

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000, or an appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

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 GENERAL MEETING

Notice of a General Meeting of Carclo plc, to be held at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG on 5 September 2019 at 11:30 am, is set out on page 3 of this document. Your attention is drawn to the letter from the Executive Chairman on page 2 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 General Meeting set out on pages 3 and 4. 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 3 September 2019.

LETTER FROM THE EXECUTIVE CHAIRMAN

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

9 August 2019

Dear Shareholder

Notice of General Meeting

I am writing to inform you that a general meeting of the Company's shareholders will be held at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG on 5 September 2019 at 11:30 am (the **General Meeting**). The formal Notice of General Meeting is set out on page 3 of this document.

As previously announced, during the course of the preparation of the financial results the board has become aware that the value of the Company's net assets is now less than half of its called-up share capital.

In such circumstances of a serious loss of capital, the directors are required, pursuant to section 656(1) of the Companies Act 2006, to call a general meeting to consider whether any, and if so what, steps should be taken to deal with the situation. Accordingly, the board is calling the General Meeting to ensure that this matter is addressed with shareholders.

The loss of capital in the Company has principally resulted from an increase in the pension deficit and the write-down of the Company's investment in Wipac, given the poor operating performance of the business.

The board welcomes dialogue with shareholders on this issue and the General Meeting will provide a forum for such discussions to take place.

Action to be taken

Shareholders should note that they will not be asked to vote on this agenda item which is for discussion only. Whether or not you propose to attend the General Meeting for the discussion, 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 3 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 General Meeting. The appointment of a proxy will not stop you from attending the General Meeting in person should you so wish.

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

Yours faithfully

Mark Rollins
Executive Chairman

CARCLO PLC

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of the Company will be held at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG on 5 September 2019 at 11:30 am.

Serious Loss of Capital

To consider, pursuant to section 656(1) of the Companies Act 2006, whether any, and if so what, steps should be taken to address the serious loss of capital within the Company.

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

By order of the Board
Richard Ottaway
Company Secretary
9 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 3 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 speak and, if appropriate, 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 3 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 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.
- 5 As at 8 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.

- 6 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.
- 7 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 3 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.