

A photograph of two women in a grocery store. The woman in the foreground is wearing a dark green puffer jacket with a fur-lined hood and has her hair in a bun with a colorful floral hair tie. She is looking at a jar of jam held by the woman behind her. The woman in the background has long blonde hair and is wearing a brown coat. They are standing in an aisle with shelves of various products. The text 'Your Neighbourhood's favourite shop' is overlaid on the image.

Your
Neighbourhood's
favourite shop

**McCull's Retail Group plc**

McCull's House,
Ashwells Road
Brentwood
Essex
CM15 9ST
T: 01277 372916
www.mccollsplc.co.uk

McCull's Retail Group plc

(Incorporated and registered in England and Wales under number 08783477)

Notice of Annual General Meeting 2019

Notice is hereby given that the fifth Annual General Meeting (the "AGM") of McCull's Retail Group plc (the "Company") will be held at 1.30pm on Wednesday, 3 April 2019 at McCull's House, Ashwells Road, Brentwood, Essex CM15 9ST to consider and if thought fit, pass resolutions 1 to 20 set out in the Notice of Meeting.

Important information: This document is important and requires your immediate attention. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other independent professional adviser immediately. If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents 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.

Dear Shareholder,

Annual General Meeting 2019

I am pleased to enclose the Notice of Meeting for McColl's Retail Group plc's fifth Annual General Meeting ("AGM"). The AGM will be held on Wednesday, 3 April 2019 at 1.30pm at McColl's House, Ashwells Road, Brentwood, Essex CM15 9ST.

We look forward to welcoming you to this meeting which provides an important opportunity for shareholders to engage with the Board and vice versa. We are always interested to hear shareholder views and, should you wish to provide any feedback or questions in advance of the meeting, please email them to investor.relations@mccolls.co.uk.

At the AGM, in order to ensure the outcome of the votes on the proposed resolutions fully reflect the views of all shareholders, all resolutions shall be conducted by poll meaning that we shall be counting both the votes cast in advance by proxy as well as the votes cast by those present on the day. The full results will be announced thereafter, including on our website.

If you would like to vote on the resolutions but will not be attending the AGM, you may appoint a proxy by completing and returning the enclosed proxy form. Alternatively, you may appoint a proxy electronically via www.sharevote.co.uk or, if registered, via www.shareview.co.uk or, if you hold your shares in CREST, via the CREST system. Notice of your appointment of a proxy should reach the Company's registrar, Equiniti Limited, at the address shown on the proxy form, by **no later than 1.30pm on Monday, 1 April 2019**. If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for appointing a proxy.

The matters to be decided at the AGM are set out in full in the Notice of Meeting, which also includes explanatory notes on each of the proposed resolutions. In summary, however, the AGM resolutions will be as follows:

- a resolution to receive the Directors' Report and the Financial Statements for the period ended 25 November 2018. The Directors' Report and Financial Statements, which together form the Annual Report and Accounts 2018, have been circulated to shareholders and are also available from www.mccollsplc.co.uk/reportsandpresentations,
- an advisory resolution to approve the Directors' Remuneration Report set out on pages 57 to 73 of the Annual Report,
- a resolution to approve a final dividend of 0.6 pence per ordinary share for the period ended 25 November 2018. If the recommended dividend is approved, this will be paid on 6 June 2019 to all ordinary shareholders who are on the register of members on 26 April 2019,
- separate resolutions to approve the re-election of each of the current Directors. The Board's proposal for the re-election of each of the current Directors was made following recommendations by the Nomination Committee,
- a resolution to elect the new Chief Financial Officer, Robbie Bell, who joined the Board in January,
- two resolutions to approve the reappointment of Deloitte LLP as the Company's independent Auditor and to authorise the Audit & Risk Committee to fix the Auditor's remuneration,

- a resolution providing authority to make political donations, including to charitable organisations. The Directors do not intend to make donations of an overtly political nature but, due to the wide definition of "political donations", the Board seeks this authority in order to avoid any inadvertent breach of the regulatory requirements,
- three resolutions which, together, will provide authority to the Directors to allot a limited number of additional securities (shares), some of which could be issued without applying the default statutory pre-emption rights (which means some new shares could be issued without first offering them to existing shareholders). The proposed disapplication of pre-emption rights is consistent with the best practice guidance set out in the Pre-emption Group Statement of Principles. This means that no more than 5% of the Company's shares could be issued free of pre-emption, with an additional 5% of the Company's ordinary shares that could be issued free of pre-emption provided the purpose of the share issue related to a specific acquisition or specified capital investment,
- a resolution seeking authority to make market purchases of the Company's own shares, up to an aggregate of 11,517,351 shares. This number is equivalent to approximately 10% of the Company's issued shares,
- a resolution to apply a minimum notice period of 14 clear days for general meetings other than AGMs. AGMs have a longer notice period,
- a resolution to adopt new Articles of Association, and
- a resolution to approve the Deferred Bonus Plan

Shareholder Engagement

Following the significant votes against the resolution for the disapplication of pre-emption rights in connection with an acquisition or specified capital investment at the 2018 AGM, the Board engaged with shareholders to understand their concerns. As announced on 18 October 2018, the Board have considered the feedback and confirm they are committed to undertaking shareholder consultations on significant share issues. The Board believes that the disapplication of pre-emption rights in connection with an acquisition or specified capital investment in accordance with the Pre-emption Group Statement of Principles is in the best interests of the Company and has again proposed the resolution (Resolution 16).

Recommendation

The Board believes that the resolutions contained in the Notice of Meeting are in the best interests of the Company and its shareholders as a whole and unanimously recommends that you vote in favour of them. The Directors intend to use the votes they hold from their own beneficial shareholdings to vote in favour of all the proposed resolutions.

Yours faithfully,

Angus Porter

Chairman
McColl's Retail Group plc
7 March 2019

Notice of Annual General Meeting

Notice is hereby given that the fifth Annual General Meeting ("AGM") of McColl's Retail Group plc (the "Company") will be held on Wednesday, 3 April 2019 at 1.30pm at McColl's House, Ashwells Road, Brentwood, Essex CM15 9ST to transact the business set out in the resolutions below.

Voting on all resolutions will be by a poll to ensure that every vote is recognised, including the votes of shareholders who are unable to attend the meeting but who have appointed a proxy to vote on their behalf. Shareholders have one vote for each ordinary share held when voting on a poll. A poll provides a more accurate reflection of shareholder views than votes taken on a show of hands. The results of the voting will be announced through a Regulatory Information Service and will be published on www.mccollspc.co.uk/reportsandpresentations as soon as reasonably practicable thereafter.

Resolutions 1 to 14 will be proposed as ordinary resolutions, together with resolution 20. For each ordinary resolution to be passed, more than half of the votes cast must be in favour.

Resolutions 15 to 19 will be proposed as special resolutions. For each special resolution to be passed, at least three-quarters of the votes cast must be in favour.

Annual Report and Accounts

1. To receive the Company's Annual Accounts for the financial period ended 25 November 2018 together with the Directors' Reports and the Auditor's Report on those accounts (the "Annual Report and Accounts 2018").

Directors' Remuneration Report

2. To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) set out on pages 57 to 73 of the Annual Report and Accounts 2018.

Final dividend

3. To declare a final dividend of 0.6 pence per ordinary share for the period ended 25 November 2018.

Election and re-election of Directors

4. To re-elect Angus Porter as a Director.
5. To re-elect Georgina Harvey as a Director.
6. To re-elect Sharon Brown as a Director.
7. To re-elect Jonathan Miller as a Director.
8. To re-elect Dave Thomas as a Director.
9. To re-elect Jens Hofma as a Director.
10. To elect Robbie Bell as a Director.

Re-appointment of Auditor

11. To re-appoint Deloitte LLP as Auditor of the Company.

Auditor's remuneration

12. To authorise the Audit & Risk Committee to determine the remuneration of the Auditor.

Authority to make political donations and incur political expenditure

13. THAT, in accordance with Part 14 of the Companies Act 2006 (the "Act"), the Company and all companies that are subsidiaries of the Company at the date on which this resolution is passed or at any time when this resolution has effect, are generally and unconditionally authorised to:
 - (a) make political donations to political parties and/or independent election candidates not exceeding £10,000 in total;
 - (b) make political donations to political organisations other than political parties not exceeding £20,000 in total; and,
 - (c) incur political expenditure not exceeding £20,000 in total, during the period beginning on the date of the passing of this resolution and ending on the earlier of 2 July 2020 and the conclusion of the Company's Annual General Meeting to be held in 2020, provided that the authorised sums referred to in paragraphs (a), (b) and (c) above may be comprised of one or more amounts in different currencies which, for the purposes of calculating the said sum, shall be converted into pounds sterling at the exchange rate published in the London edition of the Financial Times on the date on which the relevant donation is made or expenditure incurred (or the first business day thereafter) or, if earlier, on the day on which the Company or its subsidiary (as appropriate) enters into any contract or undertaking in relation to the same and provided that, in any event, the aggregate amount of political donations and political expenditure so made and incurred by the Company and its subsidiaries pursuant to this resolution shall not exceed £50,000. All existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Act are hereby revoked without prejudice to any donation made or expenditure incurred prior to the passing of this resolution pursuant to such authorisation or approval. For the purpose of this resolution the terms "political donation", "political parties", "independent election candidates", "political organisation" and "political expenditure" shall have the meanings given by sections 363 to 365 of the Act.

Authority to allot ordinary shares

14. THAT, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution, the Directors be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into shares in the Company:
 - (a) comprising equity securities (as defined in section 560 (1) of the Act) of the Company up to a nominal amount of £76,780 (such amount to be reduced by any allotments or grants made under paragraph (b) below) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors deem necessary or appropriate in relation to treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
 - (b) in any other case up to a maximum aggregate nominal amount of £38,390 (such amount to be reduced by any allotments or grants made under paragraph (a) above in excess of £38,390).

These authorities shall apply in substitution for all previous authorities pursuant to section 551 of the Act and expire at the end of the Annual General Meeting to be held in 2020 or on 2 July 2020, whichever is the earlier, but, in each case save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities under any such offer or agreement as if the authority conferred by this resolution had not expired.

Authorities to disapply pre-emption rights*

15. THAT, if resolution 14 is passed, the Board be authorised to allot equity securities (as defined in the Companies Act 2006 (the "Act")) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited:
- (a) to allotments for rights issues and other pre-emptive issues; and
 - (b) to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £5,758.67,
- such authority to expire at the end of the Annual General Meeting to be held in 2020 (or, if earlier, at the close of business on 2 July 2020) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.
16. THAT, if resolution 14 is passed, the Board be authorised in addition to any authority granted under resolution 15 to allot equity securities (as defined in the Companies Act 2006 (the "Act")) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be:
- (a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £5,758.67; and
 - (b) 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 Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, such authority to expire at the end of the Annual General Meeting to be held in 2020 (or, if earlier, at the close of business on 2 July 2020) but, in each case, prior to its expiry the Company may make offers and enter into agreements, which would, or might, require equity securities to be allotted (and treasury

shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Purchase of own shares*

17. THAT, the Company be generally and unconditionally authorised for the purpose of section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of section 693 (4) of the Act) of ordinary shares of £0.001 each in the capital of the Company, provided that:
- (a) the maximum number of ordinary shares which may be purchased is 11,517,351;
 - (b) the minimum price, exclusive of any expenses, which may be paid for each ordinary share is £0.001;
 - (c) the maximum price, exclusive of any expenses, which may be paid for each ordinary share is an amount equal to the higher of:
 - (i) 105% of the average closing price of an ordinary share, as derived from the London Stock Exchange Daily Official List for the five business days prior to the day on which the purchase is made; and
 - (ii) an amount equal to 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.

This authority shall expire on at the end of the Annual General Meeting to be held in 2020 or on 2 July 2020, whichever is the earlier, but, in each case, save that the Company may, before such expiry, enter into a contract to purchase shares which will or may be executed wholly or partly after the expiry of such authority.

Notice of general meetings, other than AGMs*

18. THAT, a general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

Articles of Association*

19. THAT, pursuant to section 21(1) of the Companies Act 2006, the Articles of Association produced to the meeting, and for the purpose of identification signed by the Chairman, be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

Deferred Bonus Plan

20. To approve the McColl's Retail Group plc Deferred Bonus Plan, as described on page 7 of the Explanatory Notes, and to authorise the Directors to do all acts and things necessary or expedient to carry the same into effect and to make such changes as they may consider appropriate for that purpose.

By order of the Board

7 March 2019

Rachel Peat

Company Secretary

McColl's Retail Group plc

Registered number: 08783477

Registered office:

McColl's House

Ashwells Road

Brentwood

Essex

CM15 9ST

* Special resolution

Explanation of Resolutions

Resolution 1 – To receive the Annual Report and Accounts

The Directors are required to present the Company's audited Accounts, the Strategic Report, Directors' Report and Auditor's Report to the meeting. These are contained in the Annual Report and Accounts 2018.

Resolution 2 – To approve the Directors' Remuneration Report

This resolution deals with the remuneration paid to the Directors during the period under review. Shareholders are invited to vote on the Directors' Remuneration Report, which appears on pages 57 to 73 in the Annual Report and Accounts 2018 (excluding the Directors' Remuneration Policy).

Resolution 2 is an advisory vote and does not affect the future remuneration paid to any Director or any remuneration already paid to a Director. However, if the Company fails to pass this resolution, it would trigger the need for the Company to put its Directors' Remuneration Policy to a shareholder resolution at the 2020 AGM.

Resolution 3 – To declare a final dividend

The Board proposes a final dividend of 0.6 pence per share for the period ended 25 November 2018. If approved, the recommended final dividend will be paid on 6 June 2019 to all ordinary shareholders who are on the register of members on 26 April 2019. The shares will be marked ex-dividend on 25 April 2019.

Resolutions 4-10 – Re-election and election of Directors

The Company's Articles of Association require that any Director appointed by the Board, must retire and seek election at the first AGM following their appointment and re-election every three years thereafter. At this AGM, this requirement applies to Robbie Bell who was appointed during the year. In addition, in accordance with the UK Corporate Governance Code's provisions, all members of the Board wishing to continue their appointments and who are recommended by the Board, seek re-election by the shareholders annually.

Following consideration by, and a recommendation from, the Nomination Committee, the Board is satisfied that each of the Directors continues to be effective and demonstrates a commitment to the role and that each of the Directors continues to be able to dedicate sufficient time to their duties. The Directors believe that the Board continues to include an appropriate balance of skills and provides effective leadership for the Group. Collectively, the Board has a variety of skills which include significant financial experience, extensive knowledge of the retail industry and significant experience of public companies listed on the London Stock Exchange. The process

by which the Board reached these conclusions is described on pages 48 to 50 of the Annual Report and Accounts 2018, which also includes biographies for each of the Directors seeking re-election on pages 40 and 41. Those biographies (summarised below) are also available for viewing on the Company's website www.mccollspc.co.uk/leadership.

Resolution 4 – To elect Angus Porter as a Director

Role: Non-Executive Chairman

Appointment to the Board: 1 April 2016

Committee memberships: Nomination Committee (Chair) and Remuneration Committee

Angus has held numerous executive and non-executive roles across a range of industry sectors, including senior marketing and general management roles at Mars, BT, Abbey National and WPP. Recently, he was Chief Executive of the Professional Cricketers' Association from 2010-2016, Senior Independent Director and Chairman of the Remuneration Committee of Punch Taverns Plc from 2012-2017, and a Non-Executive Director of TDC A/S until 2018. Angus is Co-Chairman of Direct Wines Ltd and a Non-Executive Director of Hilton Food Group plc.

Resolution 5 – To re-elect Georgina Harvey as a Director

Role: Senior Independent Director

Appointment to the Board: 7 February 2014

Committee memberships: Nomination Committee, Audit & Risk Committee and Remuneration Committee (Chair)

Georgina started her media career at Express Newspapers plc where she was appointed Advertising Director in 1994. She joined IPC Media Limited in 1995 and went on to form IPC Advertising in 1998, where she was Managing Director. Between 2005 and 2012, Georgina was Managing Director, Regionals Division and a member of the Executive Committee of Trinity Mirror. Georgina is also an Independent Non-Executive Director of William Hill PLC and Big Yellow Group PLC.

Resolution 6 – To re-elect Sharon Brown as a Director

Role: Independent Non-Executive Director

Appointment to the Board: 7 February 2014

Committee memberships: Nomination Committee, Audit & Risk Committee (Chair) and Remuneration Committee.

Sharon is a management accountant and has extensive financial experience, gained whilst Finance Director and Company Secretary of Dobbies Garden Centres Limited between 1998 and 2013. She also held a senior financial position within the retail division of John Menzies plc from 1991 to 1998. She is, and has been, Audit Committee Chairman of a number

of companies. Sharon is a Non-Executive Director and Audit Committee Chairman of Fidelity Special Values PLC, F&C Capital and Income Investment Trust plc, and Celtic plc, and is a Non-Executive Director of a number of limited companies in the retail sector.

Resolution 7 – To re-elect Jonathan Miller as a Director

Role: Chief Executive Officer

Appointment to the Board: 3 February 2014

Committee memberships: Nomination Committee

Jonathan was appointed Chief Executive of McColl's in 2016. He has worked in the Group since 1991 when he was recruited as Financial Director of cigarette vending operations, becoming Finance Director of retail operations in 1998. Prior to his current role he was the Group's Chief Financial Officer. Through his long history with McColl's, Jonathan has developed an in-depth understanding of both the business and the wider convenience retail market. Jonathan had a major role in all of the key initiatives that have shaped the Group, including a secondary buyout in 2005, numerous corporate acquisitions and the IPO in 2014. As Chief Executive he has put in place a clear strategy and vision for the Group and led the major acquisition of 298 stores in 2016, the negotiation in 2017 of the Group's new wholesale arrangements with Morrisons and in 2018 steered the business through the significant disruption following the collapse of P&H.

Resolution 8 – To re-elect Dave Thomas as a Director

Role: Chief Operating Officer

Appointment to the Board: 3 February 2014

Committee memberships: none

Dave was appointed as the Group's Chief Operating Officer in 2014 but his history with McColl's dates back to 1998 when he joined the business as Regional Manager for convenience. He became Operations General Manager in 2000 and was made Operations Director in 2005. Dave's retail career began with Iceland where he led a programme of new store openings as well as conversion of Bejam stores. Subsequently he joined Southern Co-operative as Operations Manager, developing a modern convenience format for the business. More recently within McColl's, he successfully managed the 2017 conversion of the 298 acquired stores to the McColl's format as well as taking a key role in the negotiations and implementation of new supply arrangements.

Resolution 9 – To re-elect Jens Hofma as a Director

Role: Independent Non Executive Director

Appointment to the Board: 1 July 2017

Committee memberships: Audit & Risk Committee, Nomination Committee and Remuneration Committee

Jens is Chief Executive Officer of Pizza Hut Restaurants in the UK. He joined the Pizza Hut business in February 2009 and has since led a private equity funded buyout of its dine-in restaurants. Prior to his involvement with Pizza Hut, Jens spent five years with Yum! Brands, working in the UK and in Europe. He has also previously worked for Nestlé and McKinsey in various European countries.

Resolution 10 – To elect Robbie Bell as a Director

Role: Chief Financial Officer

Appointment to the Board: 17 January 2019

Committee memberships: none

Robbie was appointed as the Group's Chief Financial Officer in January 2019. Prior to McColl's, Robbie was appointed CFO of Welcome Break in 2017 before taking on the role of CEO in early 2018, where he managed the sale and ownership transition of the business. From 2009-2017 he was CFO of Screwfix Direct Limited, a subsidiary of Kingfisher plc, where he oversaw significant business growth, driven by strong like-for-like sales and an extensive store opening programme. He was the UK Finance Director of Travelodge from 2006-2008. Prior to this he held a number of senior finance positions at Tesco PLC, including roles within commercial buying and convenience. Robbie is a Non-Executive Director and Chair of the Audit Committee of UP Global Sourcing Holdings plc.

Resolution 11 – To re-appoint Deloitte LLP as Auditor

At each meeting at which the Company's accounts are presented to its members, the Company is required to reappoint an Auditor to serve until the next such meeting. The Board, on the recommendation of the Audit & Risk Committee, recommends the re-appointment of Deloitte LLP. As advised in the Annual Report and Accounts 2018 (page 55), a tender process has commenced for the 2019 audit and Deloitte will therefore resign as Auditor when a successor is appointed.

Resolution 12 – To authorise the Audit & Risk Committee to determine the remuneration of Deloitte LLP

This resolution gives authority to the Audit & Risk Committee to determine the Auditor's remuneration.

Resolution 13 – To authorise the Directors to make political donations and incur political expenditure

This resolution seeks to authorise the Company to make political donations and incur political expenditure. Under the Companies Act 2006 (the "Act"), political donations to any political parties, independent election candidates or political organisations other than political parties, or the incurring of political expenditure are prohibited unless authorised by shareholders in advance. What constitutes a political donation, a political party, a political organisation or political expenditure is not easy to decide, as the legislation is capable of wide interpretation. Sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling public duties, and support for bodies representing the business community in policy review or reform, may fall within the scope of these matters.

The Company has not made a political donation in the past, and has no intention, either now or in the future, of making any political donation or incurring any political expenditure in respect of any political party, political organisation or independent election candidate. However, given the potential for wide interpretation, the Board has decided to propose resolution 13 in order to allow the Company to continue to support the community and put forward its views to wider business and government interests without running the risk of being in breach of the law. As permitted under the Act, resolution 13 also covers any political donations made or political expenditure incurred, by any subsidiaries of the Company. Resolution 13 caps the amount of all forms of political donations and expenditure that the Company and its subsidiaries would be permitted to make at an aggregate of £50,000.

The authorities sought under this resolution apply to the period beginning on the date of the passing of this resolution and ending on the earlier of 2 July 2020 or the conclusion of the 2020 AGM.

Resolution 14 – To authorise the Directors to allot ordinary shares

Under section 551 of the Act, the Directors of the Company may only allot shares or grant rights to subscribe for or convert any securities into shares if authorised to do so. The resolution, which complies with shareholder guidance. If passed, it will authorise the Directors to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £76,780 (representing 76,780,000 ordinary shares of £0.001 each), in connection with a rights issue in favour of ordinary shareholders and up to an

aggregate nominal amount equal to £38,390, (representing 38,390,000 ordinary shares of £0.001 each) in other cases. Those amounts are equal to approximately two-thirds and approximately one-third, respectively, of the issued ordinary share capital of the Company as at 28 February 2019 (the latest practicable date prior to publication of this Notice). The maximum aggregate nominal amount of £76,780 is reduced by the nominal amount of any shares issued under paragraph (b) of this resolution. The maximum aggregate nominal amount of £38,390 in paragraph (b) of this resolution is reduced by the nominal amount of any shares issued under paragraph (a) of this resolution in excess of £38,390. As at the date of this notice, no shares are held by the Company in treasury.

The authorities sought under paragraphs (a) and (b) of this resolution will expire at the conclusion of the 2020 AGM or on 2 July 2020, whichever is the earlier. Other than to satisfy obligations under the Company's share option schemes and warrants to subscribe for shares, the Directors have no present intention to exercise either of the authorities sought under this resolution.

Resolutions 15 and 16 – To authorise the Directors to disapply pre-emptions rights

Under section 561 of the Act, if the Directors wish to allot shares for cash (other than in connection with an employees' share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings (a pre-emptive offer). There may be occasions however, when the Directors will need the flexibility to finance business opportunities by the issue of ordinary shares without a pre-emptive offer to existing shareholders. This general authority is subject to annual renewal by shareholders. Resolution 15 will, if passed, give the Directors power to allot ordinary shares (or sell any ordinary shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing holdings. This authority would be limited to: (a) allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the Board otherwise considers necessary, or (b) otherwise up to an aggregate nominal amount of £5,758.67 (representing 5,758,670 ordinary shares). This aggregate nominal amount represents approximately 5% of the Company's issued ordinary share capital as at 28 February 2019, the latest practicable date prior to publication of this Notice.

Explanation of Resolutions (continued)

Resolution 16 provides additional authority to that provided under resolution 15 above, to give the Directors power to allot ordinary shares (or sell any ordinary shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing holdings. This general authority is subject to annual renewal by shareholders. This additional authority would be limited to: (a) the allotment of equity securities or sale of treasury shares up to an additional aggregate nominal amount of £5,758.67 (representing 5,758,670 ordinary shares). This aggregate nominal amount represents approximately 5% of the Company's issued ordinary share capital as at 28 February 2019, the latest practicable date prior to publication of this notice; and (b) using the authority only in connection with an acquisition or specified capital investment (as contemplated by the statement of principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice), or for refinancing if the authority is used within six months of the original transaction. The Directors are committed to undertaking shareholder consultations on significant share issues whenever it is practicable to do so.

The Directors further confirm their intention to follow the provisions of the Pre-emption Group's statement of principles regarding cumulative usage of authorities within a rolling three-year period where the principles provide that usage in excess of 7.5% of the issued ordinary share capital of the Company should not take place without prior consultation with shareholders, except in connection with an acquisition or specified capital investment as referred to above.

These authorities will expire at the earlier of 2 July 2020 or the conclusion of the 2020 AGM. It is the intention of the Directors to seek to renew this authority every year.

Resolution 17 – To approve purchase of the Company's own shares

This resolution would, if passed, authorise the Company to make market purchases of up to 11,517,351 of its own ordinary shares, representing 10% of the Company's issued share capital as at 28 February 2019. The resolution specifies the minimum and maximum prices at which the ordinary shares may be bought under this authority.

This authority will expire at the earlier of 2 July 2020 or the conclusion of 2020 AGM. It is the intention of the Directors to seek to renew this authority every year. The Directors have no present intention of exercising the authority granted by this resolution, but the authority provides the flexibility to allow them

to do so in future. The Directors would not exercise this authority unless they believed that the expected effect would result in an increase in earnings per share and would promote the success of the Company for the benefit of its shareholders as a whole. Any shares purchased would be effected by a purchase in the market and could either be cancelled or held as treasury shares, which may then be cancelled, sold for cash or used to meet the Company's obligations under its employee share schemes. The Company currently has no shares held in treasury. As at 28 February 2019, the total number of options to subscribe for shares in the Company was 2,841,222 (approximately 2.5% of the Company's issued share capital and approximately 2.7% of the Company's issued share capital if the full authority proposed by resolution 17 was used and the shares purchased were cancelled).

Resolution 18 – Notice of general meetings, other than AGMs

Under the Act, the notice period required for all general meetings of the Company is 21 days. AGMs will always be held on at least 21 clear days' notice but shareholders can approve a shorter notice period for other general meetings. This resolution would, if passed, allow the Company flexibility to call general meetings, other than AGMs, on not less than 14 clear days' notice. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

Resolution 19 – To adopt new Articles of Association

Resolution 19 proposes that the Company adopts new Articles of Association (the "New Articles"), principally in order to reflect developments in law and practice since the Company's current articles (the "Current Articles") were adopted in 2014.

A copy of the New Articles and a copy marked to show the changes from the Current Articles are available for inspection and can be viewed on the Company's website. Copies of the New Articles will also be available for inspection at the Annual General Meeting.

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 both in a physical place and via electronic platforms. The New Articles do not give the Directors the power to hold a solely electronic 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 Board does not have any current intention of calling a hybrid meeting but believes that it is useful for shareholders if the Directors have this flexibility.

Re-election of Directors: The Current Articles require that each Director retires at the third annual general meeting after which he was previously elected, and that non-executive Directors who have served on the Board for more than nine years should be subject to annual re-election. Following the publication of the 2018 UK Corporate Governance Code, the New Articles will require all the Directors to be subject to annual re-election. This reflects the practice of the Company which has been to seek re-election of all directors annually.

Non-Executive Directors Fees: The cap on the fees payable to Non-Executive Directors for their services in the office of Director has been increased from £350,000 to £500,000 per annum. This increase will give some flexibility for the appointment of an additional Non-Executive Director in the future, if required, and brings the Articles into line with the Remuneration Policy approved at the 2018 annual general meeting.

Dividends: The guidance of the Institute of Chartered Secretaries and Administrators ("ICSA") Registrars' Group relating to the provisions on dividend distributions in companies' articles of association notes that it is clear that new payment methods will be adopted in the short to medium term and it is important that the market is prepared for such methods. ICSA, therefore, recommends 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.

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 one national daily newspaper and one local newspaper circulating in the area in which the shareholder's last known 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.

Minor Amendments: In addition, minor amendments have been made to (i) permit corporate shareholders to provide copies (rather than certified copies) of the board resolutions authorising their corporate representatives to vote on their behalf at general meetings, thereby providing shareholders with greater flexibility, (ii) allow members to waive their right to dividends, and (iii) authorise the board, following a variation of the Company's share capital, to capitalise an amount from reserves to pay up the difference between the option price under any employees' share scheme and the nominal value of the Company's shares (to the extent the option price is higher than the nominal value).

Resolution 20 – To approve the Deferred Bonus Plan

The Company's Remuneration Policy requires executive directors and members of the Retail Board to use a proportion of their net bonus to acquire shares, which must be held for a period of three years. In order to implement this requirement, and to enable the Company to issue shares to satisfy awards, the Board is proposing to adopt the McColl's Retail Group plc Deferred Bonus Plan (the "DBP"). A summary of the DBP is set out below.

The DBP is a discretionary plan under which executive directors, members of the Retail Board and any other employees selected by the Remuneration Committee will be required to use a proportion of their net bonus to acquire shares which must be held via a nominee for a period of three years.

Eligibility

The Remuneration Committee may select any employee, including an executive director, who has earned an annual bonus over the previous performance year to participate in the DBP.

Plan and Individual Limits

In any ten year period not more than 10% of the issued share capital of the Company may be issued under DBP and all other employees' share schemes adopted by the Company and not more than 5% of the issued share capital of the company may be used under the DBP and any other discretionary share schemes adopted by the Company. This limit does not include awards that have lapsed but will include awards satisfied with treasury shares as if they were newly issued shares for so long as required by UK institutional investor guidelines.

A participant may be required to defer up to 100% of any net annual bonus paid to them. Awards under the DBP may be granted over newly issued shares, shares held in treasury or shares purchased in the market.

Timing of Awards

Awards may be granted at any time except when prevented by any dealing restrictions imposed by legislation, regulations or any share dealing code. No awards may be granted more than ten years after the date the DBP is approved by shareholders.

Form of Awards

Participants are required to use a portion of their net annual bonus to acquire shares.

Shares subject to an award will normally be held under a nominee agreement, subject to the terms of the DBP, until the release date.

The Company's current Remuneration Policy requires that executive Directors defer one third of their net annual bonus into shares and members of the Retail Board defer one quarter of their net annual bonus into shares.

Dividends

The Remuneration Committee may determine that any dividends paid in respect of shares held under a DBP award will either (i) be paid to participants; or (ii) or held by the nominee and paid following the release date.

Ceasing employment

Unless the Remuneration Committee determines otherwise, if a participant ceases employment prior to the release date of an award, other than in the case of death, the award shall not be released early but shall continue to be subject to the share holding requirement until the release date. In the case of the death of the participant, the award will be released as soon as practicable unless the Remuneration Committee decides otherwise.

Malus and clawback

Awards under the DBP are subject to malus and clawback provisions which apply up to the release date of an award (malus) and up to 3 years thereafter (clawback). The Remuneration Committee may recoup the value of unvested and previously vested awards from a participant where the Remuneration Committee considers that the amount of any annual bonus paid to the participant or the number of shares in an award would have been affected had the Remuneration Committee been aware of a trigger event when the relevant bonus or award was calculated. The malus trigger events are: (a) a material misstatement of financial results; (b) where a participant's actions or conduct prior to the release date of an award amounted to gross misconduct; or (c) where the Committee considers that an event similar in nature to either

of (a) or (b) has occurred. Clawback will only apply in extreme cases of gross misconduct of the participant.

Takeovers and Reorganisation

Participants will have the same rights as all other shareholders in the event of a change of control, demerger, delisting, special dividend, variation of capital or other corporate event.

Amendments

The Remuneration Committee can amend the DBP in any way. However, shareholder approval will be required to amend certain provisions to the advantage of participants. These provisions relate to eligibility, plan limits, the basis for determining a participant's entitlement to, and the terms of, the shares comprised in awards, and the amendment powers.

Minor amendments can be made without shareholder approval to benefit the administration of the DBP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment.

A copy of the DBP is available for inspection at the Company's registered office during usual business hours until the close of the AGM and will be available at the place where the AGM is being held from 15 minutes prior to and during the AGM.

Important notes

The following notes explain your general rights as a shareholder and your right to attend and vote at this AGM, or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the register of members of the Company by 6.30pm on Monday, 1 April 2019 (or, in the event of any adjournment, by 6.30pm on the day two days prior to the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting. There are no other procedures or requirements for entitled shareholders to comply with in order to attend and vote at the AGM.
2. The doors will open at 1.00pm and you may wish to arrive by 1.15pm to enable you to register and take your seat in good time. If you have any special needs or require wheelchair access to the venue, please contact Rachel Peat by email on rpeat@mccolls.co.uk or telephone on 01277 376317 in advance of the meeting. Mobile phones may not be used in the meeting room, and cameras and recording equipment are not allowed in the meeting.
3. Members are entitled to appoint a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form, which may be used to make such appointment and give proxy instructions, accompanies this Notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact our registrar, Equiniti Limited, on 0371 384 2030 (or from outside the UK: +44 (0)121 415 7047). Lines are open Monday to Friday, 8.30am – 5.30pm (excluding public holidays in England and Wales).
4. 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).
5. Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "nominated person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a nominated person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. The statement of the rights of shareholders in relation to the appointment of proxies in notes 3, 4 and 10 do not apply to nominated persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
7. 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 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/she thinks fit in relation to any other matter which is put before the AGM.
8. To be valid, any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company's registrar, at the address shown on the proxy form or in the case of shares held through CREST, via the CREST system (see note 10 below). As an alternative to completing your hard-copy proxy form, you can appoint a proxy electronically at www.sharevote.co.uk. In each case, for proxy appointments to be valid, it must be received by no later than 1.30pm on Monday, 1 April 2019. If you return more than one proxy appointment, either by paper or electronic communication, that received last by the registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
9. The return of a completed proxy form, other such instrument or any CREST proxy instruction (as described in note 11 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service, may do so for the AGM (and any adjournment of the AGM) by using the procedures described in the CREST manual (available from <https://euroclear.com/site/public/EUI>). CREST personal members or other CREST sponsored members and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST proxy instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the issuer's agent (ID RA19) by 1.30pm on Monday, 1 April 2019. For this purpose, the time of receipt will be taken to the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST members and where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST proxy instruction

Important notes (continued)

in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that no more than one corporate representative exercises powers relating to the same shares.
14. As at 28 February 2019 (being the last practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 115,173,515 ordinary shares, carrying one vote each. No shares are held in treasury. Therefore, the total voting rights in the Company as at 28 February 2019 are 115,173,515.
15. Under section 527 of the Act, shareholders meeting the threshold requirements set out in that section have the right to require the Company 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 AGM; or (ii) any circumstances connected with an Auditor of the Company ceasing to hold office since the previous

meeting at which Annual Reports and Accounts were laid in accordance with section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.

16. Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation of the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

17. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day from 7 March 2019 until the conclusion of the AGM and may also be inspected from 15 minutes prior to the Meeting until the conclusion of the Meeting:

- copies of the Directors' letters of appointment or service contracts;
- a copy of the Directors' deeds of indemnity;
- a copy of the proposed Articles of Association of the Company; and
- a copy of the Deferred Bonus Plan.

You may not use any electronic address provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated. A copy of this Notice and other information required by section 311A of the Act, can be found on the Company's website at www.mccollspic.co.uk/shareholder-services.

Venue map and directions

Directions

By car (from London/M25)

At M25 Junction 28, follow signs for Brentwood and drive into town centre. Turn left at the double mini roundabout junction (Wilson's Corner) on to the A128, Ongar Road. McColl's House is on the right-hand side in Ashwells Road, approximately 2.5 miles from the town centre. Limited car parking is available.

By rail

Frequent fast trains from London Liverpool Street, and from Colchester/Chelmsford or Southend to Shenfield. Then by taxi. Alternatively, stopping train to Brentwood and then by taxi.



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