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If you were a Shareholder and have sold or otherwise transferred all of your Shares, please send this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Greenhill & Co. International LLP ("Greenhill"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting solely as financial adviser for Electra Private Equity PLC and for no one else, including any recipient of this document, in connection with the Proposals and other matters referred to in this document and will not be responsible to anyone other than Electra Private Equity PLC for providing the protections afforded to clients of Electra Private Equity PLC or for affording advice in relation to the Proposals or any other matter referred to in this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities that Greenhill may have under the Financial Services and Markets Act 2000 or the regulatory regime established under that Act. Greenhill has given and not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which they are included.



## **ELECTRA PRIVATE EQUITY PLC**

(Incorporated in England and Wales under registered number 00303062)

### **PROPOSED CHANGES TO INVESTMENT OBJECTIVE AND POLICY AND NOTICE OF GENERAL MEETING**

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This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Electra Private Equity PLC (the "Company"), which is set out on page 3 of this document and which recommends that you vote in favour of the Resolution to be proposed at the General Meeting.

A notice convening a general meeting of the Company is set out in Part 3 of this document. The General Meeting will be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, on 30 October 2018 commencing at 10.00 a.m..

A Form of Proxy is enclosed for use by Shareholders. To be valid for use at the General Meeting, the Form of Proxy should be completed, signed and returned in accordance with the instructions printed on it as soon as possible and, in any event, by not later than 10.00 a.m. on 26 October 2018.

Shareholders who hold their Shares in CREST may appoint a proxy by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 5 at the end of the notice convening the General Meeting in Part 3 of this document and such appointment should be transmitted as soon as possible and, in any event, so as to be received by not later than 10.00 a.m. on 26 October 2018.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of publication of this document	4 October 2018
Latest time and date for receipt of completed Forms of Proxy, electronic proxy appointments and CREST electronic proxy instructions for use at General Meeting	10.00 a.m. on 26 October 2018
General Meeting	10.00 a.m. on 30 October 2018

**PART 1**  
**LETTER FROM THE CHAIRMAN**

**Electra Private Equity PLC**  
*(Incorporated in England and Wales with registered number 00303062)*

Directors  
Neil Johnson (Chairman)  
Edward Bramson  
Ian Brindle  
Paul Goodson  
David Lis  
Gavin Manson  
Roger Perkin  
Linda Wilding

Registered Office  
First Floor  
50 Grosvenor Hill  
London  
W1K 3QT

4 October 2018

*To Shareholders*

**Dear Shareholder**

**PROPOSED CHANGES TO INVESTMENT OBJECTIVE AND POLICY  
AND  
NOTICE OF GENERAL MEETING**

**Introduction**

As announced on 3 October 2018, the Company has entered into an agreement for the successful realisation of its larger non-controlled assets.

Following a review of the Company's investment strategy and having carefully considered all options, the Board now believes that given the size of the portfolio and the structural inefficiency of the listed private equity model that is accentuated by making new investments it is now in Shareholders' best interests to effect the controlled realisation of the remaining portfolio over an appropriate period. The remaining assets have opportunity for value creation from current levels and the Board will actively work with portfolio company management to optimise realisations over time.

Accordingly, the Board has concluded that it would be in the interests of Shareholders as a whole to conduct a managed wind-down of the Company over a period of time. This will require changes to the Company's current investment objective and policy. As the proposed changes to the Company's investment policy (the "Proposals") are material, they are subject to the prior approval of Shareholders in accordance with the Listing Rules.

The purpose of this document is to explain the background to, reasons for and benefits of the Proposals and to convene a general meeting of the Company to seek Shareholders' approval of them. The notice convening that meeting, which will be held on 30 October 2018 at 10.00 a.m., is set out in Part 3 of this document. The Board unanimously recommends that Shareholders vote in favour of the proposed change in investment objective and policy, and if these are approved, will manage the Company's cost base and size of the Board to a scale appropriate for the Company's future needs.

**Background to, and Reasons for, the Proposals**

On 3 October 2018, the Board announced:

1. an agreement for the sale of its larger non-controlled assets, Photobox and Knight Square at 103% of adjusted 31st March 2018 carrying value<sup>^</sup>;
2. the outcome of the third phase of its strategic review;

3. the General Meeting to be held on 30 October 2018 to consider the adoption of a revised investment objective and policy;
4. the Board's intention to distribute excess cash as an initial special dividend of £140m (£3.65 per share) in December (subject to the completion of the Photobox transaction and adoption of the revised investment objective and policy) (the "Initial Special Dividend"), with a subsequent special dividend in respect of the £21m (£0.54 per share) proceeds of the sale of Knight Square (the "Subsequent Special Dividend", and together with the Initial Special Dividend, "the Special Dividends"). The Subsequent Special Dividend is subject to completion of the disposal of Knight Square, which is conditional on receipt of regulatory approval which is anticipated to be received in the first quarter of 2019;
5. its strategy for the remaining portfolio of assets, of which the value of the two larger corporate investments are both over 97% owned by the Company with aggregated last 12 months' unaudited EBITDA of £31m and net debt of £65m. An additional pro forma £28m of cash will be held by the Company following settlement of the transactions announced on 3 October 2018 and distribution of the Special Dividends; and
6. a future distribution policy comprising intended annual dividends of £10m per annum pending further material disposals.

#### ***Sale of certain non-controlled assets***

As announced on 3 October 2018, Electra has agreed the sale of its larger non-controlled assets, Photobox and Knight Square to funds advised by Lexington Partners L.P. ("Lexington") (the "Lexington Transaction").

The sale of Electra's interests in Photobox is expected to complete in October, with an expected cash receipt of £98m. The sale of the interests in Knight Square is subject to regulatory approval, which is expected to be received in the first quarter of 2019. Upon completion of the Knight Square disposal the Company will receive a further cash receipt of £21m in cash. This is in addition to a receipt of £13m from a Knight Square loan note repayment in August 2018.

On a proforma basis the transaction once fully completed will leave the portfolio comprising:

TGI Fridays	£149m <sup>^</sup>
Hotter Shoes	£50m <sup>^</sup>
Others	£15m <sup>^</sup>
Cash	£189m
<b>Total</b>	<b>£403m</b>

<sup>^</sup> 31st March carrying value adjusted for subsequent transactions

#### ***Outcome of Phase 3 of the strategic review and implementation of recommendation***

The Board considers that each of the remaining corporate investments represents an opportunity for value creation within an acceptable timeframe. However, the concentration of the portfolio and the structural inefficiency in reinvesting in a listed private equity vehicle with a significant market discount to NAV make it inappropriate to seek to do this within the existing investment objective and policy of the Company.

The Board has therefore concluded, and recommends, that it is in the best interests of shareholders to conduct a managed wind-down of the portfolio over a period of time, allowing optimisation of returns, the return of cash to Shareholders, and ultimately the winding up of the Company (the "Recommendation"). The Board intends that until it is finally wound up, the Company will continue to be listed on the London Stock Exchange in its existing listing category and will pay annual dividends funded by cash generated by the portfolio.

Implementation of the Board's Recommendation will require Shareholder approval of the new investment objective and policy. A general meeting of the Company to consider the Resolution to approve the Board's proposed strategy through an updated investment objective and policy will be held on 30 October 2018 (the "General Meeting").

Subject to (i) the completion of the sale of Photobox; and (ii) Shareholder approval of the revised investment objective and policy, the Board intends to pay the Initial Special Dividend of £140m (£3.65 per share) in December. Payment of the Initial Special Dividend will be confirmed by the Board following the General Meeting.

Subject to completion of the Knight Square transaction (which is conditional on the receipt of regulatory approval), the Board intends to pay the Subsequent Special Dividend in respect of the proceeds of £21m (£0.54 per share).

### ***Remaining portfolio, management and realisation strategy***

Following completion of the Lexington Transaction and distribution of the intended Special Dividends totalling £161m, the Company will be left with a portfolio comprising:

		<b>Last 12 months to end August 2018 (unaudited)</b>	
	<b>31st March Valuation<sup>^</sup></b>	<b>Revenue</b>	<b>EBITDA</b>
TGI Fridays	£149m <sup>^</sup>	£210m	£27m
Hotter	£50m <sup>^</sup>	£97m	£4m <sup>**</sup>
Others*	£15m <sup>^</sup>	N/A	N/A
Cash	£28m <sup>***</sup>		
	<b>£242m</b>		

<sup>^</sup> Adjusted to reflect subsequent transactions at 31<sup>st</sup> March value. Updated valuations as at our 30th September year end will be prepared through our normal valuation process and announced with our annual results in December.

\* Others includes (i) Sentinel, a UK based producer and international distributor of heating system related products with LTM EBITDA of £3m (March 2018 valuation: £6m); (ii) SPC, a US based manufacturing business with LTM pre-exceptional EBITDA of \$2.5m (March 2018 valuation: £3m); and (iii) other assets expected to be realised within the next 12 months

\*\* Pre-exceptional

\*\*\* Pro-forma based on settlement of the Lexington Transaction and both Special Dividends

The Board considers that each of the remaining corporate investments represents an opportunity for value creation within an acceptable timeframe. The larger two investments, TGI Fridays and Hotter Shoes, both operate in the UK consumer market where current challenging trading conditions are reflected by low market multiples. We have reduced leverage in both businesses in order to allow them to focus on medium term operational optimisation.

**TGI Fridays** has followed a strategy of sustainable growth for several years with revenue and EBITDA CAGRs of 11% and 16% between 2010 to 2017. Whilst the business has been impacted by the heavy discounting that has been prevalent in the casual dining sector over recent months TGI Fridays' focus on differentiation, customer experience and maintenance of brand value has allowed it to continue to perform well at EBITDA level and the company is now well positioned for growth following its return to like for like sales growth.

TGI Fridays' recent and future growth is expected to be self-financing with strong free cash generation following improvement of cash conversion from 33% to 63% from 2010 to 2017.

**Hotter Shoes** has performed well through direct marketing in a niche market segment for many years. The business grew strongly through an aggressive retail expansion from 2010 and 2016 and development of a customer acquisition focused US business. Over the last five years EBITDA has fluctuated between £13m and £8m. Prior to the debt reduction in the current year, investment in product and infrastructure necessary to stabilise the business and provide a platform for sustainable growth has been constrained by the need for financing payments. The required investment is now in progress and whilst the business continues to be impacted by the UK retail environment progress is being made towards optimising the retail estate. Medium term development into adjacent customer segments and development of the US business present significant growth opportunities.

The Board will continue to work with the management teams of these companies and the other assets to implement their strategic plans and optimise the timing and proceeds of future exits.

## **Proposed Changes to Investment Objective and Policy**

### *Introduction*

Implementation of the Proposals will require material changes to the Company's investment objective and policy. The Company's current investment objective and policy and the proposed changes to them are set out below.

### *Current Investment Objective and Policy*

*"Electra has been quoted on the London Stock Exchange since 1976. Electra is managed as an HM Revenue and Customs approved investment trust and invests primarily in the private equity mid-market.*

*Electra's objective is to achieve a rate of return on equity of between 10-15% per year over the long-term by investing in a portfolio of private equity assets.*

*The investment focus is principally on Western Europe, with the majority of investments made in the United Kingdom.*

*The Company attempts to mitigate risk through portfolio diversification. Investments will therefore be made across a broad range of sectors and industries. At the time of investment, not more than 15% of Electra's total assets will typically be invested in any single investment. If Electra acquires a portfolio of companies in a single transaction, this limitation shall be applied individually to each of the underlying companies purchased and not to the portfolio as a whole.*

*Electra has a policy to maintain total gearing below 40% of its total assets.*

*Electra has a policy to return to shareholders a targeted 3% of NAV per annum, by way of cash dividend or share buybacks.*

*Any shares bought back under this policy will be cancelled."*

### *Proposed Investment Objective and Policy*

In view of the proposal to conduct a managed wind-down of the portfolio over a period of time, allowing optimisation of returns, the return of cash to shareholders and ultimately the wind up of the Company, it is proposed that the Company's entire existing investment objective and policy be replaced and, subject to the Resolution being passed at the General Meeting, the Company will adopt and adhere to the following investment policy (which will be published each year in the Company's annual report and accounts in accordance with the Listing Rules, commencing with the annual report and accounts for the year ending 30 September 2018):

*"Electra's investment objective is to follow a realisation strategy which aims to crystallise value for shareholders, through balancing the timing of returning cash to shareholders with maximisation of value.*

*The Company will not make any new investments but will continue to support its existing investments to the extent required in order to optimise returns.*

*The Company will retain sufficient cash to meet its obligations and to support its portfolio assets, with cash from realisations being invested in AAA rated money market funds pending utilisation or return to shareholders.*

*Should it be appropriate to utilise gearing in order to optimise the balance between timing of returning cash to shareholders and maximisation of value the Company will maintain gearing below 40% of its total assets."*

Any material change to the new investment policy would require Shareholder approval in accordance with the Listing Rules.

Being prescriptive on the timeframe for realising the Company's direct investments could prove detrimental to the value achieved on realisation. Therefore, the strategy for the realisation of the Company's direct investments will need to be flexible and may need to be altered to reflect changes in the circumstances of a particular investment or in the prevailing market conditions. In seeking to realise the Company's direct investments in an orderly manner, the Directors will aim to achieve a balance between maximising their value and progressively returning cash to Shareholders.

Once all, or substantially all, of the Company's investments have been realised, the Company will seek Shareholders' approval for it to be placed into members' voluntary liquidation.



## **Distribution Policy**

Subject to the adoption of the proposed revised investment objective and policy and completion of the Photobox transaction, the Board intends to pay an Initial Special Dividend of £140m (£3.65 per share) in December. It is intended that this will be followed by the Subsequent Special Dividend following completion of the disposal of Knight Square, which is anticipated to take place in the first quarter of 2019.

Further distributions will then be considered following subsequent realisations.

Pending further material disposals it is the Board's intention that annual dividends of £10m pa will be paid.

## **General Meeting**

A notice convening a general meeting of the Company, to be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD on 30 October 2018 commencing at 10.00 a.m. is set out in Part 3 of this document.

An ordinary resolution will be proposed at the General Meeting to amend the Company's investment objective and policy with a view to realising the Company's assets in an orderly manner that achieves a balance between maximising the value of the Company's investments and progressively returning cash to Shareholders. In order to be passed, the Resolution requires a simple majority of the votes cast to be in favour of it.

All Shareholders are entitled to attend and vote at the General Meeting. In accordance with the Company's articles of association, all Shareholders present in person or by proxy shall have one vote on a show of hands and one vote in respect of each Share held on a poll.

The quorum for the General Meeting is three Shareholders (who are entitled to vote on the business to be transacted at the General Meeting) present in person or by proxy.

## **Risk Factors**

In deciding what action to take in connection with the General Meeting, Shareholders should be aware of the following risk factors:

- There is no guarantee that the change to the Company's investment objective and policy will provide the returns or realise the capital sought by Shareholders. There can be no guarantee that the Company will achieve its new investment objective.
- Private equity assets are inherently subjective in value due to the individual nature of each investment. As a result, valuations are subject to uncertainty. There is no assurance that the valuations of the investments held by the Company reflect the realisable values of such investments.
- Private equity investments are relatively illiquid and generally more difficult to realise than listed equities or bonds. Accordingly, it is difficult to provide any certainty on the timeframe for realisation of the Company's investments.
- As a result of realisations, the number of investments held by the Company will reduce over time and, as a consequence, the aggregate return on the remaining portfolio will become increasingly exposed to the performance, favourable or unfavourable, of the remaining individual investments.
- Events such as economic recession or general fluctuations in stock markets and interest rates may affect the valuation of investee companies and their ability to access adequate financial resources, as well as affecting the Company's own Share price and discount.
- The distribution policy is subject to change and there can be no guarantee that the Company will retain the same distribution policy in the future.

## **Action to be Taken**

### *Shareholders*

If you are a Shareholder, you will find enclosed with this document a Form of Proxy for use at the General Meeting. Please complete the Form of Proxy and return it by post to the address set out on it as soon as possible and, in any event, by not later than 10.00 a.m. on 26 October 2018. Shareholders who hold their Shares in CREST may appoint a proxy by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes at the

end of the notice convening the General Meeting in Part 3 of this document and such appointment should be transmitted as soon as possible and, in any event, so as to be received by not later than 10.00 a.m. on 26 October 2018.

The completion and return of a Form of Proxy, or the appointment of a proxy electronically or by CREST electronic proxy instructions, will not prevent a Shareholder from attending the General Meeting and voting in person if they wish to do so.

### **Recommendation**

Your Board considers the Proposals to be in the best interests of the Company and its Shareholders as a whole. Accordingly, your Board unanimously recommends that you vote in favour of the Resolution to be proposed at the General Meeting as your Directors intend to do in respect of their own beneficial holdings of 11,471,397 Shares, representing 29.96 per cent. of the Shares in issue at the date of this document.

Yours faithfully

Neil Johnson  
Chairman



## PART 2

### DEFINITIONS

The words and expressions listed below have the meanings set out opposite them throughout this document except where the context otherwise requires:

“Board”	the board of directors of the Company (or any duly authorised committee thereof) from time to time
“CAGR”	compound annual growth rate
“Company”	Electra Private Equity PLC
“CREST”	the system of paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations
“CREST Manual”	the Manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof
“CREST Member”	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
“CREST Participant”	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
“CREST Sponsor”	a CREST Participant admitted to CREST as a CREST Sponsor
“CREST Sponsored Member”	a CREST Member admitted to CREST as a Sponsored Member
“Directors”	the directors of the Company from time to time
“discount”	in the context of a Share, the amount by which its share price is lower than its estimated NAV (expressed as a percentage of the NAV per Share)
“EBITDA”	earnings before interest, tax, depreciation and amortisation
“Electra”	Electra Private Equity PLC
“Equiniti Limited”	Equiniti Limited, a company incorporated in England and Wales with registered number 06226088, whose registered office is at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated in England and Wales with registered number 02878738, whose registered office is at 33 Cannon Street, London EC4M 5SB, the operator of CREST
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the General Meeting
“General Meeting”	the general meeting of the Company convened for 10.00 a.m. on 30 October 2018 (or any adjournment of that meeting), notice of which is set out in Part 3 of this document
“Greenhill”	Greenhill & Co. International LLP
“Initial Special Dividend”	the proposed special dividend of £140m (£3.65 per share) which, subject to completion of the sale of Photobox and approval of the Proposals, is expected to be paid to the shareholders in December 2018
“Lexington”	Lexington Partners L.P.
“Lexington Transaction”	the sale by Electra of its larger non-controlled assets, Photobox and Knight Square to funds managed by Lexington
“Listing Rules”	the listing rules made by the UK Listing Authority under Part VI of the Financial Services and Markets Act 2000

“London Stock Exchange”	London Stock Exchange plc’s market for listed securities
“NAV”	in relation to the Company, the value of the net assets of the Company (calculated in accordance with the Company’s normal accounting policies) or, in relation to a portfolio company, the value of the portfolio company (calculated in accordance with the Company’s normal accounting policies) or, in relation to a Share, the value of such net assets divided by the number of Shares in issue on the relevant date of calculation
“Notice of General Meeting”	the notice of the General Meeting which appears in Part 3 of this document
“Proposals”	the proposed changes to the Company’s investment objective and policy, details of which are set out in Part 1 of this document
“Registrar”	Equiniti Limited
“Resolution”	the ordinary resolution to be proposed at the General Meeting to amend the Company’s investment objective and policy as set out in the Notice of General Meeting
“Shareholders”	holders of Shares
“Shares”	ordinary shares of 25 pence each in the capital of the Company
“Special Dividends”	the Interim Special Dividend and the Subsequent Special Dividend
“Subsequent Special Dividend”	the proposed special dividend of £21m (£0.54 per share) which is subject to completion of the Knight Square
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for listing pursuant to Part VI of the Financial Services and Markets Act 2000

## **Times**

All references to times in this document and the Notice of General Meeting are to UK time.

**PART 3**  
**NOTICE OF GENERAL MEETING**

**Electra Private Equity PLC**

*(Incorporated in England and Wales under registered number 00303062)*

Notice is hereby given that a general meeting of Electra Private Equity PLC will be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, on 30 October 2018 commencing at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as an ordinary resolution:

**Ordinary Resolution**

THAT the proposed new investment objective and investment policy of the Company as described in Part 1 of the circular to shareholders of the Company dated 4 October 2018 be and are hereby adopted as the investment objective and policy of the Company with immediate effect and the existing investment objective and policy be and are hereby replaced.

By order of the Board  
Frostrow Capital LLP  
*Company Secretary*

Registered Office  
First Floor  
50 Grosvenor Hill  
London  
W1K 3QT

4 October 2018

**Notes**

1. Members of the Company who are entitled to attend and vote at the General Meeting are entitled to appoint one or more proxies to exercise all or any of their rights to attend and to speak and vote at the Meeting. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company.
2. A member may vote at the General Meeting subject to being on the Register of Members as at 6.30 p.m. on 26 October 2018.
3. A Form of Proxy is enclosed. To be effective, the Form of Proxy and any power of attorney under which it is executed (or a duly certified copy of any such power) must reach the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, BN99 6DA, not less than 48 hours (excluding non-working days), before the time of the General Meeting (i.e. 10.00 a.m. on 26 October 2018) or adjourned General Meeting or (in the case of a poll taken otherwise than at or on the same day as the General Meeting or adjourned General Meeting) for the taking of the poll at which it is to be used. Completion and return of the Form of Proxy will not prevent a member from attending and voting at the General Meeting. Replacement forms of proxy may be obtained from the Company's Registrar.
4. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those holders of Ordinary Shares entered on the Register of Members of the Company as at 6.30 p.m. on 26 October 2018 ("the Specified Time") shall be entitled to attend and vote at the General Meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the Register of Members after the Specified Time shall be disregarded in determining the rights of any person to attend and vote at the General Meeting. If the General Meeting is adjourned to a time not more than 48 hours after the Specified Time applicable to the original meeting, that time will also apply for the purposes of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned General Meeting. If, however, the General Meeting is adjourned for a longer period, then, to be so entitled, members must be entered on the Company's Register of Members at 6.30 p.m. on the date two days prior to the adjourned General Meeting.

5. CREST Members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held on 30 October 2018 and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST Members who have appointed a voting 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. For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with CREST specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer’s agent (ID RA19) by the latest time for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications 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. 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 messages. 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings ([www.euroclear.com](http://www.euroclear.com)). The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
6. The right to appoint a proxy does not apply to persons whose Ordinary Shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 (“nominated persons”). Nominated persons may have a right under an agreement with the member who holds the Ordinary Shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the Ordinary Shares as to the exercise of voting rights.
7. Shareholders are entitled to attend and vote at general meetings of the Company. On a vote by show of hands, every member and every duly appointed proxy who is present in person shall have one vote. On a poll vote, every member who is present in person or by proxy shall have one vote for every Ordinary Share of which he is the holder.
8. 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 they do not do so in relation to the same Ordinary Shares. A member that is a company may appoint either a proxy or a corporate representative. Members wishing to appoint a corporate representative should examine the Company’s articles of association and the provisions of the Companies Act 2006.
9. Under Section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the Meeting put by a member at the Meeting. However, the Company need not answer if a) to do so would interfere unduly with the preparation for 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.
10. The total number of issued Ordinary Shares/voting rights in the Company on 2 October 2018, which is the latest practicable date before the publication of this document, is 38,282,763.

11. You may not use any electronic address provided either in this Notice of General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
12. Information about the General Meeting is published on the Company's website [www.electraequity.com](http://www.electraequity.com). A copy of this Notice of General Meeting is also published on that website.

