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If you have sold or transferred all of your ordinary shares in Carclo plc, please send this document and any other documents that accompany it 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 transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding, you should retain this document and its enclosures.

CARCLO PLC

(incorporated in England and Wales under company number 196249)

NOTICE OF THE 2019 ANNUAL GENERAL MEETING

Notice of the 2019 Annual General Meeting of Carclo plc, to be held at The Law Society, 113 Chancery Lane, London WC2A 1PL on Wednesday 25 September 2019 at 11:30 am, is set out on pages 4 to 5 of this document. Your attention is drawn to the letter from the Executive Chairman on pages 2 to 3 of this document.

Whether or not you propose to attend the meeting, please complete and submit a proxy appointment in accordance with the Notes to the Notice of the Annual General Meeting set out on pages 6 and 7. To be valid, the proxy appointment must be received at the address for delivery specified in the Notes by no later than by 11:30 am on Monday 23 September 2019.

LETTER FROM THE EXECUTIVE CHAIRMAN

To the holders of ordinary shares in Carclo plc (the **Company**)

2 September 2019

Dear Shareholder

2019 Annual General Meeting

This year's annual general meeting will be held at The Law Society, 113 Chancery Lane, London WC2A 1PL on Wednesday 25 September 2019 at 11:30 am (the **AGM**). The formal notice of AGM is set out on pages 4 to 5 of this document and contains the proposed resolutions. Explanatory notes to the business to be considered are set out at the Appendix to this document on pages 8 to 11, but I would draw your attention to the following matters in particular:

Annual Report and Accounts

Due to the delay in the publication of the financial results of the Group as previously announced, the Company is unable to propose at the AGM the resolutions to receive the Annual Report and Accounts in respect of the year ended 31 March 2019, to approve the directors' remuneration report for the year ended 31 March 2019, to re-appoint the auditors and to authorise the board to determine the auditors' remuneration. A separate general meeting will therefore be convened as soon as is practicable after the AGM specifically to deal with these items of business.

Election / Re-election of Directors

The first five resolutions being proposed at the AGM relate to the election/re-election of directors.

As announced on 4 July 2019, Sarah Matthews-DeMers, Group Finance Director, is leaving the Group. Sarah will leave the Group at the end of October to take up a similar role with a growing AIM listed company. Sarah has worked tirelessly on behalf of the Group and has made a strong positive impression with everybody she has met.

In order that the Group can function as smoothly as possible until a successor Group Finance Director is appointed, her re-election is strongly recommended by the board.

In the current challenging circumstances, the frequency of board meetings and calls has increased greatly which has added significantly to the workload of the three non-executive directors, Joe Oatley, Peter Slabbert and David Toohey. They have each risen to the task and dedicated many hours to the role, bringing their extensive experience to the board and providing insightful advice to me as Executive Chairman.

Accordingly, shareholders are recommended to vote in favour of their re-election at the forthcoming AGM.

I have also put myself forward to be re-elected as a director and hope to receive shareholder support for my re-election. Whilst I am currently filling the role of Executive Chairman, the intention is to appoint a new Group Chief Executive as soon as possible and for me to then step back to a Non-executive Chairman role.

Voting at the AGM

Only holders of ordinary shares or their duly appointed proxies or representatives may vote at the AGM.

All of your votes are important to us and this year, for the first time, you will be invited to vote on each of the resolutions by way of a poll, as permitted by the Company's articles of association. This is in line with practice adopted by many UK public companies, primarily as a result of the complexities of the law around voting on a show of hands. It also means that the voting results will be a more representative reflection of the views of our shareholder base. On a poll, each eligible shareholder has one vote in respect of each share held.

Action to be taken

Whether or not you propose to attend the AGM, please complete and return the enclosed form of proxy so as to be received by the Company's Registrar, Equiniti, by no later than 11:30 am on Monday 23 September 2019. Alternatively, if you are a member of CREST, you may submit a proxy appointment electronically through the CREST voting service. Further details are set out in the notes to the notice of AGM. The appointment of a proxy will not stop you from attending the AGM and voting in person should you so wish.

Recommendation

The Company's board of directors considers that each of the resolutions set out in the notice of AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommends shareholders to vote in favour of them as the directors intend to do in respect of their own beneficial shareholdings (save in respect of those resolutions in which they are interested).

I look forward to seeing as many of you as possible at the AGM.

Yours faithfully

Mark Rollins
Executive Chairman

CARCLO PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2019 Annual General Meeting of the Company will be held at The Law Society, 113 Chancery Lane, London WC2A 1PL on Wednesday 25 September 2019 at 11:30 am to consider, and if thought fit, pass the proposed resolutions set out below of which resolutions 1 to 6 will be proposed as ordinary resolutions and resolutions 7 to 9 will be proposed as special resolutions.

- 1 To elect Joe Oatley as a director.
- 2 To re-elect Mark Rollins as a director.
- 3 To re-elect Sarah Matthews-DeMers as a director.
- 4 To re-elect Peter Slabbert as a director.
- 5 To re-elect David Toohey as a director.
- 6 That the directors are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (**Allotment Rights**), but so that:
 - (a) the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £1,211,417;
 - (b) this authority shall expire at the close of business on 30 September 2020 or, if earlier, on the conclusion of the Company's next annual general meeting;
 - (c) the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry and the directors may allot shares or grant Allotment Rights under any such offer or agreement as if the authority had not expired; and
 - (d) all authorities vested in the directors on the date of the notice of this meeting to allot shares or to grant Allotment Rights that remain unexercised at the commencement of this meeting are revoked.
- 7 That, subject to the passing of resolution 6 in the notice of this meeting, the directors are empowered pursuant to sections 570 and 573 of the Companies Act 2006 to allot equity securities (as defined in section 560 of that Act) for cash, pursuant to the authority conferred on them by resolution 6 in the notice of this meeting or by way of a sale of treasury shares as if section 561 of that Act did not apply to any such allotment, provided that this power is limited to:
 - (a) the allotment of equity securities in connection with any rights issue or open offer (each as referred to in the Financial Conduct Authority's listing rules) or any other pre-emptive offer that is open for acceptance for a period determined by the directors to the holders of ordinary shares on the register on any fixed record date in proportion to their holdings of ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject in each case to such exclusions or other arrangements as the directors may deem necessary or appropriate in relation to fractions of such securities, the use of more

than one currency for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares, any legal or practical problems in relation to any territory or the requirements of any regulatory body or any stock exchange; and

- (b) the allotment of equity securities (other than pursuant to paragraph 7(a) above) with an aggregate nominal value of £183,548,

and shall expire on the revocation or expiry (unless renewed) of the authority conferred on the directors by resolution 6 in the notice of this meeting, save that, before the expiry of this power, the Company may make any 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 power had not expired.

8 That the Company is generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006 to make market purchases (as defined in section 693 of that Act) of its ordinary shares, provided that:

- (a) the maximum aggregate number of such shares that may be acquired under this authority is 7,341,919;
- (b) the minimum price (exclusive of expenses) which may be paid for such a share is its nominal value;
- (c) the maximum price (exclusive of expenses) which may be paid for such a share is the maximum price permitted under the Financial Conduct Authority's listing rules or, in the case of a tender offer (as referred to in those rules), five per cent. above the average of the middle market quotations for an ordinary share (as derived from the London Stock Exchange's Daily Official List) for the five business days immediately preceding the date on which the terms of the tender offer are announced;
- (d) this authority shall expire at the close of business on 30 September 2020 or, if earlier, on the conclusion of the Company's next annual general meeting; and
- (e) before such expiry the Company may enter into a contract to purchase shares that would or might require a purchase to be completed after such expiry and the Company may purchase shares pursuant to any such contract as if the authority had not expired.

9 That any general meeting of the Company that is not an annual general meeting may be called by not less than 14 clear days' notice.

Registered office:
Springstone House
PO Box 88
27 Dewsbury Road
Ossett, West Yorkshire
WF5 9WS

By order of the Board
Richard Cole
Company Secretary
30 August 2019

NOTES:

- 1 **A member who is entitled to attend and vote at the meeting is entitled to appoint another person, or two or more persons in respect of different shares held by him, as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting.**
- 2 The right of a member of the Company to vote at the meeting will be determined by reference to the register of members. A member must be registered on that register as the holder of ordinary shares by 6:30 pm on Monday 23 September 2019 in order to be entitled to attend and vote at the meeting as a member in respect of those shares.
- 3 A member wishing to attend and vote at the meeting in person should arrive prior to the time fixed for its commencement. A member that is a corporation can only attend and vote at the meeting in person through one or more representatives appointed in accordance with section 323 of the Companies Act 2006. Any such representative should bring to the meeting written evidence of his appointment, such as a certified copy of a board resolution of, or a letter from, the corporation concerned confirming the appointment. Any member wishing to vote at the meeting without attending in person or (in the case of a corporation) through its duly appointed representative must appoint a proxy to do so. Forms for the appointment of a proxy that can be used for this purpose have been provided to members with this notice of meeting. To be valid, a proxy appointment form must be completed in accordance with the instructions that accompany it and then delivered (together with any power of attorney or other authority under which it is signed, or a certified copy of such item) to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by 11:30 am on Monday 23 September 2019. Members who hold their shares in uncertificated form may use "the CREST voting service" to appoint a proxy electronically, as explained below. Appointing a proxy will not prevent a member from attending and voting in person at the meeting should he so wish.
- 4 All resolutions contained in this notice of meeting will be put to a vote on a poll. This will result in a more accurate reflection of the views of members by ensuring that every vote is recognised, including the votes of those members who are unable to attend but who have appointed a proxy for the meeting. On a poll, each member has one vote for every share held.
- 5 Any person to whom this notice is sent who is currently nominated by a member of the Company to enjoy information rights under section 146 of the Companies Act 2006 (**nominated person**) may have a right under an agreement between him and that member to be appointed, or to have someone else appointed, as a proxy for the meeting. If a nominated person has no such right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member concerned as to the exercise of voting rights. The statement in note 1 above of the rights of a member in relation to the appointment of proxies does not apply to a nominated person. Such rights can only be exercised by the member concerned.
- 6 As at 28 August 2019 (the latest practicable date prior to the printing of this document) (i) the Company's issued share capital consisted of 73,419,193 ordinary shares, carrying one vote each, and (ii) the total voting rights in the Company were 73,419,193.
- 7 Each member attending the meeting has the right to ask questions relating to the business being dealt with at the meeting which, in accordance with section 319A of the Companies Act 2006 and subject to some exceptions, the Company must cause to be answered. Information relating to the meeting which the Company is required by the Companies Act 2006 to publish on a website in advance of the meeting may be viewed at www.carclo.co.uk. A member may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the meeting other than as expressly stated in it.
- 8 CREST members who wish to appoint one or more proxies through the CREST system may do so by using the procedures described in "the CREST voting service" section of the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed one or more voting service providers, should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or a proxy instruction made using the CREST voting service to be valid, the appropriate CREST message (**CREST proxy appointment instruction**) must be properly authenticated in accordance with the specifications of CREST's operator, Euroclear UK & Ireland Limited (**Euroclear**), and must contain all the relevant information required by the CREST Manual. To be valid, the message (regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by Equiniti (ID RA19), as the Company's "issuer's agent", by 11:30 am on Monday 23 September 2019. After this time any change of instruction to a proxy appointed through the CREST system should be communicated to the appointee through other means. The time of the message's receipt will be taken to be when (as determined by the timestamp applied by the CREST Applications Host) the issuer's agent is first able to retrieve it by enquiry through the CREST system in the prescribed manner. Euroclear does not make available special procedures in the CREST system for transmitting any particular message.

Normal system timings and limitations apply in relation to the input of CREST proxy appointment instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or a CREST sponsored member or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service providers should take into account the provisions of the CREST Manual concerning timings as well as its section on "Practical limitations of the system". In certain circumstances the Company may, in accordance with the Uncertificated Securities Regulations 2001 or the CREST Manual, treat a CREST proxy appointment instruction as invalid.

APPENDIX

Explanatory notes to the business of the AGM

Resolutions 1 to 5 – Election and re-election of directors

Resolutions 1 to 5 are to be proposed as ordinary resolutions and relate to the election and re-election of the Company's directors. The Company's articles of association require a director who has been appointed by the board of directors during the year to retire at the annual general meeting next following his or her appointment. Joe Oatley was appointed as a Non-Executive Director with effect from 20 July 2018 and, consequently, he will retire from office at the AGM. Mr. Oatley intends to stand for election by the shareholders for the first time.

The Company's articles of association also require one-third of the remaining directors to retire from office at each annual general meeting. A director who retires at an annual general meeting may be re-elected by the shareholders. Notwithstanding the provisions of the Company's articles of association, the board of directors has determined that all of the remaining directors will retire from office at the AGM in line with best practice recommendations of the 2018 UK Corporate Governance Code and each of them will stand for re-election by the shareholders, including Sarah Matthews-DeMers notwithstanding the fact that, as announced on 4 July 2019, she intends to step down from the board and leave the Carclo Group. Sarah will leave the Group at the end of October 2019.

The Chairman confirms that, following formal performance evaluation, each of the directors standing for election or re-election continues to be an effective member of the board, to make a positive contribution and to demonstrate commitment to the role. The board believes that its members comprise a complementary mix of financial, commercial and operational skills, with each director providing strategic input gained from significant experience in senior executive roles, details of which are set out below. The board believes that the considerable and wide-ranging experience of all of its directors will continue to be invaluable to the Company. Further information relating to each of the directors is set out below.

Joe Oatley (Independent Non-Executive Director)

Joe was appointed as a Non-Executive Director of the Company and the Chairman of the Remuneration Committee with effect from 20 July 2018. He is currently also a Non-Executive Director at Wates Group Limited. Previously he was Group Chief Executive of Cape plc from 2012 to 2017. Prior to joining Cape he was Chief Executive of Hamworthy plc.

Committees: Remuneration Committee (Chair); Audit Committee; Nomination Committee

Mark Rollins (Executive Chairman)

Mark joined the Group as a Non-Executive Director on 1 January 2018. He became Chairman at the conclusion of the 2018 AGM and Executive Chairman on 11 January 2019. He is currently the Senior Independent Director of Tyman plc and the Non-Executive Chairman of Sigma Precision Components UK Limited. Previously, Mark was Group Chief Executive of Senior plc from March 2008 until his retirement in June 2015. He is a Chartered Accountant and joined Senior plc from The Morgan Crucible Company plc as a Divisional Finance Director in March 1998, before being appointed as Group Finance Director in July 2000.

Committees: Nomination Committee (Chair)

Sarah Matthews-DeMers (Finance Director)

Sarah is a Chartered Accountant who joined the Group on 18 July 2018 as Finance Director after leaving Rotork plc where she was Director of Strategy and Investor Relations. Prior to that she was Deputy Group Finance Director at Avon Rubber plc where her responsibilities included corporate reporting, investor relations, treasury, tax, M&A and post-transaction integration. During her time at Avon, she spent a period as Interim Group Finance Director. As announced on 4 July 2019, Sarah will be resigning from Carclo plc. Sarah will be taking up a position as Chief Financial Officer of AB Dynamics plc.

Committees: None

Peter Slabbert (Senior Independent Non-Executive Director)

Peter was appointed a Non-Executive Director of the Company from 1 April 2015 and Chairman of the Audit Committee from that date. He was Chief Executive of Avon Rubber plc from April 2008 to September 2015. He joined Avon as Group Financial Controller in May 2000 and he was appointed Group Finance Director on 1 July 2005. A Chartered Accountant, Peter joined from Tilbury Douglas where he was Divisional Finance Director and Group Financial Controller. Prior to that, he worked at Bearing Power International as Finance Director.

Committees: Audit Committee (Chair), Nomination Committee, Remuneration Committee

David Toohey (Independent Non-Executive Director)

David was appointed a Non-Executive Director of the Company from 1 April 2015. He has over 30 years' experience in international business, the last 20 of which have been in medical devices and the In Vitro Diagnostics industry. He has been Chief Executive Officer of Syncrophi Systems Limited since 2012. He joined Syncrophi from Alere Inc, where he spent 11 years in senior managerial roles, latterly as President of International Business Operations. He has held various Executive positions at Boston Scientific Corporation, Bausch & Lomb, Inc., Digital Equipment Corp. and Mars, Inc.

Committees: Audit Committee, Nomination Committee, Remuneration Committee

Resolution 6 - Authority to allot shares

The directors currently have a general authority to allot new shares in the Company and to grant rights to subscribe for, or convert any securities into, shares. This authority is, however, due to expire at the AGM and the board would like to renew it to provide the directors with flexibility to allot new shares and grant rights up until the Company's next annual general meeting within the limits prescribed by The Investment Association.

If passed, this resolution will authorise the directors to allot (or grant rights over) new shares in the Company in any circumstances up to a maximum aggregate nominal amount of £1,211,417. This amount represents approximately 33 per cent. of the Company's issued ordinary share capital as at 28 August 2019 (being the latest practicable date prior to publication of this document). The Company did not hold any shares in treasury as at that date.

The directors do not have any present intention to exercise this authority, however the board considers it prudent to maintain the flexibility that it provides to enable the directors to respond to any

appropriate opportunities that may arise. If passed, this authority will expire at the close of business on 30 September 2020 or, if earlier, at the conclusion of the Company's next annual general meeting.

Resolution 7 – Disapplication of pre-emption rights

Resolution 7 is a special resolution which, if passed by shareholders, will enable the directors to allot equity securities (such as ordinary shares) in the Company, or to sell any shares out of treasury, for cash, without first offering those equity securities to existing shareholders in proportion to their existing holdings, and within the limits prescribed by the Statement of Principles on the disapplication of pre-emption rights issued by the Pre-Emption Group.

If passed by shareholders, this resolution will permit the board to allot ordinary shares for cash on a non-pre-emptive basis both in connection with a rights issue or similar pre-emptive issue and, otherwise than in connection with any such issue, up to a maximum nominal amount of £183,548. This amount represents approximately five per cent. of the Company's issued ordinary share capital as at 28 August 2019 (being the latest practicable date prior to publication of this document). This resolution will permit the board to allot ordinary shares for cash, up to the specified level, in any circumstances.

The directors do not have any present intention of exercising this power but believe that it is in the best interests of shareholders to continue to have this flexibility, in those limited circumstances, to allot shares or to sell treasury shares for cash.

The directors 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. Those provisions provide that a company should not issue shares for cash representing more than 7.5 per cent. of the company's issued share capital in any rolling three year period, other than to existing shareholders, without prior consultation with shareholders.

The Company does not intend to seek at the AGM any additional power to allot equity securities for cash on a non-pre-emptive basis for use in connection with acquisitions and capital investments.

Resolution 8 - Purchase of own shares

This special resolution, if passed, will authorise the Company to make market purchases of its own ordinary shares up until at close of business on 30 September 2020 or, if earlier, the Company's next annual general meeting, subject to specific conditions relating to price and volume.

The maximum number of ordinary shares which may be purchased under this authority is 7,341,919, representing approximately ten per cent. of the Company's issued ordinary share capital as at 28 August 2019 (being the latest date prior to publication of this document).

The minimum price which could be paid for a share would be its nominal value and the maximum price would be that permitted by the Financial Conduct Authority's Listing Rules or, in case of a tender offer, five per cent. above the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the terms of the tender offer are announced. In each case, the minimum and maximum prices exclude expenses.

The directors have no present intention of exercising this authority, but wish to have the flexibility to do so in the future. Shares would only be purchased if the directors believed that to do so would result in an improvement in earnings per share and would be in the best interests of shareholders generally. Any purchases would be made through the London Stock Exchange and purchased shares would be cancelled (in which case the number of shares in issue would thereby be reduced) or, alternatively,

held in treasury, depending on which course of action is considered by the directors to be in the best interests of the shareholders at that time.

Resolution 9 – Notice of general meetings

Resolution 9 is a special resolution to allow the Company to call general meetings (other than annual general meetings) on not less than 14 clear days' notice.

The Company currently has the power to call a general meeting (other than an annual general meeting) on at least 14 days' notice and would like to preserve this ability. In order to do so, shareholders must first approve the calling of meetings on at least 14 days' notice. This resolution seeks such approval. The approval will be effective until the Company's next annual general meeting. The shorter notice period would not be used as a matter of routine for such meetings, but only where it is merited by the business of the meeting and is considered to be in the interests of shareholders as a whole.

