

# Notice of Annual General Meeting

**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 immediately seek your own advice from an independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in the Company, please pass this document together with the accompanying form of proxy 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.

Notice of the Annual General Meeting of the Company to be held at the Hilton London Paddington, 146 Praed Street, London, W2 1EE on Thursday 23 May 2019 at 12 noon is set out in this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be completed, signed and received by 12 noon on Tuesday 21 May 2019.

Completion and return of a form of proxy will not preclude shareholders from attending and voting at the Annual General Meeting should they choose to do so. Further instructions relating to the form of proxy are set out in this document.

# Notice of Annual General Meeting

Notice is hereby given that the 2019 Annual General Meeting of Essentra plc (the "Company") will be held at the Hilton London Paddington, 146 Praed Street, London, W2 1EE on Thursday 23 May 2019 at 12 noon.

A form of proxy for use in connection with this meeting is enclosed with this document. Whether or not you propose to attend the Annual General Meeting ("AGM"), please fill in the proxy form and return it to the registrars as soon as possible. They must receive it by 12 noon on Tuesday 21 May 2019. You will be asked to consider and pass the resolutions below.

The Board considers that all the resolutions to be put to the AGM are in the best interests of the Company and its shareholders as a whole. The Board will be voting in favour of them in respect of their own shareholdings and unanimously recommends that you do so as well.

All resolutions will be put to vote on a poll. This will result in a more accurate reflection of the views of shareholders by ensuring that every vote is recognised, including the votes of all shareholders who are unable to attend the AGM but who appoint a proxy to attend the AGM. On a poll, each shareholder has one vote for every share held.

## Resolutions

Resolutions 1 to 13 (inclusive) will be proposed as ordinary resolutions.

Resolutions 14 to 17 (inclusive) will be proposed as special resolutions.

1. To receive and adopt the accounts for the financial year ended 31 December 2018 and the Reports of the Directors and, Auditor and the Strategic Report.
2. To approve the Remuneration Committee Chairman's Letter and the Annual Report on Remuneration for the financial year ended 31 December 2018,

as set out in of the Company's Annual Report 2018.

3. To declare a final dividend for the financial year ended 31 December 2018 of 14.4 pence per ordinary share.
4. To elect Lily Liu as a Director of the Company.
5. To re-elect Paul Lester as a Director of the Company.
6. To re-elect Paul Forman as a Director of the Company.
7. To re-elect Tommy Breen as a Director of the Company.
8. To re-elect Mary Reilly as a Director of the Company.
9. To re-elect Lorraine Trainer as a Director of the Company.
10. To re-elect Ralf K. Wunderlich as a Director of the Company.
11. To appoint PricewaterhouseCoopers LLP as Auditor until the conclusion of the next general meeting at which audited accounts are laid before the Company.
12. To authorise the Directors to fix the Auditor's remuneration.

## 13. General power to allot (ordinary resolution)

The Board be generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:

- (a) up to a nominal amount of £21,919,614 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of such sum); and
- (b) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a nominal amount of £43,839,229 (such amount to be reduced by any allotments or grants made under paragraph (a) above) 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 Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such authorities to apply until the end of next year's AGM (or, if earlier, until the close of business on 23 July 2020) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

## 14. General power to disapply pre-emption rights (special resolution)

That if resolution 13 is passed, the Board be given power to allot equity securities (as defined in the Companies Act 2006) 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 Companies Act 2006 did not apply to any such allotment or sale, such power to be limited:

- (a) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 13, by way of a rights issue only):

- (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 Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with 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 the case of the authority granted under paragraph (a) of resolution 13 and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than under paragraph (a) above) of equity securities or sale of treasury shares up to a nominal amount of £3,287,942,

such power to apply until the end of next year's AGM (or, if earlier, until the close of business on 23 July 2020) but, in each case, during this period 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 power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

#### **15. Specific power to disapply pre-emption rights in connection with an acquisition or specified capital investment (special resolution)**

That if resolution 13 is passed, the Board be given the power in addition to any power granted under resolution 15 to allot equity securities (as defined in the Companies Act 2006) for cash under the authority granted under paragraph (a) of resolution 14 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such power be:

- (a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £3,287,942; and
- (b) used only for the purposes of financing 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 or for the purposes of refinancing such a transaction within six months of its taking place, such power to apply until

the end of next year's AGM (or, if earlier, until the close of business on 23 July 2020) but, in each case, during this period 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 power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

#### **16. Purchase of own shares (special resolution)**

That the Company be authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 25 pence each ("Ordinary Shares"), such power to be limited:

- (a) to a maximum number of 26,303,536 Ordinary Shares;
- (b) by the condition that the minimum price which may be paid for an Ordinary Share is the nominal amount of that share and the maximum price which may be paid for an Ordinary Share is the highest of:
  - (i) an amount equal to 5% above the average market value of an Ordinary Share for the five business days immediately preceding the day on which that Ordinary Share is contracted to be purchased; and
  - (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out, in each case, exclusive of expenses;

such power to apply until the end of next year's AGM (or, if earlier, 23 July 2020) but in each case so that the Company may enter into a contract to purchase Ordinary Shares which will or may be completed or executed wholly or partly after the power ends and the Company may purchase Ordinary Shares pursuant to any such contract as if the power had not ended.

#### **17. Notice of general meetings (special resolution)**

That a general meeting other than an Annual General Meeting may be called with not less than 14 clear days' notice.

#### **By order of the Board**

**Jon Green**  
**Company Secretary**  
 22 March 2019

Registered Office:  
 Avebury House  
 201-249 Avebury Boulevard  
 Milton Keynes, Buckinghamshire  
 MK9 1AU

Registered in England and Wales  
 No. 05444653

#### **Inspection of documents**

The following documents will be available for inspection at the Company's registered office at Avebury House, 201-249 Avebury Boulevard, Milton Keynes, Buckinghamshire MK9 1AU between 8.30 am and 5.00 pm on any weekday (Saturdays, Sundays and public holidays excluded) from the date of this Notice until the date of the AGM and at the Hilton London Paddington, 146 Praed Street, London, W2 1EE from 15 minutes before the AGM until it ends:

- Copies of the Executive Directors' service contracts
- Copies of letters of appointment of the Non-Executive Directors

# Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. 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 share or 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 Computershare Investor Services Plc on 0370 703 6394.

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).
2. To be valid, any proxy form or other instrument appointing a proxy must be received by post (during normal business hours only), by hand at Computershare Investor Services Plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or, if you prefer, electronically via the internet at [computershare.com](http://computershare.com) or, if you are a CREST member, via CREST, in each case no later than Tuesday 21 May 2019 or not less than 48 hours before any adjourned meeting.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
4. To vote using the internet, go to [eproxyappointment.com](http://eproxyappointment.com). You will be asked to enter the Shareholder Reference Number, control number and PIN number as printed on your form of proxy, and to agree to certain terms and conditions. For best results it is recommended that the last vendor supported releases are used for internet browsers.
5. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 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 paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
7. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company by close of business on 21 May 2019 (or, in the event of any adjournment, on the date which is two days before the time of 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 AGM.
8. As at 22 March 2019 (being the last business day prior to the publication of this Notice), the Company holds 1,093,795 shares as treasury shares within the meaning of section 724 of the Companies Act 2006, representing approximately 0.42% of the total ordinary share capital of the Company in issue. The Company's issued share capital consists of 264,129,170 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 22 March 2019 are 263,035,375.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so 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 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.
10. In order 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 Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [euroclear.com/CREST](http://euroclear.com/CREST)). 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, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by 12 noon Tuesday 21 May 2019 or 48 hours prior to any adjourned 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

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.

11. 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, to procure that the 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.
12. 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.
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 they do not do so in relation to the same shares.
14. Under section 527 of the Companies Act 2006, members 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 circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. 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 Companies Act 2006. Where the Company is

required to place a statement on a website under section 527 of the Companies Act 2006, 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 Companies Act 2006 to publish on a website.

15. Any member 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 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.
16. You may not use any electronic address provided either in this notice of AGM or any related documents (including the Chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.
17. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at [essentra plc.com](http://essentra plc.com).

#### **EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING**

The notes on the following pages give an explanation of the proposed resolutions. Resolutions 1 to 13 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 14 to 17 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

#### **1. Approval of Remuneration Committee Chairman's Letter and Annual Report on Remuneration (ordinary resolution 2)**

Resolution 2 seeks shareholder approval for the Remuneration Committee Chairman's letter and the Annual Report on Remuneration as set out in the Annual Report 2018.

#### **2. Dividend (ordinary resolution 3)**

A final dividend for the financial year ended 31 December 2018 of 14.4 pence per ordinary share is recommended by the Directors and is put to the shareholders for their approval. If approved, the dividend will be paid on 3 June 2019 to shareholders on the Register of Members of the Company at the close of business on 26 April 2019 making a total dividend in respect of the financial year ended 31 December 2018 of 20.7 pence per ordinary share. In accordance with the Articles of Association of the Company, the shareholders cannot resolve to pay an amount greater than that recommended by the Directors.

#### **3. Directors (ordinary resolutions 4, 5, 6, 7, 8, 9, and 10)**

Biographical details of the Directors to be elected or re-elected can be found in the Annual Report 2018 and on the Company website [essentra plc.com](http://essentra plc.com). The Board considers that each Director offering themselves for re-election continues to contribute effectively and to demonstrate commitment to their role (including commitment for Board and Committee meetings and other duties).

In accordance with provision B.7.1 of the UK 2016 Corporate Governance Code and provision 18 of the UK 2016 Corporate Governance Code, for the reasons set out in paragraphs (a) to (g) below, the Board deems that each Director's contribution is and continues to be, important to the long-term sustainable success of Essentra plc.

#### **(a) Lily Liu – Chief Financial Officer**

Lily was appointed to the Board as Chief Financial Officer in November 2018. Lily brings extensive financial experience and industry knowledge having worked across Asia, Europe and Australia in the manufacturing and engineering sectors over a period of nearly 20 years. She has held previous positions as the Chief Financial Officer of Xaar plc and Chief Financial Officer of Smiths Detection, Smiths Group Plc.

**(b) Paul Lester – Independent Non-Executive Chairman**

Shortly after his appointment to the Board in December 2015, Paul was made Non-Executive Chairman in May 2016. Since Paul's appointment he has developed an in-depth knowledge of Essentra and the different businesses which make up the Group. Paul's previous appointments as Chief Executive, Chairman and Managing Director within other public companies, enable him to provide effective leadership to the Board.

**Committee membership:**

Chairman of the Nomination Committee

**External appointments:**

Non-Executive Chairman of Forterra plc  
Non-Executive Chairman of McCarthy & Stone plc  
Non-Executive Chairman of Knight Square Holdings

**(c) Paul Forman – Chief Executive**

Paul was appointed as Chief Executive in January 2017. He has significant experience in company rationalisation as well as growth through acquisition, and instigating and delivering a clear vision and corporate strategy and driving material financial improvements gained from his prior experience as Group Chief Executive at Coats Group plc, a position he held for seven years. This role followed a number of senior positions within Coats.

**Committee membership:**

Member of the Nomination Committee

**External appointments:**

Non-Executive Director of Tate & Lyle plc

**(d) Tommy Breen – Independent Non-Executive Director, Senior Independent Director**

Tommy joined Essentra as an Independent Non-Executive Director in April 2015 and was appointed as the Senior Independent Director in April 2018. Tommy brings significant experience to Essentra, in particular growing diverse businesses both organically and via acquisition during his 30-year career. Tommy recently retired from his role as Chief Executive of DCC plc an international sales, marketing, distribution and business support services group, with operations in 13 countries.

**Committee membership:**

Member of the Audit and Risk Committee

Member of the Remuneration Committee

Member of the Nomination Committee

**(e) Lorraine Trainer – Independent Non-Executive Director**

Lorraine joined Essentra in July 2013 and was appointed as Chairman of the Remuneration Committee in April 2014. Lorraine has 20 years' experience in Human Resources and currently combines her Board work with consultancy at and around Board level in Director development. Lorraine's past appointments include Non-Executive Director and Chairman of the Remuneration Committee of Jupiter Fund Management plc, Non-Executive Director of Aegis Group plc and Colt Group S.A.

**Committee membership:**

Chairman of the Remuneration Committee

Member of the Audit and Risk Committee

Member of the Nomination Committee

**External appointments:**

Non-Executive Director of Sonae – SGPS, S.A.

Non-Executive Director of TP ICAP plc

**(f) Mary Reilly – Independent Non-Executive Director**

Mary was appointed to the Board in July 2017 and Chairman of the Audit and Risk Committee in April 2018. Mary was also appointed as the Board Employee Champion for Essentra effective from 1 January 2019. Mary brings a wealth of accounting, finance and international management experience to Essentra, having previously been a Partner of Deloitte LLP for more than twenty years, as well as serving on a number of Boards in a Non-Executive capacity since 2000.

**Committee membership:**

Chairman of the Audit and Risk Committee

Member of the Remuneration Committee

Member of the Nomination Committee

**External appointments:**

Non-Executive Director and Chair of the Audit Committee of Travelzoo

Non-Executive Director and Chair of the Audit Committee of Ferrexpo plc

Non-Executive Director of Mitie Group plc

**(g) Ralf K. Wunderlich – Independent Non-Executive Director**

Ralf joined Essentra in July 2017. Ralf has extensive international experience in the packaging industry, gained over many years and through living and working across three continents. Ralf was previously President and Managing Director of Amcor Flexibles – Asia Pacific and a member of the Global Group Executive Team of Amcor, who have operations in 40+ countries and revenue of US\$9.3bn.

**Committee membership:**

Member of the Remuneration Committee

Member of the Nomination Committee

**External appointments:**

Non-Executive Director of Aptar Group, Inc.

Non-Executive Director of Huhtamäki Oyj

**4. Appointment of PricewaterhouseCoopers LLP as Auditor (ordinary resolution 11)**

The Board has decided to put PricewaterhouseCoopers LLP forward to be re-appointed as the Auditor.

**5. Renewal of Directors' power to allot shares (ordinary resolution 13)**

Paragraph (a) of this resolution would give the Directors the authority 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 £21,919,614 (representing 87,678,458 ordinary shares of 25p each). This amount represents approximately one-third of the issued ordinary share capital (excluding treasury shares) of the Company as at 22 March 2019, the latest practicable date prior to publication of this Notice.

In line with guidance issued by the Investment Association, paragraph (b) of this resolution would give the Directors authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to £43,839,229 (representing 175,356,916 ordinary shares), as reduced by the nominal amount of any shares issued under paragraph (a) of this resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital (excluding treasury shares) of the Company as at 22 March 2019, the latest practicable date prior to publication of this Notice.

The authorities sought under paragraphs (a) and (b) of this resolution will expire at the earlier of 23 July 2020 and the conclusion of the AGM of the Company held in 2020.

The Directors have no present intention to exercise either of the authorities sought under this resolution. However, if they do exercise the authorities, the Directors intend to follow Investment Association recommendations concerning their use (including as regards the Directors standing for re-election in certain cases).

As at 22 March 2019 1,093,795 ordinary shares were held by the Company in Treasury representing 0.42% of the issued ordinary share capital (excluding treasury shares).

#### **6. General power to disapply pre-emption rights and specific power to disapply pre-emption rights in connection with an acquisition or specified capital investment (special resolutions 14 and 15)**

Resolutions 14 and 15 will be proposed as special resolutions, each of which requires a 75% majority of the votes to be cast in favour. They would give the Directors the authority 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 shareholdings.

The power set out in resolution 14 would be, similar to previous years, limited to 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 otherwise up to an aggregate nominal amount of £3,287,942 (representing 13,151,768 ordinary shares). This aggregate nominal amount represents approximately 5% of the issued ordinary share capital of the Company (excluding treasury shares) as at 22 March 2019, the latest practicable date prior to publication of this Notice.

In respect of the power under resolution 15(b), 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 where the Principles provide that usage in excess of 7.5% of the issued ordinary share capital of the Company (excluding treasury shares) should not take place without prior consultation with shareholders.

Resolution 15 is intended to give the Company flexibility to make non pre-

emptive issues of ordinary shares in connection with acquisitions and other capital investments as contemplated by the Pre-Emption Group's Statement of Principles. The power under resolution 15 is in addition to that proposed by resolution 14 and would be limited to allotments or sales of up to an aggregate nominal amount of £3,287,942 (representing 13,151,768 ordinary shares) in addition to the power set out in resolution 15. This aggregate nominal amount represents an additional 5% of the issued ordinary share capital of the Company (excluding treasury shares) as at 22 March 2019, the latest practicable date prior to publication of this Notice.

The power under resolutions 14 and 15 will expire at the earlier date of 23 July 2020 and the conclusion of the AGM of the Company held in 2020.

#### **7. Purchase of own shares (special resolution 16)**

Authority is sought for the Company to purchase up to 10% of its issued Ordinary Shares (excluding any treasury shares), renewing the authority granted by the shareholders at previous Annual General Meetings. The Company purchased no Ordinary Shares in the period from the last Annual General Meeting to 22 March 2019 under the existing authority.

The Directors have no present intention of exercising the authority to make market purchases, however the authority provides the flexibility to allow them to do so in the future. The Directors will exercise this authority only when to do so would be in the best interests of the Company, and of its shareholders generally, and could be expected to result in an increase in the earnings per share of the Company.

Ordinary Shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The Directors will consider holding any Ordinary Shares the Company may purchase as treasury shares. The Company currently has 1,093,795 Ordinary Shares in treasury. The minimum price, exclusive of expenses, which may be paid for an Ordinary Share is its nominal value. The maximum price, exclusive of expenses, which may be paid for an Ordinary Share is the highest of (i) an amount equal to 5% above the average market value for an Ordinary Share for the five business days immediately preceding the date of the purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out at the relevant time.

The Company has options outstanding over 5,280,953 Ordinary Shares, representing 2.2% of the Company's ordinary issued share capital (excluding treasury shares) as at 22 March 2019. If the existing authority given at the 2018 AGM and the authority now being sought by resolution 16 were to be fully used, these would represent 1.4% of the Company's ordinary issued share capital (excluding treasury shares) at that date.

The authority will expire at the earlier date of 23 July 2020 and the conclusion of the AGM of the Company held in 2020.

#### **8. Notice of general meetings (special resolution 17)**

The Companies (Shareholders' Rights) Regulations 2009 have increased the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot, however, be less than 14 clear days. AGMs will continue to be held on at least 21 clear days' notice.

Before the coming into force of the Companies (Shareholders' Rights) Regulations on 3 August 2009, the Company was able to call General Meetings other than an AGM on 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, resolution 17 seeks such approval.

The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

The shorter 14 clear days' notice period will not be used as a matter of routine for such meetings, but only where such flexibility is merited by the business of the meeting and thought to be in the interests of shareholders as a whole.

Note that the changes to the Companies Act 2006 mean that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

## Essentra plc

Avebury House  
201-249 Avebury Boulevard  
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Buckinghamshire  
MK9 1AU  
United Kingdom

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Fax: +44 (0)1908 359120  
Email: [enquiries@essentra.com](mailto:enquiries@essentra.com)

[essentraplc.com](http://essentraplc.com)

## How to get to London

### By rail

Hilton London Paddington is situated adjacent to Paddington Underground and Rail Station.

Paddington Rail Station Bus Stop, across the road, offers the 7, 23, 27, 36, 205, N7, and N205 bus services.

For further information, please contact National Rail Enquiries on 08457 48 49 50 (24 hours) or [nationalrail.co.uk](http://nationalrail.co.uk).

### Hilton London Paddington

146 Praed Street  
London  
W2 1EE  
United Kingdom  
Telephone: +44 20 7850 0500  
[hilton.com](http://hilton.com)

