

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.

11 March 2020

Dear Shareholder

Notice of the Annual General Meeting 2020 and Annual Report and Accounts 2019

The Annual General Meeting of Porvair plc (the "Company") will be held at 11.00 a.m. on Tuesday 21 April 2020 at the offices of Buchanan, 107 Cheapside, London, EC2V 6DN. 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 2019 (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 and Accounts 2019 is included with this letter.

If you cannot attend the Annual General Meeting, you have the right to 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 17 April 2020.

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 2.76 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 2020

(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 the offices of Buchanan, 107 Cheapside, London, EC2V 6DN on 21 April 2020 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 11 will be proposed as ordinary resolutions and numbers 12, 13 and 14 will be proposed as special resolutions:

1. To receive the Company’s annual accounts for the year ended 30 November 2019 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 report (other than the part containing the Directors’ remuneration policy) for the year ended 30 November 2019, which is set out in the Annual Report of the Company for the year ended 30 November 2019.
 3. To declare and approve the payment of a final dividend of 3.2 pence per ordinary share, payable on 5 June 2020 to shareholders on the Company’s register of members at 6.00 p.m. on 1 May 2020.
 4. To elect Jasi Halai as a Director.
 5. To re-elect Sally Martin as a Director.
 6. To re-elect John Nicholas as a Director.
 7. To re-elect Ben Stocks as a Director.
 8. To re-elect Chris Tyler as a Director.
 9. To re-appoint Deloitte LLP as auditor to the Company until the conclusion of the next Annual General Meeting of the Company.
 10. To authorise the Directors to fix the auditor’s remuneration.
 11. 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):
 - 11.1 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 £307,062 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 20 July 2021 (unless previously revoked or varied by the Company in general meeting); and further
 - 11.2 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.
12. THAT, subject to the passing of Resolution 11 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 11 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:
 - 12.1 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

12.2 the allotment (otherwise than pursuant to paragraph 12.1) of equity securities up to an aggregate nominal value not exceeding £46,059;

and this power, unless renewed, 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 20 July 2021 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.

13. 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:

13.1 the maximum number of ordinary shares hereby authorised to be purchased is 4,605,941;

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

13.3 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);

13.4 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 20 July 2021; and

13.5 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.

14. 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
11 March 2020

Notes:

- (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").
- (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, 34 Beckenham Road, Beckenham, Kent BR3 4ZF by 11.00 a.m. on 17 April 2020. Completion of the Form of Proxy or any CREST proxy instruction (as described in note 6 below) will not 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.
- (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 17 April 2020 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 close of business on 17 April 2020. 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 17 April 2020.
- (7) Copies of the service contracts and letters of appointment between the Directors and the Company (or its subsidiary undertakings) are available for inspection 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.
- (8) As at 10 March 2020 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 46,059,411 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 10 March 2020 are 46,059,411.
- (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

Resolutions 1 to 11 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 12, 13 and 14 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 2019.

The Directors are required to present to the Annual General Meeting the audited accounts and the Directors’ and Auditors’ Reports for the financial year ended 30 November 2019.

Resolution 2 – 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 70 to 77 of the Annual Report). The Directors’ Remuneration Report is set out on pages 62 to 69 of the Annual Report. The vote is advisory and the Directors’ entitlement to receive remuneration is not conditional on it.

Resolution 3 – To approve the final dividend of 3.2 pence per share.

Resolution 3 recommends that a final dividend of 3.2 pence per share be declared for the financial year ended 30 November 2019. If approved, the recommended final dividend will be paid on 5 June 2020 to shareholders on the Company’s register of members at 6.00 p.m. on 1 May 2020.

Resolutions 4 to 8 – All the Directors, who wish to continue to serve, offer themselves for election or re-election.

Resolutions 4 to 8 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 Jasi Halai, 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 is a Chartered Management Accountant. She 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. Her role in the financial management of the 3i plc group and its portfolio companies gives her recent and relevant financial experience and makes her ideally suited to chair the Group’s Audit Committee.

Sally Martin

Senior Independent Director; Chairman of the Remuneration Committee

Sally joined the Board in October 2016. She is a Chartered Electrical Engineer, with a thirty-year international career within Shell Group. She 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.

John Nicholas

Chairman

John joined the Board in October 2017 and became Chairman in April 2018. He has extensive commercial and financial experience within international industrial manufacturing and distribution businesses. He is an experienced non-Executive Director who provides broad business and leadership experience and the Board believes that he is effective and demonstrates a strong commitment to the Board. John is a Chartered Certified Accountant. He was Group Finance Director at Tate & Lyle PLC and Kidde plc. John is currently non-Executive Chairman of Diploma PLC.

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 has an MBA from ISEAD.

Chris Tyler

Group Finance Director

Chris is a Chartered Accountant with commercial and financial experience gained in international technology and manufacturing businesses. He has been Group Finance Director since 2004. He oversees financial control and reporting and is responsible for the Group’s accounting, compliance, financial planning and reporting functions.

Resolutions 9 and 10 – To re-appoint Deloitte LLP as auditor and to fix the auditor’s remuneration.

Resolution 9 proposes the re-appointment of Deloitte 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. The current appointment of Deloitte as the Company’s auditor will end at the conclusion of the Annual General Meeting and it has advised of its willingness to stand for re-appointment. It is normal practice for a company’s directors to be authorised to agree how much the auditors should be paid and Resolution 10 grants this authority to the Directors.

Resolutions 11 and 12 – Directors’ authority to allot shares (ordinary resolution) and disapply pre-emption rights (special resolution).

Resolution 11 authorises the Directors to allot shares under section 551 of the Act. Paragraph 11.1 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 £307,062, being an amount equal to approximately one third of the Company’s issued share capital as at 10 March 2020 (being the latest practicable date prior to the publication of this circular). As at 10 March 2020, the Company did not hold any treasury shares.

The authority granted under Resolution 11 shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, at 6.00 p.m. on 20 July 2021. Resolution 11 replaces a similar resolution passed at the Annual General Meeting of the Company held on 11 April 2019. 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.

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 13, the Act requires that such shares or other equity securities are offered first to existing shareholders in proportion to their existing holding. Resolution 12 asks shareholders to grant the Directors authority to allot equity securities or sell treasury shares for cash up to an aggregate nominal value of £46,059 (being approximately 5% of the Company’s issued ordinary share capital as at 10 March 2020 (being the latest practicable date prior to the publication of this circular)), without first offering the securities to existing shareholders in proportion to their existing holdings.

As described in note 21 of the Annual Report and Accounts 2019 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 2019 the EBT held 145,400 shares (2018: 196,000).

The resolution also disapplies the statutory pre-emption provisions in connection with a rights issue and allows the Directors, in the case of a rights issue, to make appropriate arrangements in relation to fractional entitlements or other legal or practical problems which might arise.

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 authority will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, at 6.00 p.m. on 20 July 2021.

Resolution 13 – Purchases of own shares by the Company (special resolution).

Resolution 13 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 10 March 2020 (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 20 July 2021.

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 11 April 2019. 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.

To understand the impact of dilution, options to subscribe for up to 672,853 ordinary shares have been granted and are outstanding as at 10 March 2020 (being the latest practicable date prior to the publication of this circular) which if issued would represent 1.44% 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 13, the options outstanding as at 10 March 2020 would represent 1.60% of the ordinary share capital (excluding shares held in treasury) in issue following such exercise.

Resolution 14 – Calling of general meetings (special resolution).

Resolution 14 to be proposed at the Annual General Meeting seeks authority from shareholders to hold general meetings (other than Annual General Meetings) on 14 days’ clear notice. This is permissible under the Company’s Articles of Association and the Act. However, pursuant to the EU Shareholders’ Rights Directive, 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 14 renews a similar resolution passed at the Annual General Meeting of the Company held on 11 April 2019.