

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 your stockbroker, solicitor, accountant or other professional adviser or other independent adviser authorised under the Financial Services and Markets Act 2000.

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

12 March 2021

Dear Shareholder

Notice of the Annual General Meeting 2021 and Annual Report and Accounts 2020

The Annual General Meeting of Porvair plc (the "Company") will be held at 11.00 a.m. on Tuesday 20 April 2021 at 7 Regis Place, King's Lynn, PE30 2JN. The purpose of the Annual General Meeting is to seek shareholders' approval for the resolutions set out in the Notice of the Annual General Meeting. The Notice of the Annual General Meeting, the explanatory notes and Form of Proxy are attached to this letter.

I am pleased to inform you that the Annual Report and Accounts for 2020 (the "Annual Report") has now been published and is available as a download from our website, www.porvair.com. The Investor Centre on the website includes Company reports and presentations and has a range of other shareholder services that you may find useful. If you elected to continue to receive paper copies of Shareholder Information then the Annual Report is included with this letter.

The Annual General Meeting is an important event in the Company's corporate calendar. It provides the Board with an opportunity to engage with shareholders. In the exceptional current circumstances, the Board recognises that shareholders may not wish to or be able to attend the meeting in person.

The format of the Annual General Meeting will be kept under review in line with official guidance. However, it will likely only be attended by the minimum number of Directors of the Company required to ensure that the legal requirements to hold the Annual General Meeting can be satisfied.

At the date of printing this Notice, the UK Government's guidance on restricting social gatherings in view of COVID-19 remained in place. If such guidance remains in place on the date of the Annual General Meeting, then shareholders will be prohibited from attending the meeting and it will be held as a closed meeting. Therefore, the Board strongly recommends that you appoint a proxy to vote at the Annual General Meeting on your behalf. To appoint a proxy, please complete the enclosed form of proxy and send it to our registrar, Link Asset Services. Alternatively, if you hold shares in CREST, you can appoint a proxy online by using the CREST electronic proxy appointment service. Proxy appointments must be received by Link Asset Services by no later than 11.00 a.m. on 16 April 2021. The Board encourages shareholders to submit their proxies as early as possible.

If by the time of the Annual General Meeting the UK Government's restriction on social gatherings has been removed, shareholders are reminded that if they still wish to attend the meeting in person they should not do so if they or someone living in the same household feels unwell or has been in contact with anyone who has COVID-19 or who feels unwell. The Board may need to put in place arrangements to protect attendees from any risk to their health and may refuse entry to persons who do not comply with such arrangements.

The Company will continue to monitor the impact of COVID-19. If any changes are made to the holding of the Annual General Meeting these will be detailed on the Company's website and announced via an RIS. Shareholders should visit <https://www.porvair.com/investors/shareholder-services/agm> for the latest updates.

Despite these exceptional circumstances, the Board is keen to maintain engagement with shareholders. Therefore, the Annual General Meeting will be webcast and the Board will provide an opportunity to listen to shareholders' views and answer questions on the webcast. Shareholders wishing to join the webcast should register and login using the link <https://www.investis-live.com/porvair/60350a1f9a1388100023c08c/lper> or select the link on the AGM section of the Group's website <https://www.porvair.com/investors/shareholder-services/agm>. The Company is not authorised under its articles to hold virtual or hybrid shareholder meetings (although it will be in future years be authorised to hold hybrid meetings if the amended articles are adopted at the meeting), therefore, please be aware that attendance at the webcast will not constitute attendance at the meeting and shareholders will not be able to vote on the webcast. Shareholders who attend the call and who wish to vote should submit their proxies in accordance with the timetable set out in the Notice of Meeting.

If you have questions which you would like to discuss in advance of the Annual General Meeting, please email them to me at ctyler@porvair.com by no later than 11.00 a.m. on 16 April 2021. I will pass your questions on to the appropriate person at the Company who will endeavour to respond as soon as practicable. Responses will either be made by return email or published on our investors' website at www.porvair.com/investors, as deemed appropriate by the Board.

In the opinion of the Directors, each of the resolutions to be proposed at the Annual General Meeting is in the best interests of the Company and shareholders as a whole. Accordingly, the Directors recommend that shareholders vote in favour of the resolutions at the Annual General Meeting, as the Directors intend to do in respect of their own beneficial holdings of ordinary shares, which amount to approximately 2.42 per cent of the issued ordinary shares of the Company.

Yours faithfully

Chris Tyler
Company Secretary
Porvair plc



Porvair plc

Notice of the Annual General Meeting 2021

(Registered in England and Wales with No. 01661935)

NOTICE is hereby given that the Annual General Meeting of Porvair plc (the “Company”) will be held at 7 Regis Place, King’s Lynn, PE30 2JN on 20 April 2021 at 11.00 a.m. for the transaction of the following business:

To consider and, if thought fit, to pass the following resolutions, of which numbers 1 to 12 will be proposed as ordinary resolutions and numbers 13 to 17 will be proposed as special resolutions:

1. To receive the Company’s annual accounts for the year ended 30 November 2020 together with the Directors’ report and the Auditor’s report on those accounts and on the auditable part of the Directors’ remuneration report.
2. To approve the Directors’ remuneration policy which is set out in the Annual Report of the Company for the year ended 30 November 2020.
3. To approve the Directors’ remuneration report (other than the part containing the Directors’ remuneration policy) for the year ended 30 November 2020, which is set out in the Annual Report of the Company for the year ended 30 November 2020.
4. To declare and approve the payment of a final dividend of 3.3 pence per ordinary share, payable on 4 June 2021 to shareholders on the Company’s register of members at 6.00 p.m. on 30 April 2021.
5. To re-elect Jasi Halai as a Director.
6. To re-elect Sally Martin as a Director.
7. To elect James Mills as a Director.
8. To re-elect John Nicholas as a Director.
9. To re-elect Ben Stocks as a Director.
10. To appoint RSM UK Audit LLP as auditor to the Company until the conclusion of the next Annual General Meeting of the Company.
11. To authorise the Directors to fix the auditor’s remuneration.
12. THAT for the purposes of section 551 of the Companies Act 2006 (the “**Act**”) (and so that expressions used in this resolution shall bear the same meanings as in the said section 551):
 - 12.1 the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares and grant such subscription and conversion rights as are contemplated by sections 551(1)(a) and (b) of the Act respectively up to a maximum nominal amount of £307,764 to such persons and at such times and on such terms as they think proper during the period expiring at the end of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at 6.00 p.m. on 19 July 2022 (unless previously revoked or varied by the Company in general meeting); and further
 - 12.2 the Company be and is hereby authorised to make prior to the expiry of such period any offer or agreement which would or might require such shares or rights to be allotted or granted after the expiry of the said period and the Directors may allot such shares or grant such rights in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution;

so that all previous authorities of the Directors pursuant to the said section 551 be and are hereby revoked.
13. THAT, subject to the passing of Resolution 12 above, the Directors be and are empowered in accordance with sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act) for cash under the authority given by Resolution 12 and/or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Act, as if section 561(1) and sub-sections (1) – (6) of section 562 of the Act did not apply to any such sale or allotment, provided that the power conferred by this resolution shall be limited to:
 - 13.1 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 may consider necessary or expedient to deal with fractional entitlements, record dates or legal, regulatory or practical problems under the laws or requirements of any recognised regulatory body or stock exchange in any territory; and

Notice of the Annual General Meeting continued

13.2 the allotment (otherwise than pursuant to paragraph 13.1) of equity securities up to an aggregate nominal value not exceeding £46,164;

and this power shall expire at the end of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at 6.00 p.m. on 19 July 2022 (unless previously renewed, varied or revoked by the Company at a general meeting), but shall extend to the making, before such expiry, of an offer or agreement which would or might require an allotment of equity securities to be made after such expiry and the Directors may make an allotment of equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

14. THAT, subject to the passing of Resolution 12, the Directors be and are empowered in accordance with sections 570 and 573 of the Act, and in addition to any authority granted under Resolution 13, to allot equity securities (as defined in section 560 of the Act) for cash under the authority given by Resolution 12 and/or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Act, as if section 561(1) and sub-sections (1) – (6) of section 562 of the Act did not apply to any such allotment, provided that such power be:

14.1 limited to the allotment of equity securities up to a nominal amount of £46,164; and

14.2 used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Pre-Emption Group's Statement of Principles (the "**Pre-Emption Group's Statement of Principles**") most recently published by the Pre-Emption Group prior to the date of this notice,

and this power shall expire at the end of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at 6.00 p.m. on 19 July 2022 (unless previously renewed, varied or revoked by the Company at a general meeting), but shall extend to the making, before such expiry, of an offer or agreement which would or might require an allotment of equity securities to be made after such expiry and the Directors may make an allotment of equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

15. THAT the Company be and is hereby generally and unconditionally authorised for the purpose of section 701 of the Act to make market purchases (as defined in section 693 of the said Act) of ordinary shares of 2.0p each in the capital of the Company ("ordinary shares") on such terms and in such manner as the Directors may determine, provided that:

15.1 the maximum number of ordinary shares hereby authorised to be purchased is 4,616,460;

15.2 the minimum price (exclusive of expenses) which may be paid for such ordinary shares is 2.0p per share, being the nominal amount thereof;

15.3 the maximum price (exclusive of expenses) which may be paid for such ordinary shares shall be an amount equal to the higher of (i) 5% above the average of the middle market quotations for such shares taken from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made and (ii) 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 (SETS);

15.4 the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the end of the next Annual General Meeting of the Company and 6.00 p.m. on 19 July 2022; and

15.5 the Company may make a contract to purchase its own ordinary shares under the authority conferred by this resolution prior to the expiry of such authority, and such contract will or may be executed wholly or partly after the expiry of such authority, and the Company may make a purchase of its own ordinary shares in pursuance of any such contract.

16. THAT, with effect from the conclusion of the Annual General Meeting, the Articles of Association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the Articles of Association of the Company pursuant to section 21(1) of the Companies Act 2006.

17. THAT a general meeting of the Company other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By order of the Board

Chris Tyler
Company Secretary
12 March 2021

Notes to the AGM process

- (1) A member entitled to attend and vote at the meeting convened by the above Notice (the "Meeting") is entitled to appoint one or more proxies to attend and speak and vote on his or her behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. The right to appoint a proxy does not apply to any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the "Act") to enjoy information rights (a "Nominated Person"). Shareholders are strongly encouraged to submit a proxy vote in advance of the Meeting and, given the likely restrictions on attendance, to appoint the chairman of the Meeting as their proxy rather than a named person who will not be permitted to attend the Meeting.
- (2) To appoint a proxy you may use the Form of Proxy enclosed with this Notice of Annual General Meeting. To be valid, the Form of Proxy, together with the power of attorney or other written authority (if any) under which it is signed or a notarially certified or office copy of the same, must be received by post or (during normal working hours) by hand at the offices of Link Asset Services, PXS1, Link Group, Central Square, 29 Wellington Street, Leeds, LS1 4DL by 11.00 a.m. on 16 April 2021. Completion of the Form of Proxy or any CREST proxy instruction (as described in note 6 below) will not ordinarily prevent you from attending and voting in person.
- (3) Any member or his or her proxy attending the Meeting has the right to ask any question at the Meeting relating to the business of the Meeting. See the covering letter to this Notice for further details on how to ask questions during, or in advance of, the Meeting.
- (4) Pursuant to section 360B of the Act and to regulation 41 of the Uncertificated Securities Regulations 2001 (as amended) (the "**Uncertificated Regulations**"), only shareholders registered in the register of members of the Company as at close of business on 16 April 2021 shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at such time. If the Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned Meeting is close of business two days preceding the date fixed for the adjourned Meeting. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
- (5) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (6) To appoint a proxy or to give or to amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent RA10 by 11.00 a.m. on 16 April 2021. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp 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. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in regulation 35(5)(a) of the Uncertificated Regulations. In any case, your proxy form must be received by Link Asset Services no later than 11.00 a.m. on 16 April 2021.
- (7) Subject to UK Government guidance, copies of the service contracts and letters of appointment between the Directors and the Company (or its subsidiary undertakings) and a copy of the new articles of association, together with a copy marked to show the changes from the current articles of association, are available for inspection at an agreed time at the head office of the Company, 7 Regis Place, Bergen Way, King's Lynn PE30 2JN, during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) from the date of this Notice until the conclusion of the Meeting and will be available for inspection at the place of the Meeting for at least 15 minutes prior to and during the Meeting. Please email ctyler@porvair.com to book an appointment. A copy of the new articles of association, together with a copy marked to show the changes from the current articles of association, are also available on the Company's website.
- (8) As at 11 March 2021 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 46,164,605 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 11 March 2021 are 46,164,605.
- (9) The information required to be published by section 311(A) of the Act (information about the contents of this notice and numbers of shares in the Company and voting rights exercisable at the meeting and details of any members' statements, members' resolutions and members' items of business received after the date of this notice) may be found at www.porvair.com.
- (10) Members representing 5% or more of the total voting rights of all the members or at least 100 persons (being either members who have a right to vote at the Meeting and hold shares on which there has been paid up an average sum, per member, of £100 or persons satisfying the requirements set out in section 153(2) of the Act) may require the Company, under section 527 of the Act, to publish on a website a statement 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 Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The business which may be dealt with at the Meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.
- (11) A Nominated Person may, under an agreement between him/her and the member who nominated him/her, have a right to be appointed (or to have someone else appointed) as a proxy entitled to attend and speak and vote at the Meeting. Nominated Persons are advised to contact the member who nominated them for further information on this and the procedure for appointing any such proxy.
- (12) If a Nominated Person does not have a right to be appointed, or to have someone else appointed, as a proxy for the Meeting, or does not wish to exercise such a right, he/she may still have the right under an agreement between himself/herself and the member who nominated him/her to give instructions to the member as to the exercise of voting rights at the Meeting. Such Nominated Persons are advised to contact the members who nominated them for further information on this.
- (13) Any electronic address provided in either this notice or any related documents (including the Form of Proxy) may only be used for the limited purposes identified herein and not to communicate with the Company by electronic means or for any other purpose.

Explanatory notes to the resolutions

Resolutions 1 to 12 will be proposed as ordinary resolutions. For each of these to be passed, more than half of the votes cast must be in favour of the relevant resolution. Resolutions 13 to 17 will be proposed as special resolutions. For each of these to be passed, at least three quarters of the votes cast must be in favour of the resolution.

An explanation of each of the resolutions is set out below:

Resolution 1 – To receive the Company’s annual accounts for the year ended 30 November 2020.

The Directors are required to present to the Annual General Meeting the audited accounts and the Directors’ and Auditor’s Reports for the financial year ended 30 November 2020.

Resolution 2 – Approval of the Directors’ Remuneration Policy.

Resolution 2 to be proposed at the Annual General Meeting seeks shareholder approval for the revised Remuneration Policy set out on pages 81 to 89 of the Annual Report. The current Remuneration Policy was approved by shareholders in 2018. The main changes proposed to be made to the Remuneration Policy are set out on page 81 of the Annual Report. If approved by shareholders, the new Remuneration Policy will take effect immediately upon conclusion of the Annual General Meeting.

Resolution 3 – Approval of the Directors’ Remuneration Report.

In accordance with section 439 of the Companies Act 2006 (the “Act”), shareholders are requested to approve the Directors’ Remuneration Report (excluding the Directors’ Remuneration Policy set out on pages 81 to 89 of the Annual Report). The Directors’ Remuneration Report is set out on pages 72 to 89 of the Annual Report. The vote is advisory and the Directors’ entitlement to receive remuneration is not conditional on it.

Resolution 4 – To approve the final dividend of 3.3 pence per share.

Resolution 4 recommends that a final dividend of 3.3 pence per share be declared for the financial year ended 30 November 2020. If approved, the recommended final dividend will be paid on 4 June 2021 to shareholders on the Company’s register of members at 6.00 p.m. on 30 April 2021.

Resolutions 5 to 9 – All the Directors, who wish to continue to serve, offer themselves for election or re-election.

Resolutions 5 to 9 are to approve the election or re-election of the Board. In accordance with the UK Corporate Governance Code, all the Directors are subject to annual re-election by shareholders at the Annual General Meeting or, in the case of James Mills, election by shareholders at the Annual General Meeting. The Directors believe that the Board offers an appropriate balance of knowledge and skills and that all the Non-Executive Directors are independent in character and judgement. Each Director makes an important contribution to the Company’s long term sustainable success. The Chairman confirms that, following a performance evaluation, the Non-Executive Directors continue to demonstrate effective performance and commitment to the role and have sufficient time to meet their responsibilities. A brief outline of the relevant experience they bring is set out below:

Jasi Halai

Non-Executive Director; Chairman of the Audit Committee

Jasi joined the Board in June 2019. She has held a number of senior financial roles within 3i plc, currently as Group Financial Controller and Operating Officer. Jasi’s role in the financial management of the portfolio 3i Group plc companies gives her recent and relevant financial experience and makes her ideally suited to chair the Group’s Audit Committee. She is a member of the Chartered Institute of Management Accountants and holds an MSc in investment management from the CASS Business School.

Sally Martin

Senior Independent Director; Chairman of the Remuneration Committee

Sally joined the Board in October 2016. She is Supply and Trading Operations Manager for Europe & Africa in the Shell International Trading and Shipping Company Limited. In a thirty-year career with Shell, Sally has built a strong track record in strategy; M&A; international business development; and engineering and operations. Sally brings a wealth of experience in strategy, business development, engineering and operations. She has particular focus on safety management, large project delivery and managing large and dispersed teams. Her extensive team management skills make her ideally suited to lead our employee engagement processes and chair the Group’s Remuneration Committee. She is a member of the Chartered Institute of Electrical Engineers.

James Mills

Group Finance Director

James joined the Board in March 2021 as Group Finance Director. James brings significant expertise and relevant experience in strategic financial management for engineering-led businesses, most recently from his role as a Divisional Finance Director for Ricardo plc. Prior to Ricardo, he was responsible for Group reporting at G4S plc. James is a Chartered Accountant who qualified with KPMG.

John Nicholas

Chairman

John joined the Board in October 2017 and became Chairman in April 2018. He is an experienced Non-Executive Director with broad experience in manufacturing and service industries. John brings strong leadership skills and provides an effective commitment to the Board. He was Group Finance Director at Tate & Lyle PLC and Kidde plc. John is currently non-Executive Chairman of Diploma PLC. John holds an MBA from Kingston University and is a Chartered Certified Accountant.

Ben Stocks

Group Chief Executive

Ben has been Group Chief Executive since joining the Board in 1998. He leads the Group’s management and has been instrumental in delivering the Group’s consistent strategy and growth. Over his career with the Group, he has acquired considerable domain knowledge and extensive filtration market knowledge. He is a Non-Executive Director of the Aerospace Technology Institute. He has an MBA from ISEAD.

Resolutions 10 and 11 – To appoint RSM UK Audit LLP as auditor and to fix the auditor's remuneration.

Resolution 10 proposes the appointment of RSM UK Audit LLP as auditor of the Company until the conclusion of the next Annual General Meeting of the Company. The Company is required to appoint an auditor at every general meeting of the Company at which accounts are presented to shareholders. As announced on 18 September 2020, following an audit tender process, RSM UK Audit LLP was appointed by the Board as the Company's auditor. It is normal practice for a company's directors to be authorised to agree how much the auditors should be paid and Resolution 11 grants this authority to the Directors.

Resolution 12 Directors' authority to allot shares (ordinary resolution).

Resolution 12 authorises the Directors to allot shares under section 551 of the Act. Paragraph 12.1 gives the Directors customary authority to allot ordinary shares or grant such subscription or conversion rights as are contemplated by sections 551(1)(a) and (b) respectively of the Act up to an aggregate nominal amount of £307,764, being an amount equal to approximately one third of the Company's issued share capital as at 11 March 2021 (being the latest practicable date prior to the publication of this circular). As at 11 March 2021, the Company did not hold any treasury shares.

The authority granted under Resolution 12 shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, at 6.00 p.m. on 19 July 2022. Resolution 12 replaces a similar resolution passed at the Annual General Meeting of the Company held on 21 April 2020. The Directors have no present intention of exercising the authority under this resolution, but the Board wishes to ensure that it has flexibility in managing the financial resources of the Company.

Resolutions 13 and 14 Disapplication of pre-emption rights (special resolutions).

If the Directors wish to allot shares or other equity securities for cash or sell any shares which the Company holds in treasury, following a purchase of its own shares pursuant to the authority in Resolution 15, the Act requires that such shares or other equity securities are offered first to existing shareholders in proportion to their existing holding.

Resolutions 13 and 14 ask shareholders to grant the Directors authority to allot equity securities or sell treasury shares for cash without first having to offer such shares to existing shareholders in proportion to their existing holdings.

The authority under Resolution 13 would be limited to:

- (a) allotments or sales in connection with pre-emptive offers to allow the Directors to make appropriate arrangements in relation to fractional entitlements or other legal or practical problems which might arise; and
- (b) otherwise than pursuant to paragraph (a) above, an aggregate nominal value of £46,164 (being approximately 5% of the Company's issued ordinary share capital as at 11 March 2021 (being the latest practicable date prior to the publication of this circular)).

As described in note 22 of the Annual Report and Accounts 2020 the Group uses an Employee Benefit Trust ("EBT") to hold shares to satisfy future entitlements under the Group's Long Term Share Plan. At 30 November 2020 the EBT held 135,700 shares (2019: 145,400).

Resolution 14 would give the Directors authority to allot a further 5 per cent. of the issued ordinary share capital of the Company, being an aggregate nominal value of £46,164, as at 11 March 2021 (being the latest practicable date prior to the publication of this Notice) for the purposes of financing a transaction which the Directors determine to be an acquisition or other capital investment contemplated by the Pre-Emption Group's Statement of Principles most recently published by the Pre-Emption Group prior to the date of this circular.

The disapplication authorities under Resolutions 13 and 14 are in line with guidance set out in the Pre-Emption Group's Statement of Principles. The Pre-Emption Group's Statement of Principles allow a board to allot shares for cash otherwise than in connection with a preemptive offer (i) up to 5 per cent. of a company's issued share capital for use on an unrestricted basis and (ii) up to a further 5 per cent. of a company's issued share capital for use in connection with an acquisition or specified capital investment announced either contemporaneously with the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

The Directors confirm that they do not intend to issue in excess of 7.5% of the Company's issued ordinary share capital within any rolling three year period without prior consultation with shareholders.

The authorities under Resolutions 13 and 14 will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, at 6.00 p.m. on 19 July 2022.

Resolution 15 – Purchases of own shares by the Company (special resolution).

Resolution 15 to be proposed at the Annual General Meeting seeks authority from shareholders for the Company to make market purchases of its own ordinary shares, such authority being limited to the purchase of approximately 10% of the ordinary shares in issue as at 11 March 2021 (being the latest practicable date prior to the publication of this circular). The maximum price payable for the purchase by the Company of its own ordinary shares will be limited to the higher of (i) 5% above the average of the middle market quotations of the Company's ordinary shares, as derived from the Daily Official List of the London Stock Exchange, for the five business days prior to the purchase and (ii) 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 (SETS). The minimum price payable by the Company for the purchase of its own ordinary shares will be 2 pence per share (being the nominal value of an ordinary share). Such authority would (unless previously renewed or revoked) expire on the earlier of the end of the next Annual General Meeting of the Company and 6.00 p.m. on 19 July 2022.

The authority to purchase the Company's own ordinary shares will only be exercised if the Directors consider that there is likely to be a beneficial impact on earnings per ordinary share and that it is in the best interests of the Company and of its shareholders generally at the time. The Directors have no present intention of exercising the authority to purchase the Company's ordinary shares. The resolution renews a similar resolution passed at the Annual General Meeting of the Company held on 21 April 2020. Any ordinary shares so purchased by the Company will be held in treasury by the Company and will remain in issue and be capable of being re-sold by the Company or used in connection with certain of its share schemes.

Explanatory notes to the resolutions continued

To understand the impact of dilution, options to subscribe for up to 605,471 ordinary shares have been granted and are outstanding as at 11 March 2021 (being the latest practicable date prior to the publication of this circular) which if issued would represent 1.29% of the issued ordinary share capital at that date. If the Directors were to exercise in full the power for which they are seeking authority under Resolution 15, the options outstanding as at 11 March 2021 would represent 1.44% of the ordinary share capital (excluding shares held in treasury) in issue following such exercise.

Resolution 16 – Adoption of new Articles of Association (special resolution).

Resolution 16 proposes that the Company adopts updated Articles of Association (the "**New Articles**"), principally in order to reflect developments in law and practice since the Company's current Articles of Association (the "**Current Articles**") were adopted in 2010. A copy of the New Articles, together with a copy marked to show the changes from the Current Articles, is available for inspection and can be viewed on the Company's website.

A summary of the principal changes is set out below:

Hybrid meetings: The New Articles give the Directors the power to convene a hybrid general meeting, being a meeting which has the facilities for shareholders to attend either in a physical place or via electronic platforms. The New Articles do not give the Directors the power to hold a solely electronic, or virtual, general meeting. The provisions included in the New Articles include, for example, the details that need to be provided to shareholders if such a meeting is to be held and a requirement that all resolutions must be taken on a poll in the event of a hybrid meeting. The Directors consider that the Company should properly have the ability to convene hybrid meetings should the circumstances require this.

Annual re-election of directors: The New Articles include a requirement for the Directors to be subject to annual re-election, in line with the requirements of the 2018 UK Corporate Governance Code.

Untraced members: In line with market practice, the New Articles provide additional flexibility in relation to the sale of shares owned by shareholders who are untraced after a period of at least 12 years. Under the Current Articles, the Company is required to give notice to untraced shareholders of an intention to sell their shares by way of an advertisement in both a national daily newspaper and a local newspaper circulating in the area in which the shareholder's last known postal address is. Under the New Articles, the Company must instead send a notice to the last registered or known address of the shareholder and use reasonable steps to trace the shareholder including, if considered appropriate, using a professional asset reunification company or other tracing agent. Additionally, under the New Articles, in respect of the proceeds of shares sold on behalf of an untraced member, if they are not validly claimed within six years of the sale, they will belong to the Company.

Sub-division of shares: The New Articles, in line with market practice, provide that a resolution to sub-divide shares may include the creation of deferred shares so as to make administering any sub-division of shares more straightforward.

Postponement/Change of general meeting: In line with current market practice, the New Articles provide flexibility to permit the notice of any change or postponement to be advertised in the manner that the Directors (in their discretion) decide.

Payment of dividends: In March 2014, the Institute of Chartered Secretaries and Administrators ("**ICSA**") Registrars' Group published guidance on the practical issues relating to the provisions on dividend distributions in companies' articles of association. ICSA noted that it is clear that as new payment methods will be adopted, it is important that the market is prepared for such methods. Therefore, ICSA recommended that companies amend their articles of association to ensure that they have the flexibility to adopt new developments if, and when, it is considered desirable to do so. Consequently, the New Articles incorporate the wording suggested by ICSA in relation to the payment of dividends and provide the Company with this flexibility.

Unclaimed dividends: To reflect current market practice, the time period in respect of unclaimed dividends has been reduced from 12 years to 6 years.

Scrip dividends: In accordance with the Investment Association Share Capital Management Guidelines 2016, the expiry period for an ordinary resolution authorisation in respect of a scrip dividend has been decreased from five years to three years.

Minor amendments: Some additional minor changes have been made to the New Articles, including to ensure compliance with the Listing Rules in respect of the proceeds of fractional entitlements, updating provisions that are no longer legally correct and adding market standard carve outs to the conflicts of interest provisions.

Resolution 17 – Calling of general meetings (special resolution).

Resolution 17 to be proposed at the Annual General Meeting seeks authority from shareholders to hold general meetings (other than Annual General Meetings) on 14 clear days' notice. This is permissible under the Company's Articles of Association and the Act. However, pursuant to the Companies (Shareholders' Rights) Regulations 2009, the Company must offer the facility, accessible to all shareholders, to vote by electronic means and must obtain specific shareholder approval on an annual basis to retain this ability. The Directors believe that there may be circumstances in which it will be in the interests of the Company to be able to convene meetings at such short notice. The shorter notice period would not be used as a matter of course, but only where it is merited by the business of the meeting, the proposals are time sensitive and it is thought to be to the advantage of the shareholders as a whole. Accordingly, the Directors believe that it is important for the Company to retain this flexibility. Resolution 17 renews a similar resolution passed at the Annual General Meeting of the Company held on 21 April 2020.