

PANMURE GORDON & CO

Notice of Annual General Meeting

Notice of Annual General Meeting

Please see notes on pages 3 to 4 for a brief explanation of each of the proposed resolutions.

Notice is hereby given that the Annual General Meeting of Panmure Gordon & Co. plc (the "Company") will be held at Moorgate Hall, 155 Moorgate, London EC2M 6XB on Friday 24 July 2009 at 10.30 am for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following resolutions numbered 1 to 10 (inclusive) as ordinary resolutions:

1. To receive the Company's financial statements together with the reports of the Directors and auditors for the year ended 31 December 2008.
2. To elect Shahzad Shahbaz, subject to his appointment as a director of the Company prior to the Annual General Meeting following the completion of the placing of shares to QInvest LLC, who, at such time, would have been appointed as a director of the Company since the last Annual General Meeting.
3. To elect Rommie Bhutani, subject to his appointment as a director of the Company prior to the Annual General Meeting following the completion of the placing of shares to QInvest LLC, who, at such time, would have been appointed as a director of the Company since the last Annual General Meeting.
4. To elect Asar Mashkoo, subject to his appointment as a director of the Company prior to the Annual General Meeting following the completion of the placing of shares to QInvest LLC, who, at such time, would have been appointed as a director of the Company since the last Annual General Meeting.
5. To elect Nader Shenouda, subject to his appointment as a director of the Company prior to the Annual General Meeting following the completion of the placing of shares to QInvest LLC, who, at such time, would have been appointed as a director of the Company since the last Annual General Meeting.
6. To re-elect Tim Linacre, who retires by rotation, as a director of the Company.
7. To re-elect Simon Heale, who retires by rotation, as a director of the Company.
8. To re-appoint KPMG Audit Plc as auditors of the Company to hold office from the conclusion of the meeting until the conclusion of the next meeting at which the accounts are to be laid.
9. To authorise the Directors to agree the remuneration of the auditors.
10. To approve the Directors' remuneration report for the year ended 31 December 2008.

Special Business

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

11. Authority to purchase own shares

That the Company be generally and unconditionally authorised, in accordance with section 166 of the Companies Act 1985 (the 'Act'), to make market purchases (within the meaning of section 163(3) of the Act) of ordinary shares of 4p each in the capital of the Company ("Ordinary Shares") on such terms as the Directors think fit, and where such shares are held as treasury shares, the Company may use them for the purposes set out in section 162D of the Act, including for the purpose of its employee share schemes, provided that:

- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 14,337,696 Ordinary Shares (representing 10% of the Enlarged Share Capital (as defined in the Company's circular to shareholders dated 2 June 2009));
- (b) the minimum price, exclusive of expenses, which may be paid for each Ordinary Share is 4p;
- (c) the maximum price, exclusive of expenses, which may be paid for each Ordinary Share is an amount equal to 5% above the average of the middle market price of the Ordinary Shares, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the date on which the Ordinary Shares are purchased; and
- (d) the authority hereby conferred shall, unless previously revoked or varied, expire on the earlier of the conclusion of the next Annual General Meeting of the Company or 23 January 2011 except in relation to the purchase of Ordinary Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry.

12. Amendments to the articles of association

That with effect from 00.01am on 1 October 2009:

- (a) the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's articles of association; and

(b) the articles of association of the Company contained in the document produced to the meeting (and signed by the Chairman for the purposes of identification) be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

By order of the Board

Sarah Wigley
Company Secretary
18 June 2009

Notes

1. Only holders of Ordinary Shares, or their duly appointed representatives, are entitled to attend, vote and speak at the meeting. A member so entitled may appoint (a) proxy(ies), who need not be (a) member(s), to attend, speak and vote on his/her behalf. A form of proxy is enclosed with this Notice.
2. To be effective, a completed and signed form of proxy and any power of attorney under which it is signed (or a notarially certified copy of such power of attorney) must be lodged with the Company's Registrars, Computershare Investor Services PLC, PO Box 82, Bridgewater Road, Bristol, BS99 7NH, not less than 48 hours before the time of the meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder from attending and voting at the meeting in person.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Register of Members of the Company as at close of business on the day which is two days before the date of the meeting (or, if the meeting is adjourned, those members registered on the Register of Members of the Company not later than 48 hours before the time fixed for the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. Subsequent changes to entries on the register after this time shall be disregarded in determining the rights of any persons to attend or vote at the AGM.
4. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy, but the vote of the first named on the Register of Members will be accepted to the exclusion of other joint holders.
5. Copies of the articles of association, marked to show the changes being proposed by resolution 12, will be available for inspection at the Company's registered office for at least 15 minutes prior to the Annual General Meeting until its conclusion.

Explanatory Notes

To the Notice of Annual General Meeting

Resolution 1 – Report and Accounts

The Directors are required to lay the accounts for the year ended 31 December 2008 before a general meeting.

Resolutions 2 – 5 – Appointment of Directors

Shahzad Shahbaz, Rommie Bhutani, Asar Mashkooor and Nader Shenouda are to be appointed as directors of the Company upon completion of the placing of shares to QInvest LLC. Assuming that such appointment takes place before the Annual General Meeting, the articles of association of the Company require any director appointed since the previous Annual General Meeting to stand for election at the next Annual General Meeting.

Resolutions 6 – 7 – Re-appointment of Directors

The articles of association of the Company require one third of the Directors to retire at each Annual General Meeting. Tim Linacre and Simon Heale will each retire by rotation and seek re-election.

Resolution 8 – Re-appointment of auditors

The Company is required to appoint auditors at each Annual General Meeting to hold office until the next general meeting at which accounts are presented. It is proposed that the Company's current auditors, KPMG Audit Plc, be re-appointed.

Resolution 9 – Remuneration of auditors

It is proposed that the Directors be authorised to agree the remuneration of the auditors.

Resolution 10 – Remuneration report

In the interests of good corporate governance, the members of the Company are invited to approve the Directors' remuneration report for the year ended 31 December 2008.

Explanatory Notes

To the Notice of Annual General Meeting

Resolution 11 – Authority to purchase own shares

The articles of association of the Company provide that the Company may from time to time purchase its own shares subject to any conditions imposed by law. Such purchases must be authorised by the shareholders at a general meeting. This resolution seeks to grant (until the earlier of the next Annual General Meeting or 18 months following the passing of this resolution) the Directors authority to purchase the Company's own shares up to a maximum of 10% of the Enlarged Share Capital (as defined in the Company's circular to shareholders dated 2 June 2009). In proposing this resolution, the Directors consider that it is in the best interests of the Company and its shareholders that the Directors should maintain the ability to make market purchases of the Company's own shares.

Resolution 12 – Changes to the articles of association

Resolution 12 seeks approval for the adoption of new articles of association (the "New Articles") in order to update the Company's current articles of association (the "Current Articles") primarily to take account of the implementation on 1 October 2009 of the last part of the Companies Act 2006. The resolution adopting the New Articles will only become effective on 1 October 2009. A summary of these changes is provided below.

Other changes, which are of a minor, technical or clarifying nature and some more minor changes which merely reflect changes made by the Companies Act 2006 have not been noted. A copy of the New Articles and a copy of the Current Articles marked to show the changes being proposed by this resolution are available for inspection as noted above.

Summary of changes to Current Articles

Articles which duplicate statutory provisions

Provisions in the Company's Current Articles which replicate provisions contained in the Companies Act 2006 are in the main either removed in the New Articles or amended to bring them in line with the Companies Act 2006.

The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is usually drafted to give a wide scope.

The Companies Act 2006 significantly reduces the constitutional significance of a company's memorandum. The Companies Act 2006 provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Companies Act 2006 the objects clause and all other provisions which are currently contained in a company's memorandum, for existing companies at 1 October 2009, will be deemed to be contained in a company's articles of association but the company can remove these provisions by special resolution.

Further the Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing a resolution to remove its objects clause together with all other provisions of its memorandum which, by virtue of the Companies Act 2006, are to be treated as forming part of the company's articles of association as of 1 October 2009. Resolution 12(a) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the current statement in the Company's memorandum of association regarding limited liability, the New Articles will contain an express statement regarding the limited liability of the members.

Authorised share capital and unissued shares

The Companies Act 2006 abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the Companies Act 2006, save in respect of employee share schemes.

Panmure Gordon & Co. plc

155 Moorgate, London EC2M 6XB
T: 020 7459 3600 F: 020 7459 3609
W: www.panmure.com