

**This document is important and requires your immediate attention.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your ordinary shares, 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 ordinary shares.



## **Annual General Meeting 2017 Notice of Meeting and Explanatory Notes**

This document contains Notice of the Annual General Meeting of TT Electronics plc (the “Company”) to be held at the offices of Allen & Overy LLP, One Bishops Square, London, E1 6AD on Friday 12 May 2017 at 11.30am, together with explanatory notes regarding the business of the meeting.

The Board considers that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole and recommends that you vote in favour of all the resolutions.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a Form of Proxy in accordance with the instructions printed on the enclosed form. The Form of Proxy must be received by the Company’s registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, as soon as possible, and in any event no later than 11.30am on Wednesday 10 May 2017. For further details please see the Notes set out on pages 4 and 5 of this document. Completion and return of a Form of Proxy will not preclude you from attending and voting at the Annual General Meeting in person.

# Notice of Annual General Meeting

## TT Electronics plc

(Incorporated and registered in England and Wales under number 87249)

Notice is hereby given that the Annual General Meeting of TT Electronics plc will be held at the offices of Allen & Overy LLP, One Bishops Square, London, E1 6AD on 12 May 2017 at 11.30am to consider and, if thought fit, pass the following resolutions:

### Ordinary Resolutions

- 1 To receive the Annual report and accounts for the year ended 31 December 2016.
- 2 To approve the Directors' remuneration report (excluding the Directors' remuneration policy set out on pages 64 to 75 of the report) for the year ended 31 December 2016, as set out on pages 62 to 83 of the 2016 Annual report and accounts.
- 3 To approve the Directors' remuneration policy set out on pages 64 to 75 of the Directors' remuneration report for the year ended 31 December 2016.
- 4 To declare a final dividend of 3.9p per ordinary share.
- 5 To elect Jack Boyer as a Director.
- 6 To elect Alison Wood as a Director.
- 7 To re-elect Neil Carson as a Director.
- 8 To re-elect Richard Tyson as a Director.
- 9 To re-elect Mark Hoad as a Director.
- 10 To re-elect Stephen King as a Director.
- 11 To re-elect Michael Baunton as a Director.
- 12 To re-appoint KPMG LLP as Auditors of the Company.
- 13 To authorise the Audit Committee to determine the Auditors' remuneration.
- 14 That:
  - (a) the amendments to the TT Electronics plc Long Term Incentive Plan 2014 (the "LTIP"), a summary of which can be found on page 6 of this document (and a copy of the draft amended rules of which has been produced to the meeting and signed by the Chairman for the purposes of identification), be and are hereby approved; and
  - (b) the Board be and is hereby authorised to adopt the amendments to the LTIP and to do all such acts and things as they may consider appropriate or expedient to implement the amendments to the LTIP.
- 15 To authorise the Directors generally and unconditionally pursuant to section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £27,056,802 comprising:

- (a) an aggregate nominal amount of £13,528,401 (whether in connection with the same offer or issue as under (b) below or otherwise); and
- (b) an aggregate nominal amount of £13,528,401, in the form of equity securities (as defined in section 560 of the Companies Act 2006) in connection with an offer or issue by way of rights, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever.

This authority shall expire (unless renewed, varied or revoked by the Company in general meeting) on the earlier of 1 July 2018 and the conclusion of the Annual General Meeting of the Company to be held in 2018, except that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or such rights to be granted after such expiry and the Directors may allot shares or grant such rights pursuant to any such offer or agreement as if such authority had not expired.

### Special Resolutions

- 16 To empower the Directors pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of that Act) for cash pursuant to the general authority conferred on them by resolution 15 above and/or pursuant to section 573 of that Act to sell equity securities held as treasury shares for cash, in each case as if section 561 of that Act did not apply to any such allotment or sale, provided that this power shall be limited to:
  - (a) any such allotment and/or sale of equity securities in connection with an offer or issue by way of rights or other pre-emptive offer or issue, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever; and
  - (b) any such allotment and/or sale, otherwise than pursuant to paragraph (a) above, of equity securities having, in the case of ordinary shares, an aggregate nominal value or, in the case of other equity securities, giving the right to subscribe for or convert into ordinary shares having an aggregate nominal value, not exceeding the sum of £2,029,260.27.

This authority shall expire, unless previously revoked or renewed by the Company in general meeting, at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 July 2018, except that the Company may at any time before such expiry make any offer or agreement which would or might require equity securities to be allotted or equity securities held as treasury shares to be sold after such expiry and the Directors may allot equity securities and/or sell equity securities held as treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

17 That:

- (a) in addition to any authority granted under resolution 16, the Directors be given power:
  - (i) subject to the passing of resolution 15, to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under section 551 of that Act; and
  - (ii) to allot equity securities as defined in section 560(3) of that Act (sale of treasury shares) for cash,

in either case as if section 561 of that Act did not apply to the allotment or sale, but this power shall be:

- (A) limited to the allotment of equity securities up to a maximum nominal amount of £2,029,260.27; and
- (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board 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;

- (b) this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 July 2018; and
- (c) the Company may, before this power expires, make an offer or enter into an agreement, which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

18 That the Company be and is generally and unconditionally authorised to make market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 25 pence each on such terms and in such matter as the Directors may determine provided that in doing so it:

- (a) purchases no more than 16,234,082 ordinary shares of 25 pence each in aggregate;
- (b) pays not less than 25 pence (excluding expenses) per ordinary share of 25 pence each; and
- (c) pays a price per ordinary share that is not more (excluding expenses) per ordinary share than the higher of: (i) 5% above the average of the middle market quotations for the ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately before the day on which it purchases that share; and (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out.

This authority shall expire on 1 July 2018 or, if earlier, at the conclusion of the next Annual General Meeting of the Company, except that the Company may, if it agrees to purchase ordinary shares under this authority before it expires, complete the purchase wholly or partly after this authority expires.

19 To authorise the Directors to call a general meeting of the Company, other than an Annual General Meeting, on not less than 14 clear days' notice.

By order of the Board

**Lynton Boardman**  
Group Company Secretary

Registered Office  
Fourth Floor  
St Andrews House  
West Street  
Woking  
Surrey  
GU21 6EB

7 April 2017

- 1 A shareholder who is an individual is entitled to attend, speak and vote at the meeting or to appoint one or more other persons as his proxy to exercise all or any of his rights on his behalf. Further details of how to appoint a proxy, and the rights of proxies, are given in the paragraphs below. A shareholder that is a company can appoint one or more corporate representatives (such as a director or employee of the company) whose attendance at the meeting is treated as if the company were attending in person, or it can appoint one or more persons as its proxy to exercise all or any of its rights on its behalf. In each case, a person attending the meeting will need to provide the Company or its registrars, Equiniti Limited, with evidence of their identity and, if applicable, their appointment as a proxy or corporate representative with authority to vote on behalf of a shareholder.
- 2 A shareholder may appoint more than one proxy in relation to the Annual General Meeting 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. To appoint a proxy or proxies shareholders must: (a) submit a proxy electronically at [www.sharevote.co.uk](http://www.sharevote.co.uk); or (b) complete a Form of Proxy, sign it and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA; or (c) complete a CREST Proxy Instruction (as set out in paragraph 11 below), in each case so that it is received no later than 11.30am on 10 May 2017. To appoint more than one proxy, you will need to complete a separate Form of Proxy in relation to each appointment. A Form of Proxy for use in connection with the Annual General Meeting is enclosed with this document. Full details of the procedure to submit a proxy electronically are given on the website [www.sharevote.co.uk](http://www.sharevote.co.uk). To use this service, you will need your Voting ID, Task ID and Shareholder Reference Number printed on the Form of Proxy. If you do not have a Form of Proxy and believe that you should, please contact the Company's registrars, Equiniti Limited on 0371 384 2396 (or +44 121 415 7047 if calling from outside the United Kingdom) or at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. Lines are open from 8.30am to 5.30pm, Monday to Friday (except English public holidays).
- 3 You will need to state clearly on each Form of Proxy the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares to which each proxy appointment relates or specifying a number of shares in excess of those held by the shareholder will result in the proxy appointment being invalid.
- 4 The return of a completed Form of Proxy or any CREST Proxy Instruction (as described in paragraph 11 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he wishes to do so. You must inform the Company's registrars in writing of any termination of the authority of a proxy.
- 5 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).
- 6 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 and the shareholder by whom he was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- 7 The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1, 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company. Nominated Persons are reminded that they should contact the registered holder of the shares (and not the Company) on matters relating to their investments in the Company.
- 8 Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company gives notice that only those shareholders included in the register of members of the Company at 6.30pm on 10 May 2017 or, if the meeting is adjourned, in the register of members at 6.30pm on the day which is two days before the day of any adjourned meeting, will be entitled to attend and to vote at the Annual General Meeting in respect of the number of shares registered in their names at that time. Changes to entries on the share register after 6.30pm on 10 May 2017, or, if the meeting is adjourned, in the register of members after 6.30pm on the day which is two days before the day of any adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.
- 9 As at 20 March 2017, the Company's issued share capital comprised 162,340,822 ordinary shares of 25 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 20 March 2017 is 162,340,822.

- 10 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 11 In order for a proxy appointment or instruction made 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. 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 Company's agent (IDRA19), by the latest time for receipt of proxy appointments set out in paragraph 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 12 CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular 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 any 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. 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 Under section 527 of the Companies Act 2006 shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditors' Report and the conduct of the audit) that are to be laid before the Annual General Meeting; 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 Auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
- 14 Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation 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.
- 15 You may not use any electronic address provided in this Notice, or any related documents including the Form of Proxy, to communicate with the Company for any purposes other than those expressly stated.
- 16 A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found at the Investor Relations section of the Company's website, [www.ttelectronics.com](http://www.ttelectronics.com).

#### *Inspection of documents*

*The following documents will be available for inspection at Fourth Floor, St Andrews House, West Street, Woking, Surrey GU21 6EB during normal business hours from the date of this Notice until the day of the AGM (excluding Saturdays, Sundays and public holidays) and at Allen & Overy LLP, One Bishops Square, London, E1 6AD 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; and*
- amended rules of the Long Term Incentive Plan 2014.*

# Explanatory notes

## Resolution 1 – Receipt of the Annual report and accounts

The Directors must present the Company's Annual report and accounts to the AGM.

## Resolutions 2 and 3 – Approval of the Directors' remuneration report and policy

The Directors' remuneration report in the Annual report and accounts comprises:

- a statement by Alison Wood, the Chairman of the Remuneration Committee, starting at page 62 of the Annual report and accounts; and
- a report on Directors' remuneration, starting at page 76 of the Annual report and accounts (together referred to here as the "Directors' remuneration report"); and
- the Directors' remuneration policy, starting at page 64 of the Annual report and accounts (the "Directors' remuneration policy").

The Directors' remuneration report details payments made to Directors during the year ended 31 December 2016 and other information. As in 2016, resolution 2 is an advisory vote and does not affect the remuneration paid to any Director.

Resolution 3 is the approval of the Directors' remuneration policy which was last approved by shareholders at the 2014 AGM. The Directors' remuneration policy sets out the parameters under which future payments by way of remuneration or for loss of office will be made to Directors and will be subject to a binding shareholder vote every three years (or sooner if changes to the policy are proposed at an earlier date).

The proposed changes to the Directors' remuneration policy are summarised in the Directors' remuneration report and in the explanatory notes to Resolution 14 below.

Passing resolution 3 will mean that all future payments made to Directors (and, if applicable, former directors) must be made in accordance with the Directors' remuneration policy, unless a payment has been separately approved by shareholders. If approved, the Directors' remuneration policy will take effect from the end of the Annual General Meeting. If the Company wishes to change the Directors' remuneration policy or depart from it, shareholders will be required to approve the revised Directors' remuneration policy or relevant proposal before it is implemented.

## Resolution 4 – Declaration of final dividend

The Directors are recommending a final dividend of 3.9p per ordinary share. If approved by shareholders, the final dividend will be paid on 2 June 2017 to shareholders on the register as at close of business on 19 May 2017.

## Resolutions 5 and 6 – Election of Directors appointed to the Board since the last AGM

Jack Boyer and Alison Wood joined the Board on 10 June and 11 July 2016 respectively and are seeking election by shareholders for the first time. The Board believes that their expertise and experience, as described in their biographies, is of great benefit to the Board and the Company.

## Resolutions 7 to 11 – Re-election of Directors

In accordance with the UK Corporate Governance Code, each of the Directors referred to in these resolutions will offer himself for re-election at the AGM. Biographical details of all Directors can be

found on pages 46 and 47 of the Annual report which accompanies this document.

The Chairman has confirmed that, following the formal performance evaluation described on page 54 of the Annual report and accounts, each of the Directors' performance continues to be effective and to demonstrate commitment to the role.

## Resolutions 12 and 13 – Re-appointment and remuneration of the Auditors

The Board is proposing the re-appointment of KPMG LLP as the Company's Auditors, following the recommendation of the Audit Committee. Resolution 13 authorises the Audit Committee to determine the Auditors' remuneration.

## Resolution 14 – Amendment of Long Term Incentive Plan

The TT Electronics plc Long Term Incentive Plan 2014 (the "LTIP") has been in operation since 2014. The Company proposes to amend the rules of the LTIP to align it with the proposed Directors' Remuneration Policy, if approved, pursuant to resolution 3. The principal amendments to the operation of the LTIP are summarised below:

- the executive Directors' minimum shareholding requirement is increased from 100% to 200% of salary;
- holding period provisions will be introduced into the terms of awards granted to executive Directors so that the Company will be able to require participants to hold their shares for a further two-year period after vesting, such that the combined vesting and holding period equates to an aggregate total of five years following grant. Holding periods will continue if an executive Director leaves the Company, subject to the discretion of the Board where appropriate on grounds of compassion;
- awards are currently subject to a 100% of salary "normal" limit and a 200% of salary "exceptional" limit. These two existing LTIP award limits will be replaced with a single annual LTIP limit of 150% of basic annual salary. The Committee will continue to use its discretion and judgement to grant appropriate future award levels within this new single limit in the LTIP rules.

Resolution 14 seeks the approval of shareholders to make the necessary amendments to the LTIP rules to give effect to the proposals set out above and authorises the Board to do all such acts and things necessary to give effect to the amendments.

## Resolution 15 – Authority to the Directors to allot shares

The Companies Act 2006 provides that the Directors may only allot shares if authorised by shareholders to do so. Resolution 15 will, if passed, authorise the Directors to allot new shares up to a maximum nominal amount of £27,056,802, which represents an amount which is approximately equal to two-thirds (66.66%) of the issued share capital of the Company as at 20 March 2017, the latest practicable date prior to the publication of this document.

As provided in paragraph (a) of the resolution, up to half of this authority (equal to one-third of the issued ordinary share capital of the Company) will enable Directors to allot and issue new shares in whatever manner (subject to pre-emption rights) they see fit. Paragraph (b) of the resolution provides that the remainder of the authority (equal to a further one-third of the issued share capital of the Company) may only be used in connection with a rights issue in favour of ordinary shareholders. As paragraph (a) imposes no

restrictions on the way the authority may be exercised, it could be used in conjunction with paragraph (b) so as to enable the whole two-thirds authority to be used in connection with a rights issue.

The authority will expire at the the conclusion of the next AGM or, if earlier, the close of business on 1 July 2018. Passing resolution 15 will ensure that the Directors continue to have the flexibility to act in the best interests of shareholders, when opportunities arise, by issuing new shares. There are no current plans to issue new shares except in connection with employee share schemes.

As at 20 March 2017, the latest practicable date prior to the publication of this document, the Company had 162,340,822 ordinary shares of 25 pence each in issue and no shares were held in treasury.

#### **Resolution 16 (Special resolution) – General authority to disapply pre-emption rights**

The Companies Act 2006 requires that, if the Company issues new shares for cash or sells any treasury shares for cash then, unless statutory pre-emption rights have been disapplied, it must first offer them to existing shareholders in proportion to their current holdings. It is proposed that the Directors be authorised to issue new shares for cash and/or sell shares from treasury (if any are so held) for cash up to an aggregate nominal amount of £2,029,260.27 (representing approximately 5% of the Company's issued share capital as at 20 March 2017, the latest practicable date prior to the publication of this document) without offering them to shareholders first, and to modify statutory pre-emption rights to deal with legal, regulatory or practical problems that may arise on a rights issue or other pre-emptive offer or issue. The Directors do not intend to issue more than 7.5% of the issued share capital of the Company for cash on a non pre-emptive basis in any rolling three-year period (other than in connection with an acquisition or specified capital investment as described in the Pre-Emption Group's Statement of Principles) without prior consultation with shareholders.

Resolution 16 will be proposed as a special resolution to renew this authority until the conclusion of the next AGM or, if earlier, the close of business on 1 July 2018.

#### **Resolution 17 (Special resolution) – Additional authority to disapply pre-emption rights**

Resolution 17 requests further shareholder approval, by way of a separate special resolution in line with the best practice guidance issued by the Pre-Emption Group, for the Directors to allot equity securities or sell treasury shares for cash without first being required to offer such securities to existing shareholders. The proposed resolution reflects the Pre-Emption Group 2015 Statement of Principles for the disapplication of pre-emption rights (the "Statement of Principles") and will expire on 1 July 2018 or at the conclusion of the next AGM, whichever is the earlier.

The authority granted by this resolution, if passed:

- (a) will be limited to the allotment of equity securities and sale of treasury shares (if any are so held) for cash up to an aggregate nominal value of £2,029,260.27, which represents approximately 5% of the issued share capital of the Company as at 20 March 2017 (being the latest practicable date prior to publication of this document); and

- (b) will only be used in connection with an acquisition or other capital investment of a kind contemplated by the Statement of Principles, and which is announced contemporaneously with the allotment, or has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

The authority granted by this resolution would be in addition to the general authority to disapply pre-emption rights under resolution 16. The maximum nominal value of equity securities which could be allotted if both authorities were used would be £4,058,520.54, which represents approximately 10% of the issued share capital of the Company as at 20 March 2017 (being the latest practicable date prior to publication of this document).

#### **Resolution 18 (Special resolution) – Purchase of own shares by the Company**

If passed, this resolution will grant the Company authority for a period expiring on 1 July 2018 to buy its own shares in the market. The resolution limits the number of shares that may be purchased to approximately 10% of the Company's issued share capital as at 20 March 2017, the latest practicable date prior to the publication of this document. The price per ordinary share that the Company may pay is set at a minimum amount (excluding expenses) of 25 pence per ordinary share and a maximum amount (excluding expenses) of the higher of: (i) 5% above the average of the previous five days' middle market prices; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out.

The Directors' present intention is that any shares purchased pursuant to this authority will be cancelled immediately on purchase. Alternatively, the shares may be held in treasury, sold for cash or (provided Listing Rule requirements are met) transferred to an employee share scheme. The effect of any cancellation would be to reduce the number of shares in issue. For most purposes, while held in treasury, shares are treated as if they have been cancelled (for example, they carry no voting rights and do not rank for dividends). The Directors will only make purchases under this authority if they believe that to do so would result in an increased earnings per share and would be in the interests of shareholders generally.

As at 20 March 2017, the latest practicable date prior to the publication of this document, options and LTIP awards to subscribe for ordinary shares were outstanding over 11,191,321 ordinary shares of 25 pence each in the Company, representing approximately 6.9% of the issued share capital of the Company at that date. If the proposed market purchase authority were used in full and the repurchased shares cancelled, shares over which options and LTIP awards were outstanding would, as at that date, represent approximately 7.7% of the Company's issued share capital.

#### **Resolution 19 (Special resolution) – Notice of General Meetings**

In order to preserve its flexibility to call general meetings (other than an Annual General Meeting) on 14 clear days' notice, the Company must offer all shareholders the opportunity to appoint a proxy for its general meetings electronically (via the website of the Company or its registrars) and must obtain the approval of its shareholders by means of a special resolution passed each year. Resolution 19 seeks such approval. It is intended that this flexibility will only be used for non-routine business and where merited in the interests of shareholders as a whole. It is intended that a similar resolution will be proposed at future Annual General Meetings.

## Date and time

Friday 12 May 2017 at 11.30am

## Location

Allen & Overy LLP, One Bishops Square, London E1 6AD



## Travel Information

*Nearest tube stations*

Liverpool Street, Aldgate, Aldgate East

*By foot*

From Liverpool Street Station, walk north up Bishopsgate and turn right into Brushfield Street

*By car*

Access to the car park is by the ramp at the end of Lamb Street, just off Commercial Street

## Accessibility

The venue is easily accessible by wheelchair users and has lift access inside.



## TT Electronics plc

Fourth Floor  
St Andrews House  
West Street  
Woking  
Surrey  
GU21 6EB  
England