, the new Remuneration Policy will be adopted in substitution for the current Remuneration Policy.

14 and 15 – Re-appointment of Auditors and Auditors' Remuneration

The auditors of a Company must be re-appointed at each annual general meeting at which accounts are laid. Resolution 14 proposes the re-appointment of the Company's existing auditors, PricewaterhouseCoopers LLP, until the conclusion of the annual general meeting of the Company held in 2020. Resolution 15 gives authority to the Directors to determine the auditors' remuneration.

16 – Authority to make political donations

Part 14 of the Companies Act restricts companies from making political donations to: (i) political parties; (ii) other political organisations; and (iii) independent election candidates and from incurring political expenditure without Shareholders' consent. The Company does not make and does not intend to make donations to political parties, political organisations or independent election candidates, nor does it incur any political expenditure. However, as the definitions used in the Companies Act are broad, it is possible that normal business activities such as sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling certain public duties, and support for bodies representing the business community in policy review or reform, which might not be thought to be political expenditure in the usual sense, could be caught. Shareholder approval is being sought in this Resolution on a precautionary basis only to allow the Company and any company which, at any time during the period for which this Resolution has effect, is a subsidiary of the Company, to continue to support the community and put forward its views on or in relation to wider business and Government interests, without running the risk of being in breach of the Companies Act.

The Board is, therefore, seeking authority to make political donations to political parties and/or independent election candidates not exceeding £50,000 in total, to make political donations to political organisations other than political parties not exceeding £50,000 in total and to incur political expenditure not exceeding £50,000 in total. In line with the guidance issued originally by the Association of British Insurers and for which the Investment Association has assumed responsibility, it is proposed that this Resolution will be put to Shareholders annually. Therefore, the authority will be valid until the conclusion of the annual general meeting of the Company held in 2020 or, if earlier, 15 months from the date that this Resolution is passed.

17 – Allotment of Shares

The Directors may only allot shares or grant rights to subscribe for, or convert any security into, shares if authorised to do so by Shareholders. The authority conferred on the Directors at the 2018 annual general meeting under section 551 of the Companies Act to allot shares expires on the date of the forthcoming Annual General Meeting. Accordingly, this Resolution seeks to grant a new authority under section 551 of the Companies Act to authorise the Directors to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company and will expire at the conclusion of the next annual general meeting of the Company to be held in 2020 or, if earlier, 15 months from the date that this Resolution is passed. Paragraph (A) of Resolution 17 will, if passed, authorise the Directors to allot shares or grant rights to subscribe for, or to convert any security into, such shares in the Company up to a maximum nominal amount of £10,716,951. This amount represents 33 per cent. of the Company's existing issued ordinary share capital as at 14 April 2019 (being the latest practicable date prior to publication of this Notice). Paragraph (B) of Resolution 17 authorises the Directors to allot, including the shares referred to in (A), further shares up to an aggregate nominal amount of £21,433,903 in connection with a pre-emptive offer to existing Shareholders by way of a rights issue (with exclusions to deal with fractional entitlements to shares and overseas Shareholders to whom the rights issue cannot be made due to legal and practical problems). This amount represents 66 per cent. of the Company's existing issued ordinary share capital as at 14 April 2019 (being the latest practicable date prior to publication of this Notice). This is in accordance with the latest institutional guidelines published by the Investment Association.

Although the Directors have no present intention of exercising this authority, there can be no certainty that this authority will not need to be utilised. The Directors consider that it is in the best interest of the Company to have the authorities available so that they have the maximum flexibility permitted by institutional guidelines to allot shares or grant rights without the need for a general meeting, should they determine that it is appropriate to do so. The Directors intend to renew this authority annually.

As at 14 April 2019 (being the latest practicable date prior to publication of this Notice), the Company held no shares in treasury.

18 – Approval of the Harworth 2019 Restricted Share Plan

The RSP is a discretionary share plan which is proposed to operate from 2019 as the principal long term incentive arrangement for Executive Directors and other members of the Harworth senior management team. Further information in relation to the introduction of the RSP is set out in the statement from the Chair of the Remuneration Committee in the Directors' Remuneration Report for the year ended 31 December 2018. A summary of the principal terms of the RSP is set out in Appendix 2.

19 – Approval of the Harworth 2019 Share Incentive Plan

The SIP is a tax qualifying all employee share plan in which all employees (including Executive Directors) will be eligible to participate on similar terms. The SIP is proposed to encourage wider share ownership across all our employees and to support stewardship. A summary of the principal terms of the SIP is set out in Appendix 3.

Special Resolutions

20 – Disapplication of Pre-emption Rights

Under section 561(1) of the Companies Act, if the Directors wish to allot Ordinary Shares, or grant rights to subscribe for, or convert securities into Ordinary Shares, or sell treasury shares for cash (other than pursuant to an employee share scheme), they must in the first instance offer them to existing Shareholders in proportion to their holdings. There may be occasions, however, when the Directors need the flexibility to finance business opportunities by the issue of Ordinary Shares without a pre-emptive offer to existing Shareholders. This cannot be done under the Companies Act unless the Shareholders have first waived their pre-emption rights.

Resolution 20 asks the Shareholders to do this and, apart from rights issues or any other pre-emptive offer concerning equity securities, the authority contained in this Resolution will be limited to the issue of Ordinary Shares for cash up to an aggregate nominal value of £1,607,542 (which includes the sale on a non pre-emptive basis of any shares held in treasury), which represents approximately 5 per cent. of the Company's issued ordinary share capital as at 14 April 2019 (being the latest practicable date prior to the publication of this Notice).

In accordance with the Pre-emption Group's Statement of Principles, the Board confirms its intention that no more than 7.5 per cent. of the issued share capital will be issued for cash on a non pre-emptive basis during any future rolling three year period without prior consultation with Shareholders. Shareholders should note that this Resolution also relates to treasury shares and will be proposed as a special resolution.

Resolution 20 also seeks a disapplication of the pre-emption rights on a rights issue so as to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas Shareholders.

If given, the authority will expire at the conclusion of the next annual general meeting of the Company in 2020 or, if earlier 15 months from the date that this Resolution is passed.

Although the Directors have no present intention of exercising this authority, there can be no certainty that this authority will not need to be utilised. The Directors intend to renew this authority annually.

21 – Authority to Purchase Own Shares

This Resolution, which will be proposed as a special resolution, renews the authority granted at the 2018 annual general meeting which expires on the date of the forthcoming Annual General Meeting. The Resolution authorises the Company to make market purchases of its own Ordinary Shares as permitted by the Companies Act. The authority limits the number of shares that could be purchased to a maximum of 32,150,853 Ordinary Shares (representing less than 10 per cent. of the issued share capital of the Company as at 14 April 2019 (being the last practicable date prior to the publication of this Notice) and sets minimum and maximum prices.

The Directors have no present intention of exercising the authority to purchase the Company's Ordinary Shares but will keep the matter under review, taking into account market conditions, the cash reserves of the Company, the Company's share price, appropriate gearing levels, other investment opportunities and the overall financial position of the Company. The authority will be exercised only if the Directors believe that to do so would result in an increase in earnings per share and would be likely to promote the success of the Company for the benefit of its Shareholders as a whole.

Any purchases of Ordinary Shares would be by means of market purchases through the London Stock Exchange. Any Ordinary Shares purchased under this authority may either be cancelled or held as treasury shares. Treasury shares may subsequently be cancelled, sold for cash or used to satisfy options issued to employees pursuant to employees' share schemes.

The authority will only be valid until the conclusion of the next annual general meeting in 2020 or, if earlier, 15 months from the date that this Resolution is passed.

As at 14 April 2019 (being the last practicable date prior to the publication of this Notice) the Company had the following awards outstanding under its share schemes:

- aggregate awards of up to 2,065,566 shares under the Harworth Group plc Long Term Incentive Plan;
- aggregate awards of up to 175,056 shares under the Harworth Group plc Management Deferred Share Bonus Plan; and
- aggregate awards of 419,211 shares under the Harworth Group plc Save As You Earn Scheme.

These awards represent in aggregate 0.8 per cent. of the Company's issued ordinary share capital as at that date. If the authority to purchase the Company's Ordinary Shares granted at the 2018 annual general meeting and the authority proposed to be granted pursuant to Resolution 21 were exercised in full, these awards would, assuming no further Ordinary Shares are issued after that date, represent 1 per cent. of the Company's issued ordinary share capital as at that date. This percentage would reduce to 0.9 per cent. if no further purchases are made under the authority granted at the 2018 annual general meeting, but the authority exercised pursuant to Resolution 21 was exercised in full. As at the close of business on 14 April 2019 (being the last practicable date prior to the publication of this Notice), the Company did not hold any shares in treasury and no warrants over the ordinary shares in the capital of the Company existed.

22 – General Meetings at Short Notice

The Articles of Association of the Company allow it to call general meetings other than an annual general meeting on 14 clear days' notice without obtaining Shareholder approval. Changes made to the Companies Act by the Shareholders' Rights Regulations increase the notice period required for general meetings of the Company to 21 days unless Shareholders approve a shorter notice period, which cannot however be less than 14 clear days. In order to preserve its ability to call general meetings on 14 clear days' notice, Resolution 22 seeks such Shareholder approval. It is intended that the shorter notice period would not be used as a matter of routine for such meetings but only where the flexibility is merited by the business of the meeting and is thought to be in the interests of Shareholders as a whole. The Company undertakes to meet the requirements for electronic voting under the Shareholders' Rights Regulations before calling a general meeting on 14 clear days' notice. If given, the approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

The Company intends to continue giving 20 working days' notice for annual general meetings in accordance with the Financial Reporting Council's Guidance on Board Effectiveness.

Notice of publication of Annual Report and Financial Statements

Notice is hereby given that the Harworth Group plc Annual Report and Financial Statements for the financial year ended 31 December 2018 has been published on the Company's website www.harworthgroup.com. It can be accessed by going to the Company's home page, clicking on the Investors section of the website and then going to Reports and Presentations. If you have elected to receive Shareholder correspondence in hard copy, the Annual Report will accompany this Notice.

Should you wish to change your election at any time, or if you wish to request a hard copy of the Annual Report, you can do so by contacting our Registrars, Equiniti Limited, on 0871 384 2301. Lines are open 8:30 a.m. to 5:30 p.m., Monday to Friday (excluding public holidays in England and Wales). Callers from outside the UK should dial +44 (0)121 415 7047.

Recommendation

All Directors seeking re-election are of the opinion that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and its Shareholders as a whole and recommend that you vote in favour of the Resolutions to be proposed at the Annual General Meeting, as they intend to do in respect of their own beneficial shareholdings.

Action to be taken

Hard copies of a Form of Proxy for the Annual General Meeting for use by the Company have been sent to all Shareholders. If you do not intend to be present at the Annual General Meeting, please complete, sign and return the Form of Proxy as soon as possible (and, in any event, so as to be received not later than 2:00 p.m. on 17 May 2019), in accordance with the instructions printed on it. Completion of the Form of Proxy will not preclude you from attending and voting in person if you so wish.

Yours sincerely

Alastair Lyons
Chairman

Appendix 1: Directors' biographies

New Appointments

1. Ruth Cooke (Non-Executive Director)

Ruth joined the Board on 19 March 2019 and is a member of the Audit Committee. She was Finance Director (from 2008 to 2012) and then Chief Executive (from 2012 to 2018) of Midland Heart, the housing association group operating across central England. Prior to that, she held senior finance and resourcing roles at Knightstone, a housing association based in the South West, and Anchor Trust, a provider of housing and care to those aged 55 years old and above. Ruth has held a number of voluntary and non-executive positions in the social housing and retirement community sector. She is an Associate of the Institute of Chartered Accountants and a Chartered Corporate Treasurer.

2. Angela Bromfield (Non-Executive Director)

Angela joined the Board on 1 April 2019 and is a member of the Remuneration and Audit Committees. She has extensive commercial strategy, marketing and communications executive experience. She was Strategic Marketing & Communications Director at Morgan Sindall plc until 2013 and prior to that held senior roles at the Tarmac Group, Premier Farnell plc and ICI plc. Angela is a Non-Executive Director at Churchill China plc, where she chairs the Remuneration Committee and is a member of the Audit Committee, and at Zotefoams plc, where she chairs the Remuneration Committee and is a member of the Audit and Nomination Committees.

Directors offering themselves for re-election

3. Alastair Lyons (Non-Executive Chairman)

Alastair was appointed as Non-Executive Chairman on 7 March 2018 and has served for 1 year 1 month. He also chairs the Nomination Committee and is a member of the Remuneration Committee.

Alastair is Non-Executive Chairman of Welsh Water, Vitality Health and AECS, Admiral's European holding company. He was Non-Executive Chairman of Admiral Group plc from 2000 to 2017, Deputy Chairman of Bovis Homes from 2008 to 2018 and Chairman of Serco Group plc from 2010 to 2015. Previously in his executive career, Alastair was Chief Executive of the National Provident Institution and the National and Provincial Building Society, Managing Director of the Insurance Division of Abbey National plc and Director of Corporate Projects at National Westminster Bank plc. He has a broad base of business experience with a particular focus on personal financial services. He was awarded the CBE in 2001 for services to social security having served as a non-executive director of the Department for Work and Pensions and the Department of Social Security.

4. Owen Michaelson (Chief Executive)

Owen joined the Board on 24 March 2015, having previously been Chief Executive of HEPGL from 28 September 2012 and of the Harworth Estates division of UK Coal since August 2010. He has served for 4 years 1 month (8 years 8 months including his appointment to HEPGL and the Harworth Estates division of UK Coal).

Owen has more than 27 years' experience in the remediation of brownfield land and has held executive roles at the Peel Group, Black Country Properties and Viridor. Prior to becoming the Chief Executive of Harworth, he took over the stand alone operations of Harworth Estates at the commencement of the restructuring of the former UK Coal in August 2010. He established the business as a recognised developer of brownfield land, before being appointed to the Board of Harworth following the Acquisition.

5. Lisa Clement (Senior Independent Director)

Lisa joined the Board on 15 December 2011. Lisa was appointed Chair of the Remuneration Committee and Senior Independent Director on 1 October 2016. She is also a member of the Nomination Committee. She was formerly Chair of the Audit Committee and has served for 7 years 4 months.

Lisa was formerly Chief Financial Officer of Sea Containers Limited, Managing Director of Capita Learning and Development, and has held senior divisional roles at Cendant Inc and BPP Holdings plc.

6. Anthony Donnelly (Non-Executive Director)

Anthony joined the Board on 24 March 2015 having previously been a Non-Executive Director of HEPGL from 10 December 2012 and a Director of the Harworth Estates division of UK Coal from January 2011. He is a member of the Audit and Remuneration Committees. He has served for 4 years 1 month (8 years 3 months including his appointment to HEPGL and the Harworth Estates division of UK Coal). If re-elected at the Annual General Meeting, Anthony will retire from the Board at the end of September 2019.

After early finance roles with Scottish & Newcastle Breweries from 1986, Anthony joined Morrison Homes Limited as Finance Director in 1990. In 2000 he was appointed Managing Director of Scotland based AWG Property Limited. He has overseen the workout and extraction of value from an extensive commercial and residential portfolio across the UK and Ireland and its transformation into a strategic and income generating portfolio.

7. Andrew Cunningham (Non-Executive Director)

Andrew joined the Board on 26 April 2016, was appointed as Chair of the Audit Committee with effect from 1 October 2016 and is also a member of the Nomination Committee. He has served for 2 years 11 months.

Andrew trained as a chartered accountant with Deloitte Haskins and Sells (a predecessor firm of PricewaterhouseCoopers LLP). In 1989 he was made a corporate finance and audit partner. In 1996 he was appointed as Finance Director of Grainger plc, which was to become the UK's largest listed residential investor, and then Chief Executive in 2009. He retired from Grainger plc at the end of 2015. Andrew is a Fellow of the Institute of Chartered Accountants and of the Royal Institution of Chartered Surveyors.

8. Steven Underwood (Non-Executive Director)

Steven joined the Board on 2 August 2010 as a representative of the Peel Group, the Company's largest Shareholder. He has served for 8 years 8 months.

Steven is Chief Executive of the Peel Group of companies and brings to the Board the extensive experience of the Peel Group in brownfield land remediation and regeneration.

9. Martyn Bowes (Non-Executive Director)

Martyn joined the Board on 24 March 2015 as a representative of the Pension Protection Fund, having previously been a Non-Executive Director of HEPGL from 19 March 2013. Martyn has served for 4 years 1 month (6 years 1 month including his appointment to HEPGL).

Martyn has spent the majority of his career in banking, most recently from 2001 to 2007 with Barclays Capital as Managing Director, Real Estate Finance. Since leaving Barclays he has pursued a portfolio business career, which in 2012 involved a takeover with fellow Directors of the South of England based Welbeck Land real estate business. Martyn now acts as Finance Director for Welbeck Land and also maintains other interests in debt advisory and healthcare.

The external directorships and similar positions held by certain of our Non-Executive Directors are referenced in the "Board and Company Secretary" section of the corporate governance report in the Annual Report.

Appendix 2: The Harworth 2019 Restricted Share Plan

A summary of the principal terms of the RSP is set out below.

The RSP is a discretionary share plan which will be administered by the Board or a committee appointed by the Board, and references in this summary to the Board should be read accordingly. Decisions in relation to the participation in the RSP by Executive Directors of the Company and other members of senior management will be taken by the Remuneration Committee of the Board of Directors.

The RSP is being introduced as the Company's new long term incentive plan for Executive Directors, as described in the statement from the Chair of the Company's Remuneration Committee in the Directors' Remuneration Report for the year ended 31 December 2018.

Eligibility

Any employee (including an Executive Director) of the Company or any of its subsidiaries will be eligible to participate in the RSP at the discretion of the Board.

Form of Award

An Award under the RSP may be in the form of:

- (a) a conditional right to acquire ordinary shares in the Company ("**Shares**") at no cost (a "**Conditional Award**");
- (b) an option to acquire Shares at no cost or for an exercise price per Share equal to the nominal value of a Share (a "**Nil-Cost Option**"); or
- (c) a right to a cash amount related to the value of a number of Shares (a "**Cash Award**").

In this summary, Conditional Awards, Nil-Cost Options and Cash Awards are together referred to as "**Awards**". References to Shares includes notional shares to which a Cash Award relates. The Company does not intend to grant Cash Awards, and would do so only where the particular circumstances make that appropriate, for example where there is a regulatory restriction on the delivery of Shares.

Grant of Awards

Awards may be granted within the six week period following the Company's 2019 Annual General Meeting. Thereafter, ordinarily Awards may only be granted within the six week period following announcement of the Company's results for any period or the approval by shareholders of a new Directors' Remuneration Policy. However, the Board may grant Awards at other times in exceptional circumstances. If Awards cannot be granted in any of these periods due to regulatory restrictions, they may be granted within the six week period following the lifting of the restriction.

Individual Limit

No person may be granted an Award (other than an Award granted in connection with a person's recruitment) in respect of a financial year of the Company over Shares with a market value (as determined by the Board) in excess of 50% of their base salary (or 100% of their base salary in exceptional circumstances).

Overall Limits

Awards may be granted over newly issued Shares, treasury Shares or Shares purchased in the market. In any ten year period, the number of Shares which may be issued under the RSP and under any other employees' share plan adopted by the Company may not exceed 10% of the issued ordinary share capital of the Company from time to time.

In any ten year period, the number of Shares which may be issued under the RSP and under any other discretionary employees' share plan adopted by the Company may not exceed 5% of the issued ordinary share capital of the Company from time to time.

Treasury Shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

Underpin

Awards will be subject to one or more "Underpin Conditions", and prior to vesting of an Award the Board will determine whether the failure to meet any applicable Underpin Condition should result in a discretionary reduction in the extent of vesting.

The Underpin Conditions proposed for the Awards in respect of the Company's financial year ending 31 December 2019 are described in the Directors' Remuneration Report for the year ended 31 December 2018.

An Underpin Condition may be amended or substituted if an event occurs which causes the Board to consider such action to be appropriate. Any amended or substituted Underpin Condition would not be materially less difficult to satisfy.

The Board will also have discretion to reduce the extent to which an Award vests having regard to the underlying performance of the participant or Group over the vesting period or if such vesting level is not appropriate in the context of circumstances which were unexpected or unforeseen at grant or in other circumstances where the Board considers a reduction is appropriate.

Vesting, Release and Exercise

Awards will normally vest as soon as practicable following the assessment of the applicable Underpin Condition. Awards may be subject to a "**Holding Period**" following vesting. An Award which is subject to a Holding Period will be released (so that the participant

is entitled to acquire the Shares) following the end of the Holding Period. Alternatively, Awards may be granted on the basis that the participant is entitled to acquire Shares following vesting but that (other than as regards sales to cover tax liabilities) the Award is not released (so that the participant is not able to dispose of Shares) until the end of the Holding Period. Awards which are not subject to a Holding Period will ordinarily be released at vesting.

The vesting period and Holding Period for awards granted to the Company's Executive Directors will be consistent with the Company's Directors' Remuneration Policy from time to time. The Awards to be granted in respect of the Company's financial year ending 31 December 2019 will be divided into three tranches, and subject to vesting periods and Holding Periods as follows.

Tranche	Proportion of Award	Vesting period over which the Underpin Condition is assessed	Holding Period
Tranche 1	33%	1 January 2019 – 31 December 2021	Period from vesting until the announcement of the Company's results for its financial year ending 31 December 2023
Tranche 2	33%	1 January 2019 – 31 December 2022	
Tranche 3	33%	1 January 2019 – 31 December 2023	N/A

Options will normally be exercisable from the date of release until the tenth anniversary of the grant date, or such earlier date as the Board determines.

Settlement of Awards

Before Shares have been delivered, the Board may decide to pay a cash amount equal to the value of some or all of the Shares the participant would otherwise have received. The Company does not intend to settle Awards in cash, and would do so only where the particular circumstances make that appropriate, for example where there is a regulatory restriction on the delivery of Shares.

Dividends

On the release of an Award (or on the exercise of an Award granted in the form of a Nil-Cost Option), the Company may provide cash or additional Shares to the participant based on the value of dividends paid on vested Shares over such period as the Board determines (beginning no earlier than the vesting date and ending no later than the date on which the Award is released). The Company's current intention is that any dividend equivalents would be settled in Shares, with cash settlement applied only where the particular circumstances make that appropriate, for example where there is a regulatory restriction on the delivery of Shares.

The Board shall determine the basis on which this amount is calculated which may assume the reinvestment of the dividends into Shares.

Malus and Clawback

At any time up to the second anniversary of the date on which an Award vests, the Board may reduce the Award (or require repayment of it if Shares and/or cash have been delivered to satisfy it) in the event of a material misstatement of financial results, a material error in the information or assumptions on which the Award was granted, vests or is released, a significant health and safety event or environmental incident, misconduct or material error on the part of the participant, material corporate failure or any other circumstances that the Board in its discretion considers appropriate.

Cessation of Employment – Unvested Awards

Ordinarily, unvested Awards will lapse on termination. However, if a participant ceases to hold office or employment by reason of death, ill health, disability, redundancy or retirement as established to the satisfaction of the Board, the Participant's employing company ceasing to be a member of the Harworth Group or the transfer of an undertaking or part of an undertaking to a person who is not a member of the Harworth Group or for any other reason at the Board's discretion, any unvested Award they hold will usually continue and be released at the originally anticipated release date. The Board will retain the discretion to vest and release the Award as soon as reasonably practicable after the cessation of employment (and will do so in the event of death) or at some other time (such as following the end of the vesting period in the case of an Award which would otherwise be subject to a Holding Period).

If the Award is released following the end of the vesting period, the Underpin Condition will be assessed in the normal way. If the Award is released before the end of the vesting period, the Underpin Condition will be assessed at the date of cessation. In either case, the extent to which the Award vests will be reduced to take account of the proportion of the first three years of the vesting period that has elapsed at the date of cessation, unless the Board determines otherwise.

Cessation of Employment – Vested but Unreleased Awards

If an Award is granted subject to a Holding Period and the participant ceases employment during the Holding Period, the Award will ordinarily be released, to the extent vested, at the normal release date (unless the participant is dismissed for misconduct, in which case the Award will lapse). The Board will have discretion to release the Award at the date of cessation (and will do so in the event of death).

Corporate Events

In the event of a takeover of the Company, unvested Awards will vest and be released (and vested but unreleased Awards will be released) as soon as reasonably practicable. The extent to which an unvested Award vests will be determined taking into account the Board's assessment of the Underpin Condition at the date of the relevant event and, unless the Board determines otherwise, taking into account the proportion of the first three years of the vesting period that has elapsed. Alternatively, the Board may permit Awards

to be exchanged for awards over shares in the acquiring company (and, ordinarily, will require this if the change of control is an internal reorganisation).

If other events occur such as a winding-up of the Company, demerger, delisting, special dividend or other event which, in the opinion of the Board, may affect the current or future value of Shares, the Board may determine that Awards will vest and be released on the same basis as in the event of a change of control.

Adjustment of Awards

In the event of a variation of the Company's share capital, the number of Shares subject to an Award, and/or any Underpin Condition attaching to an Award, may be adjusted. The number of Shares subject to an Award and any Underpin Condition may also be adjusted in the event of a demerger, delisting, special dividend, rights issue or other event, which may, in the Board's opinion, affect the current or future value of Shares.

Amendment, Termination and Further Terms of the RSP

The Board may amend the RSP at any time, provided that the approval of the Company's shareholders in general meeting will be required for any amendments to the advantage of participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash comprised in an Award and the impact of any variation of capital to become effective. However, any minor amendment to benefit administration, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Board without shareholder approval. The RSP will usually terminate on the tenth anniversary of its approval by shareholders but the rights of existing participants will not be affected by any termination. Awards are not transferable (other than on death). No payment will be required for the grant of an Award. Awards will not form part of pensionable earnings.

Documents available for inspection

The rules of the RSP will be available for inspection as set out in Note 9 to the Notice of Annual General Meeting.

Appendix 3: The Harworth 2019 Share Incentive Plan

A summary of the principal terms of the Harworth 2019 SIP is set out below.

The SIP is an all-employee share ownership plan which has been designed to meet the requirements of applicable tax legislation so that ordinary shares in the Company (“**Shares**”) can be provided to employees in a tax-efficient manner. The SIP will be administered by the Board or a committee appointed by the Board, and references in this summary to the Board should be read accordingly.

Eligibility

Each time that the Board decides to operate the SIP, all UK resident tax-paying employees of the Company and its subsidiaries participating in the SIP must be offered the opportunity to participate. Other employees of the Harworth Group may be permitted to participate at the Board’s discretion. Employees who are invited to participate may have to complete a minimum qualifying period of employment determined by the Board. The Board currently intends to impose a qualifying period of employment of six months.

Form of Award

Under the SIP, eligible employees may be: (i) awarded up to £3,600 worth of Shares for free (“**Free Shares**”) each year; (ii) offered the opportunity to buy Shares with a value up to £1,800 each year (“**Partnership Shares**”); (iii) given up to two free Shares (“**Matching Shares**”) for each Partnership Share bought; and/or (iv) allowed or required to purchase Shares using any dividends received on Shares held in the SIP (“**Dividend Shares**”).

The Board may determine that different limits will apply in the future should the relevant legislation change the maximum levels of participation referred to above.

SIP Trust

The SIP operates through a UK resident trust (the “**SIP Trust**”). The trustee of the SIP Trust purchases or subscribes for Shares that are awarded to or purchased on behalf of participants in the SIP. A participant will be the beneficial owner of any Shares held on his behalf by the trustee of the SIP Trust.

Overall Limit

Awards may be satisfied with newly issued Shares, treasury Shares or Shares purchased in the market. In any ten year period, the number of Shares which may be issued under the SIP and under any other employees’ share plan adopted by the Company may not exceed 10% of the issued ordinary share capital of the Company from time to time.

Treasury Shares will be treated as newly issued for the purpose of this limit until such time as guidelines published by institutional investor representative bodies determine otherwise.

Free Shares

There will be a holding period of between three and five years during which the participant cannot withdraw the Free Shares from the SIP Trust unless the participant leaves. The Board intends to apply a holding period of three years. The Board intends to operate the SIP on the basis that the Free Shares will be forfeited if the participant ceases employment other than because of injury, disability, redundancy, retirement or the sale of the individual’s employing company or business out of the Harworth Group or on death, (each a “**Permitted Reason**”).

Partnership Shares

The Board may allow an employee to use pre-tax salary to buy Partnership Shares at their then market value. Once acquired, Partnership Shares may be withdrawn from the SIP by the participant at any time. Partnership Shares will not be subject to forfeiture.

Matching Shares

The Board may, in its discretion, offer Matching Shares free to an employee who has purchased Partnership Shares. There is a holding period of between three and five years during which the participant cannot withdraw the Matching Shares from the SIP Trust unless the participant leaves. The Board intends to apply a holding period of three years. The Board intends to operate the SIP on the basis that the Matching Shares will be forfeited if the participant ceases employment other than for a Permitted Reason or if he withdraws the related Partnership Shares.

Dividend Shares

Dividend Shares must be held in the SIP Trust for no less than three years, unless the participant leaves.

Corporate Events

In the event of a takeover, participants will be able to direct the trustee of the SIP Trust as to how to act in relation to their Shares held in the SIP. In the event of an internal reorganisation, any Shares held in the SIP Trust on behalf of participants may be replaced by equivalent shares in a new holding company.

Variation of capital

Shares acquired on a variation of share capital of the Company will usually be treated in the same way as the Shares acquired or awarded under the SIP in respect of which the rights were conferred and as if they were acquired or awarded at the same time. In the event of a rights issue, participants will be able to direct the trustee of the SIP Trust as to how to act in respect of their Shares held in the SIP.

Amendment, Termination and Further Terms of the SIP

The Board may amend the SIP at any time, provided that the approval of the Company's shareholders in general meeting will be required for any amendments to the advantage of participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash comprised in an award and the impact of any variation of capital to become effective. However, any minor amendment to benefit administration, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Board without shareholder approval. The SIP will usually terminate on the tenth anniversary of its approval by shareholders but the rights of existing participants will not be affected by any termination. Awards are not transferable (other than on death). Awards will not form part of pensionable earnings.

Documents available for inspection

The rules of the SIP will be available for inspection as set out in Note 9 to the Notice of Annual General Meeting.

Definitions

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

Companies Act	the Companies Act 2006, as amended
Board or Directors	the Board of Directors of the Company
Acquisition	the acquisition by the Company of the 75.1% of the shares in HEPGL which the Company did not already own, which completed on 24 March 2015
Annual General Meeting or AGM	the annual general meeting of Harworth Group plc convened for 2:00 p.m. on 21 May 2019 (or any adjournment of it), notice of which is set out at the end of this document
Annual Report	the Annual Report and Financial Statements of the Company for the year ended 31 December 2018 made available to Shareholders on 16 April 2019
Articles or Articles of Association	the current articles of association of the Company (as adopted at the 2018 annual general meeting)
CREST	the UK based electronic system for paperless settlement of trades in listed securities, of which Euroclear UK is the operator
Document or Notice	this document
Form of Proxy	the form of proxy relating to the Annual General Meeting being sent to Shareholders with this document
Harworth or Company	Harworth Group plc, a company incorporated in England and Wales with registered number 02649340
Harworth Group or Group	the Company, its subsidiaries and subsidiary undertakings at the date of this document
HEPGL	Harworth Estates Property Group Limited, a company incorporated in England and Wales with registered number 08232459
Official List	the official list of the Financial Conduct Authority
Ordinary Shares	ordinary shares of 10 pence each in the capital of the Company
Peel Group	Peel Holdings Limited (company no. 2567V) of Billown Mansion House, Ballasalia, Malew, Isle of Man, IM9 3DL and its subsidiaries from time to time
Registrars	Equiniti Limited of Aspect House, Spencer Road, Lancing, West Sussex BN99 8JB
Resolutions	the ordinary and special resolutions to be proposed at the Annual General Meeting, as set out in the Notice of Annual General Meeting which is set out at the end of this document
RSP	the Harworth 2019 Restricted Share Plan, a summary of which is set out in Appendix 2
Shareholders' Rights Regulations	the Companies (Shareholders' Rights) Regulations 2009
Shareholders	holders of Ordinary Shares, each individually being a "Shareholder"
SIP	the Harworth 2019 Share Incentive Plan, a summary of which is set out in Appendix 3

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Harworth Group plc (the "Company") will be held at The Bessemer Conference Room, AMP Technology Centre, Advanced Manufacturing Park, Brunel Way, Waverley, Rotherham, S60 5WG on 21 May 2019 at 2:00 p.m. for the following purposes:

Ordinary business

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the Company's annual accounts together with the Directors' report and the auditors' report on those accounts for the period ended 31 December 2018.
2. To declare a final dividend for the financial year ended 31 December 2018 of 0.633 pence per Ordinary Share, payable on 31 May 2019 to those shareholders on the register of members at the close of business on 3 May 2019.
3. To elect Ruth Cooke as a Non-Executive Director appointed since the last annual general meeting of the Company.
4. To elect Angela Bromfield as a Non-Executive Director appointed since the last annual general meeting of the Company.
5. To re-elect Alastair Lyons as a Director of the Company.
6. To re-elect Owen Michaelson as a Director of the Company.
7. To re-elect Lisa Clement as a Director of the Company.
8. To re-elect Anthony Donnelly as a Director of the Company.
9. To re-elect Andrew Cunningham as a Director of the Company.
10. To re-elect Steven Underwood as a Director of the Company.
11. To re-elect Martyn Bowes as a Director of the Company.
12. To approve the Directors' Remuneration Report for the year ended 31 December 2018. This is an advisory vote in accordance with the Companies Act 2006.
13. To approve the new Directors' Remuneration Policy.
14. To resolve that PricewaterhouseCoopers LLP be reappointed as the auditors of the Company to hold office until the conclusion of the next annual general meeting.
15. To authorise the Directors to agree the remuneration of the Company's auditors.

Special business

To consider and, if thought fit, pass the following resolutions of which resolutions numbered 16 to 19 (inclusive) will be proposed as ordinary resolutions and resolutions numbered 20 to 22 (inclusive) will be proposed as special resolutions:

Political donations

16. That, in accordance with section 366 of the Companies Act 2006, the Company and all companies that are its subsidiaries at any time during the period for which this resolution is effective are authorised, in aggregate, to:
 - a. make political donations to political parties and/or independent election candidates not exceeding £50,000 in total;
 - b. make political donations to political organisations other than political parties not exceeding £50,000 in total; and
 - c. incur political expenditure not exceeding £50,000 in total,

(as such terms are defined in sections 363 to 365 of the Companies Act 2006) during the period commencing on the date of the passing of this resolution and finishing at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months after the date of this resolution), provided that the aggregate amount of any such political donations made and political expenditure incurred by the Company and its subsidiaries pursuant to this authority shall not exceed £50,000.

Authority to allot shares

17. a. That the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to:
 - i. allot shares in the Company, and to grant rights to subscribe for, or to convert any security into, shares in the Company:
 - (A) up to an aggregate nominal amount of £10,716,951; and
 - (B) comprising equity securities (as defined in the Companies Act 2006) up to an aggregate nominal amount of £21,433,903 (including within such limit any shares issued or rights granted under paragraph (A) above) in connection with an offer by way of a rights issue:

- I. to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings; and
- II. to people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;

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;

for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months after the date of this resolution); and

- ii. make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after expiry of this authority and the Directors may allot shares and grant rights in pursuance of that offer or agreement as if this authority had not expired.
- b. That, subject to paragraph (c) all existing authorities given to the Directors pursuant to section 551 of the Companies Act 2006 be revoked by this resolution.
 - c. That paragraph (b) shall be without prejudice to the continuing authority of the Directors to allot shares, or grant rights to subscribe for or convert any security into shares, pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made.

Restricted Share Plan

18. That the rules of the Company's 2019 Restricted Share Plan (the "RSP") in the form produced to the meeting and initialled by the Chairman for the purposes of identification, the principal terms of which are summarised in Appendix 2 to the circular containing this notice, be and they are hereby approved and the directors be and are generally authorised to adopt the RSP and to do all such acts and things as they consider necessary or expedient to give effect to the RSP.

Share Incentive Plan

19. That the rules of the Harworth 2019 Share Incentive Plan (the "SIP") in the form produced to the meeting and initialled by the Chairman for the purposes of identification, the principal terms of which are summarised in Appendix 3 to the circular containing this notice, be and they are hereby approved and adopted and the directors be and are generally authorised to do all such acts and things as they consider necessary or expedient to give effect to the SIP.

Disapplication of Pre-emption Rights

20. That, if Resolution 17 is passed, the Board be authorised to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be limited:

- a. to allotments for rights issues and other pre-emptive issues; and
- b. to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph a. above) up to a nominal amount of £1,607,542.

such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months after the date of this resolution) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Authority to purchase own shares

21. That, pursuant to section 701 of the Companies Act 2006, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of its Ordinary Shares of 10 pence each in the capital of the Company, subject to the following conditions:

- a. the maximum number of Ordinary Shares authorised to be purchased is 32,150,853;
- b. the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 10 pence;
- c. the maximum price (exclusive of expenses) which may be paid for each Ordinary Share is the higher of: (i) an amount equal to 105 per cent. of the average of the middle market quotations of an Ordinary Share of the Company as derived from the London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and (ii) 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 as derived from the London Stock Exchange Trading System;
- d. this authority shall expire at the close of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months from the date of this resolution); and
- e. a contract to purchase shares under this authority may be made before the expiry of this authority, and concluded in whole or in part after the expiry of this authority.

Notice of general meetings

22. That, subject to the Articles of Association of the Company as in force from time to time, 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

Chris Birch

Secretary

16 April 2019

Registered in England and Wales No. 02649340

Registered Office

Advantage House

Poplar Way

Catcliffe

Rotherham

S60 5TR

Notes

Entitlement to attend and vote

1. The right to attend and vote at the meeting is determined by reference to the Company's register of members. Only a member entered in the register of members at 6:30 p.m. on 17 May 2019 (or, if this meeting is adjourned, in the register of members at 6:30 p.m. on the day two days prior to the adjourned meeting, excluding weekends and bank holidays) is entitled to attend and vote at the meeting and a member may vote in respect of the number of Ordinary Shares registered in the member's name at that time. Changes to the entries in the register of members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Proxies

2. A shareholder of the Company may appoint one or more proxies (who need not be a member of the Company) to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A shareholder may only appoint a proxy or proxies by:

- completing and returning the proxy form enclosed in this pack (Form of Proxy); or
- if you are a user of the CREST system (including CREST Personal Members), having an appropriate CREST message transmitted.

You may not use any electronic address provided in this document to communicate with the Company for any purposes other than those expressly stated. To appoint more than one proxy, (an) additional Form(s) of Proxy may be obtained by contacting the Registrars helpline on 0871 384 2301 or you may photocopy the Form of Proxy enclosed in this pack. Lines are open 8:30 a.m. to 5:30 p.m., Monday to Friday (excluding public holidays in England and Wales). Callers from outside the UK should dial +44 (0)121 415 7047.

IMPORTANT: In any case your Form of Proxy must be received by the Company's registrars no later than 2:00 p.m. on 17 May 2019.

To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent (ID number: RA 19) by 2:00 p.m. on 17 May 2019. 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 Applications Host) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings, please refer to the CREST Manual which can be viewed at www.euroclear.com/CREST. We may treat a proxy appointment sent by CREST as invalid in the circumstances set out in Regulation 35(5Ka) of the Uncertificated Securities Regulations 2001.

Further details of the appointment of proxies are given in the notes to the Form of Proxy enclosed with this pack.

Corporate representative

3. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that where more than one corporate representative has been appointed they do not exercise their powers differently in relation to the same shares.

Nominated persons

4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may have a right under an agreement between him and the shareholder by whom he was nominated, to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies as stated above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

Issued Share Capital and Total Voting Rights

6. As at 14 April 2019 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consisted of 321,508,546 Ordinary Shares, carrying one vote each. The Company does not hold any shares in treasury. Therefore, the total voting rights in the Company as at 14 April 2019 are 321,508,546.

Members' requests under Section 527 of the Companies Act 2006

7. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish a statement on a website setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the last annual general meeting. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. 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 not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

Members' rights to ask questions

8. 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: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Inspection of documents

9. The following documents will be available for inspection at the Company's registered office and at DLA Piper UK LLP, 160 Aldersgate Street, London EC1A 4HT from the date of this notice and at the place of the Annual General Meeting from 15 minutes before the Annual General Meeting until it ends:
 - Copies of the Executive Directors' service contracts.
 - Copies of the letters of appointment of the Non-Executive Directors.
 - The rules of the RSP.
 - The rules of the SIP

Website

10. A copy of this notice and other information required by section 311A of the Companies Act 2006, can be found at www.harworthgroup.com.

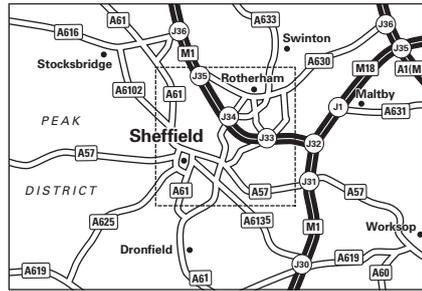
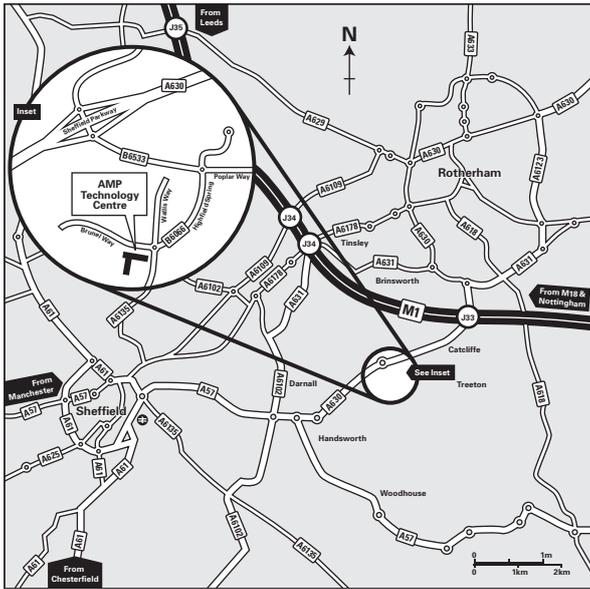
Voting results

11. The results of the voting at the Annual General Meeting will be announced through a regulatory information service and will appear on the Company website, www.harworthgroup.com on 21 May 2019.

Communications with the Company

You may not use any electronic address provided either in this notice or any related document (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

Map and directions to the Advanced Manufacturing Park Technology Centre



**AMP Technology Centre
Advanced Manufacturing Park
Brunel Way
Waverley
Rotherham
S60 5WG**

Tel: 0114 254 1200

By car from the M1

- Leave the M1 at junction 33 (signposted to Sheffield Centre, Rotherham, A630) and join the A630 for Sheffield.
- Continue on the A630 for approx. 1 mile and take the slip road exit signposted Advanced Manufacturing Park.
- At the roundabout take the first exit onto Poplar Way.
- At the next roundabout take the third exit onto Highfield Spring.
- At the next roundabout take the second exit onto Brunel Way into the Advanced Manufacturing Park.

Note: on some sat navs S60 5WG takes you into the centre of Rotherham as it is a new address. S60 5TZ is the post code for the adjacent AMRC building.

By train

- Sheffield Midland station receives regular services from Newcastle Central, Manchester Piccadilly and London St. Pancras.
- The Advanced Manufacturing Park is a short taxi ride from the station.
- For further train service information please telephone the National Rail Enquiry Line on 08457 48 49 50 or visit www.nationalrail.co.uk.