

PROSPECTS GROUP 2011 LIMITED
(Company no. 7708678. Incorporated with limited liability in England and Wales)

Directors

Ray Auvray
Kevin Beerling
Nick Bell
Brenda Cabras
Lorraine Clinton
Malcolm Iley
Paul McGee
Brian Rowbotham
Alison Williams

2 December 2016

Dear fellow shareholder

This letter contains important information which requires your careful attention and explains the actions you need to take to ensure that your vote counts.

Annual General Meeting

I am pleased to advise that the fifth Annual General Meeting (the "AGM") of Prospects Group 2011 Limited (the "Company") will be held at Prospects House, 19 Elmfield Road, Bromley, Kent BR1 1LT on Wednesday 25 January 2017 at 12.00 noon.

Your directors are committed to an open and constructive dialogue with you as a shareholder and we regard the AGM as a forum for such engagement. If you are unable to attend the AGM, but have any questions on the business to be considered at the AGM, we would like to hear from you ahead of the meeting. Please send them to me at AGM@prospects.co.uk. Whilst we cannot answer questions individually, we will provide responses to the topics most frequently raised.

The Business to be Considered

Resolutions 1 to 3 are standard matters that are normally dealt with at every AGM. They involve the receiving of the Company's audited financial statements for the year ended 31 March 2016, the re-appointment of Grant Thornton UK LLP as auditor and authorising the Board of directors to determine the auditor's remuneration.

Resolution 4 reflects the initiative introduced by the Board last year to recommend that all directors should seek re-election every 3 years. Nick Bell, Chief Executive, will be standing for re-election at this year's AGM.

Recommendation

Your Board of directors believe that the proposals to be considered at the AGM will promote the success of and are in the best interests of the Company and its members as a whole and unanimously recommend that you vote in favour of them, as your directors intend to do so in respect of their own shareholdings.

Your Vote Counts

Your AGM vote is important to us. You can vote by:

- i) submitting your vote online;
- ii) completing, signing and returning a proxy form; or
- iii) attending and voting at the AGM.

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All AGM resolutions will be put to a vote on a poll. Your directors believe that this will result in a more accurate reflection of the views of all shareholders and ensure that their votes are recognised, whether or not they are able to attend the meeting. On a poll, each shareholder has one vote for each share held. The result of the poll will therefore reflect votes submitted by shareholders prior to the meeting (online or by returning proxy form) and the votes cast by those shareholders present at the meeting.

Non-Executive directors

The Board had previously indicated that each year they would be seeking one or more of the existing Non-Executive directors to retire and, if they so wish, stand for re-election against a pool of short-listed external Non-Executive director candidates. However, the Board has determined that it would be in the best interests of the Company to retain the services of all existing Non-Executive directors for a further year to provide stability whilst the Group is undergoing a significant period of change in its contracts and services. However, the Board has also resolved that it would be beneficial to appoint an additional Non-Executive director to further enhance the Board's balance of skills, knowledge, experience and independence. The Board is currently short-listing potential candidates and intends to carry out a shareholder ballot in the New Year to allow shareholders to choose their preferred candidate to appoint as a Non-Executive Director.

The enclosed documents are important and require your immediate attention. This letter is not a summary of the matters covered in the Notice of AGM and should not be regarded as a substitute for reading the Notice of AGM. You should read the Notice of AGM before taking any decisions in relation to the business to be considered at the AGM.

Yours sincerely



Ray Auvray
Non-Executive Chairman