

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 financial advice from an independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your shares in Progility plc, please forward this document, together with the accompanying documents, as soon as possible either 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.

PROGILITY PLC

(Incorporated and registered in England and Wales with registered number 0352870)

Notice of Annual General Meeting

Notice of Annual General Meeting of the Company to be held at 7th Floor, 95 Aldwych, London, WC2B 4JF on 28 December 2018 at 09.30 am is set out at the end of this document.

A Form of Proxy for use at the Annual General Meeting accompanies this document and, to be valid, must be completed and returned to the Company's registrars, Link Asset Services at The Registry, PXS, 34 Beckenham Road, Beckenham BR3 4TU, as soon as possible but in any event to be received not later than 09.30 am on 24 December 2018. Completion of a Form of Proxy will not preclude a shareholder from attending and voting at the Annual General Meeting in person.

PROGILITY PLC
(incorporated in England and Wales with registered number 0352870)

Directors:
Wayne Bos (Executive Chairman)
Michael Higgins (Non- executive director)

Registered Office:
7th Floor
95 Aldwych
London
WC2B 4JF

3 December 2018

Dear Shareholder

Annual General Meeting 2018

Please find set out at page 7 formal notice inviting you to our Annual General Meeting ("AGM") for 2018 to be held at the Company's registered office at 09.30 am on 28 December 2018 at 7th Floor, 95 Aldwych, London, WC2B 4JF.

The normal business of the meeting will be to receive the accounts for the twelve-month period ended 30 June 2018 and to approve the re-appointment of Wayne Bos as a Director and re-appointment of the Auditors. In addition to the usual business of the AGM, the Board is proposing to re-register the Company as a private limited company to reduce the burden of the administrative costs on the Company in carrying on business as a Public Limited Company. More background is provided below and in the enclosed Notice of Annual General Meeting.

Re-Registration as a private limited company

Public companies are subject to more extensive administrative requirements than private companies, including the requirement to hold an annual general meeting and they are not permitted to use several of the more simplified procedures under the Companies Act that private companies benefit from.

The Board has concluded that re-registering as a private limited company would further the benefits of the de-listing of the Company from AIM as explained in the announcement dated 22 June 2018 and the Circular that was sent out in connection with the de-listing.

In order to re-register as a private limited company the Shareholders must pass a special resolution approving the re-registration.

If the resolution is passed, an application will be made by the Company to the Registrar of Companies for the Company to be re-registered as a private limited company. Re-registration will take effect when the Registrar of Companies issues a certificate of incorporation on Re-registration. The Registrar of Companies will not issue the certificate of incorporation on Re-registration until the Register of Companies is satisfied that no valid application can be made to cancel the resolution to re-register as a private limited company.

Revisions to the Company's Articles of Association

As part of the re-registration, the Board propose adopting revised Articles of Association with effect from re-registration as a private limited company. The main reason for revising the Articles of Association is to ensure that they are more appropriate for a private limited company and so that the Company can take advantage of some of the simplified procedures available to private companies.

The principal changes being proposed are summarised in Appendix of this document. Other changes, some which are of minor, technical, clarifying nature or relating to the deletion of some provisions which were only relevant to a Listed Company have not been noted in the Appendix.

You should refer to a copy of the revised Articles of Association so that you are aware of all the important proposed changes to the Articles. A copy of the revised Articles of Association (together with a copy marked up to show the changes from the existing Articles of Association) will be available for inspection at <https://www.progility.com/investor-relations> and the Company's registered office (also being the place of the Annual General Meeting) from the date of this notice until the conclusion of the Annual General Meeting. They will be available for inspection at the Company's registered office during normal business hours, Monday to Friday (public holidays excepted).

Serious Loss of Capital

The net assets of the Company as shown in the report and accounts to be adopted at the Annual General Meeting are half or less of the Company's called-up share capital. Accordingly, as required by section 656 of the Companies Act 2006, the directors are required to call a meeting of the Company to consider whether any, and if so, what steps, should be taken to deal with the situation. The Board proposes to address this by adding value to existing projects and taking them through to delivery and positive cash flow.

Take Over Code

The Takeover Code (the "Code") currently applies to the Company and would continue to apply to the Company after it re-registers as a private limited company. However, as a result of re-registering as a private company, the Code would cease to apply when the period of ten years has passed from 23 July 2018. Please see the explanatory memorandum on the Code included below for further information. By voting in favour of the resolution(s) to re-register the Company as a private company you may therefore be reducing your rights under the Code.

Recommendation

The Board consider that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company for the benefit of its members as a whole.

Yours sincerely

Wayne Bos
Executive Chairman

Explanatory Memorandum on the Code

The Code is issued and administered by the Takeover Panel. Progility PLC is a company to which the Code applies and its shareholders are accordingly entitled to the protections afforded by the Code.

The Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

The General Principles and Rules of the Code

The Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. For your information, these General Principles are set out in Part 1 of General Principles (see below). The General Principles apply to all transactions with which the Code is concerned. They are expressed in broad general terms and the Code does not define the precise extent of, or the limitations on, their application. They are applied by the Panel in accordance with their spirit to achieve their underlying purpose.

In addition to the General Principles, the Code contains a series of Rules, of which some are effectively expansions of the General Principles and examples of their application and others are provisions governing specific aspects of takeover procedure. Although most of the Rules are expressed in more detailed language than the General Principles, they are not framed in technical language and, like the General Principles, are to be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as their letter. The Panel may derogate or grant a waiver to a person from the application of a Rule in certain circumstances.

Giving up the protection of the Code

As explained above the Code will continue to apply until 23 July 2028.

A summary of key points regarding the application of the Code to takeovers generally is set out in Part 2 of the section headed “The General Principles of the Code” (see below).

You are encouraged to read this information carefully as it outlines certain important protections which you will be giving up if you agree to the re-registration of the Company as a private company.

You are encouraged to read this information carefully as it outlines certain important protections which you will be giving up if you agree to the re-registration of the Company as a private company and the Code ceases to apply as described above. Such cessation would however not occur for 10 years from the date that the trading of shares on AIM is no longer available to the Shareholders. The Board wishes to include this information for the sake of ensuring that you are fully informed in relation to present and possible future ramifications of Re-Registration.

The General Principles of the Code

Part 1

1. All holders of the securities of an offeree company of the same class must be afforded equivalent treatment; moreover, if a person acquires control of a company, the other holders of securities must be protected.

2. The holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the bid; where it advises the holders of securities,

the board of the offeree company must give its views on the effects of implementation of the bid on employment, conditions of employment and the locations of the company's places of business.

3. The board of an offeree company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the bid.

4. False markets must not be created in the securities of the offeree company, of the offeror company or of any other company concerned by the bid in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted.

5. An offeror must announce a bid only after ensuring that he/she can fulfil in full any cash consideration, if such is offered, and after taking all reasonable measures to secure the implementation of any other type of consideration.

6. An offeree company must not be hindered in the conduct of its affairs for longer than is reasonable by a bid for its securities.

Part 2

Detailed application of the Code

The following is a summary of key provisions of the Code which apply to transactions to which the Code applies. You should note that, by agreeing to the re-registration of the Company as a private company, you will be giving up the protections afforded by the Code.

Equality of treatment

General Principle 1 of the Code states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment. Furthermore, Rule 16.1 requires that, except with the consent of the Panel, special arrangements may not be made with certain shareholders in the Company if there are favourable conditions attached which are not being extended to all shareholders.

Information to shareholders

General Principle 2 requires that holders of securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on a bid. Consequently, a document setting out full details of an offer must be sent to the offeree company's shareholders.

The opinion of the offeree board and independent advice

The board of the offeree company is required by Rule 3.1 of the Code to obtain competent independent advice on an offer and the substance of such advice must be made known to its shareholders. Rule 25.2 requires that the board of the offeree company must send to the offeree company's shareholders and persons with information rights its opinion on the offer and its reasons for forming that opinion. That opinion must include the board's views on: (i) the effects of implementation of the offer on all the company's interests, including, specifically, employment; and (ii) the offeror's strategic plans for the offeree company and their likely repercussions on employment and the locations of the offeree company's places of business. The circular from the offeree company must also deal with other matters such as interests and recent dealings in the securities of the offeror and the offeree company by relevant parties and whether the directors of the offeree company intend to accept or reject the offer in respect of their own beneficial shareholdings.

Rule 20.1 states that information about the companies involved in the offer must be made equally available to all offeree company shareholders as nearly as possible at the same time and in the same manner.

More than one class of equity share capital

Rule 14 provides that where a company has more than one class of equity share capital, a comparable offer must be made for each class whether such capital carries voting rights or not.

Option holders and holders of convertible securities or subscription rights

Rule 15 of the Code provides that when a Code offer is made for voting equity share capital or other transferable securities carrying voting rights and the offeree company has convertible securities outstanding, the offeror must make an appropriate offer or proposal to the stockholders to ensure their interests are safeguarded. Rule 15 also applies in relation to holders of options and other subscription rights. If the reregistration takes effect, these protections will be lost.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“the Meeting”) of Progility PLC (“the Company”) will be held at the offices of the Company, 7th Floor, 95 Aldwych, London, WC2B 4JF on 28 December 2018 at 09.30 am. for the purpose of considering and, if thought fit, passing the following resolutions of which resolutions numbered 1 to 4 will be proposed as ordinary resolutions and resolutions 5 to 8 will be proposed as special resolutions:

Ordinary Resolutions

1. To receive and adopt the director’s report and financial statements for the year ended 30 June 2018, together with the auditors’ report thereon.
2. To re-elect Wayne Bos as a Director of the Company who retires by rotation and offers himself for re-appointment.
3. To re-appoint Crowe Clark Whitehill as Auditor to the Company and to authorize the Directors to determine their remuneration.
4. That pursuant to section 551 of the Companies Act 2006 (the “Act”), the Directors of the Company be generally and unconditionally authorized to exercise all and any powers of the Company and to grant rights to subscribe for, or to convert any security into, any shares in the Company (“Relevant Securities”), up to a maximum aggregate nominal amount of £1,800,000 for a period expiring (unless previously revoked, varied or renewed) on the date which is 12 months after the passing of this resolution 4. However, in each case the Company may, before such expiry, make an offer or agreement before this authority expires which would or might require Relevant Securities to be allotted after this authority expires and the directors may allot Relevant Securities in pursuance of such offer or agreement given to the directors pursuant to section 551 of the Act shall cease to have effect at the conclusion of the annual general meeting, save to the extent that those authorities are exercisable pursuant to section 551(7) of the Act by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date.

This authority is in addition to all existing authorities under section 551 of the Act.

Special Resolutions

5. That, subject to the passing of resolution 4, and in accordance with section 570 of the Companies Act 2006, the Directors of the Company be and are given the general power to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash, either pursuant to the authority conferred by resolution 4 above or by way of a sale of treasury shares, as if section 561 of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to:
 - a. the allotment of equity securities in connection with an issue or offering in favour of holders of equity securities and any other persons entitled to participate in such issue or offering (other than the Company itself in respect of any shares held by it as treasury shares) where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as may be) to the respective number of equity securities held by or deemed to be held by them on the record date of such allotment, subject only to such exclusions or other arrangements as the Directors of the Company may consider necessary or expedient; and
 - b. the allotment (otherwise than pursuant to paragraph (a) of this resolution 5) of equity securities up to an aggregate nominal amount of £1,800,000.

The power granted by this resolution 5 will expire when the authority conferred on the Directors by resolution 4 in the notice convening this meeting expires (unless renewed, varied or revoked

by the Company in general meeting prior to or on such date) save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors of the Company may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution 5 has expired.

This power is in addition to all existing powers under section 570 of the Act.

6. That the Company be re-registered as a private limited company under the Companies Act 2006 by the name of Progility Limited.
7. Subject to the passing of Resolution 6 and with effect from the Company's re-registration as a private limited company, the revised articles of association produced to the meeting and for the purpose of identification, signed by the Chairman, be adopted as the Company's Articles of Association.
8. In accordance with Section 656 of Act, to consider whether any, and if so what, steps should be taken to deal with the Company's serious loss of capital.

By Order of the Board

Registered Office:
7th Floor
95 Aldwych,
London
WC2B 4JF

Wayne Bos
Executive Chairman
3 December 2018

Notice of Annual General Meeting (continued)

NOTES

Entitlement to attend and vote

1. Only those members registered on the Company's register of members at:
Close of business on 24 December 2018; or
if this Meeting is adjourned, at close of business on the day two days prior to the adjourned meeting,
shall be entitled to attend and vote at the Meeting.

Attending in person

2. If you wish to attend the Meeting in person, please arrive at the Company's office at least fifteen minutes before the commencement of the Meeting to allow time to pass through security and register your attendance.

Appointment of proxies

3. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
4. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
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 [you either select the "Discretionary" option or if] no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

7. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

completed and signed;

sent or delivered to Link Asset Services at The Registry, PXS, 34 Beckenham Road, Beckenham BR3 4TU; and
received by Link Asset Services no later than 09.30 am on 24 December 2018.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxies through CREST unavailable

8. As a result of the de-listing of the Company's shares from AIM, the Ordinary Shares of the Company ceased to be transferrable through CREST and therefore all other actions, including appointments of proxies through CREST ceased. Any appointment of a proxy will must be done by using a hard copy proxy form and in accordance with the notes.

Appointment of proxy by joint members

9. 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).

Changing proxy instructions

10. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Link Asset Services on 0871 664 0300.

If you submit more than one valid proxy appointment in respect of the same shares, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

11. In order to revoke a proxy instruction, you will need to inform Link Asset Services by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Asset Services, PXS, 34 Beckenham Road, Beckenham BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Link Asset Services no later than 09.30 am on 24 December 2018.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

12. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Members' rights

13. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to:

(a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or

(b) any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting, that the members propose to raise at the meeting.

The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its website.

Issued shares and total voting rights

14. As at 3 December 2018, the Company's issued share capital comprised 1,597,332 ordinary shares. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 3 December 2018 was 1,597,332.

Documents on display

15. The following documents will be available for inspection at the registered office of the Company, 7th Floor, 95 Aldwych, London, WC2B 4JF, during normal business hours and at the place of the meeting from at least 15 minutes prior to the Meeting until the end of the Meeting:

Copies of the service contracts of executive directors of the Company.

Copies of the letters of appointment of the non-executive directors of the Company.

Copy of the draft articles of association of the Company as proposed to be amended by resolution 7 set out in the notice above.

Questions at the meeting

16. Any member attending the meeting has the right to ask questions. The Company must answer any question you ask relating to the business being dealt with at the meeting unless:

-Answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information.

-The answer has already been given on a website in the form of an answer to a question.

-It is undesirable in the interests of the Company or the good order of the meeting that the question be answered

Communication

17. Except as provided above, members who have general queries about the Meeting should contact Link Asset Services on 0871 664 0300 (calls cost 12p per minute plus network extras). No other methods of communication will be accepted.

You may not use any electronic address provided either:

in this notice of annual general meeting; or

any related documents (including the proxy form),

to communicate with the Company for any purposes other than those expressly stated.

Appendix

Principal proposed changes to the Company's Articles of Association

Under Resolution 7, the Company is proposing to revise the Company's existing Articles of Association. The following contains a summary of the principal changes. It does not contain all the changes which the shareholders may find important.

Further the revised articles also include changes which are minor, technical, clarifying in nature and the deletion of some provisions which have become redundant since the de-listing of the Company's shares from trading on AIM. These changes have resulted in changes to the numbering of the Articles. None of the changes described in this paragraph are noted below.

A full tracked copy of all the changes are available from the Company's website (<https://www.progility.com/investor-relations>) and can also be inspected at the Company's registered offices from the date of this notice until the conclusion of the Annual General Meeting.

1. Preference Shares

The Revised Articles create a new class of Preference Shares details of which are summarized below:

- (i) The holders of any Preference Shares that are issued hereafter shall rank in priority to the holders of all of the Ordinary Shares, Deferred Shares and any other different Class of Shares created by the Board.
- (ii) Each issued Preference Shares shall have a value of £1.
- (iii) As to the participation in the profits and assets of the Company:

Income: the right in priority to the payment of any dividend to the holders of Ordinary Shares to a cumulative preferential dividend payable at such rate, date and on such other terms as the Directors determine.

If on any dividend payment, the date the profits of the Company available for distribution are insufficient to enable full payment of the dividend, then the Directors shall apply profits in paying dividends on a pro rata basis to the accrued amounts payable on the Preference Shares.

Capital: the right before a holder of any other class of share to a distribution in sterling out of the assets of the Company on a winding up of the Company.

Limitations: no preference share shall confer: (i) a right to participate in the profits other than set out in the Articles (ii) any right to participate in any offer or invitation by way of rights or otherwise to subscribe for additional shares or securities and (iii) any right of conversion unless any of the these are in the terms determined by the directors at the time of allotment.

2. Power to issue different classes of shares

Subject to the Articles and Statute, in the Revised Articles the Company may issue shares of any other new class with such other rights and or restrictions as may be determined by the Directors from time to time.

3. Annual General Meetings

Article 47 of the Existing Articles being a reference to the requirement to have an Annual General Meeting has been removed in the Revised Articles.

4. Notice of General Meetings

Some of the Articles in relation to the period of notice and contents of notice for general meetings as well as conduct of meetings in the Existing Articles have been removed in the Revised Articles. Requirements provided by Statute shall apply unless the Revised Articles provide differently.

5. Number of Directors

Article 79 in the Existing Articles refers to the requirement to have a minimum of two directors unless determined differently by way of an Ordinary Resolution is removed in the Revised Articles.

6. No Share Qualification

Articles 80 in the Existing Articles which state that a Director shall not be required to hold any shares of the Company has been removed in the Revised Articles.

7. Directors' Remunerations

Article 81 in the Existing Articles has been changed so that in the Revised Articles the Directors Remuneration shall be set however the Directors determine and that the Directors remuneration shall not be not limited to the form of cash only but can take any form and also include other benefits e.g. a pension.

8. Director's Retirement

The requirement to retire under Article 91 and Article 93 in the Existing Articles has been removed in the Revised Articles.

9. General

The Revised Articles also seek to remove some references and provisions in the Existing Articles which have become redundant following the Company's delisting from AIM (such as references to the London Stock Exchange, Recognised Investment Exchange, Market Rules