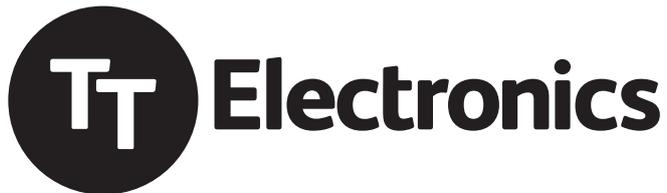


**This document is important and requires your immediate attention.**

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 2021

## 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 Fourth Floor, St Andrews House, West Street, Woking, Surrey GU21 6EB on Thursday 13 May 2021 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.

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 Tuesday 11 May 2021. For further details, please see the Notes set out on pages 11 to 13 of this document.

# Contents

<b>Chairman's letter</b>	<b>02</b>
<b>The Board</b>	<b>03</b>
<b>Notice of Annual General Meeting</b>	<b>05</b>
<b>Explanatory notes to the resolutions</b>	<b>07</b>
<b>Notes</b>	<b>11</b>

# Chairman's letter

**1 April 2021**

Dear Shareholder,

I am pleased to provide information on our Annual General Meeting ("AGM") which we will be holding at Fourth Floor, St Andrews House, West Street, Woking, Surrey, GU21 6EB on Thursday 13 May 2021.

My appointment to the Board in April 2020 coincided with a period of unprecedented turmoil across the world as the COVID-19 outbreak took hold. However, despite the uncertainty created by these global events, TT Electronics has shown tremendous resilience as a business and we have withstood the crisis in a way which puts the Group on a firmer footing for the years ahead.

## **Impact of COVID-19 on AGM arrangements**

At the time of writing, compulsory government measures remain in force in relation to the pandemic and government advice remains in place to limit non-essential travel and sizable gatherings. The health of our shareholders, colleagues and the wider community is of paramount importance to us and so, in light of these measures, I would discourage you from attending the AGM in person this year.

The AGM is, nevertheless, an important opportunity for the Board of TT Electronics to engage with our shareholders and your vote is, as always, very important to us. I would urge you to vote, in advance, on each of the resolutions set out in this Notice by either:

- i) registering your vote online at [www.sharevote.co.uk](http://www.sharevote.co.uk);
- ii) CREST members can submit their proxy through the CREST Electronic Proxy Appointment Service (IDRA19); or
- iii) completing and returning the enclosed Form of Proxy to our registrar, in each case so it is received no later than 11.30am on 11 May 2021.

I encourage you to appoint the Chairman of the Meeting as your proxy, with voting instructions. In light of the restrictions on public gatherings it will not be possible for other named proxies to attend. Voting at the AGM will be on a poll, reflecting all proxy voting instructions duly received.

We are keen to hear all your views, and to answer your questions on the business of the AGM. We recommend that you submit any questions in advance by emailing us at [company.secretary@ttelelectronics.com](mailto:company.secretary@ttelelectronics.com) as soon as possible and before close of business on 4 May 2021. This will enable us to respond to you before the deadline for appointing proxies, so that you can make a fully informed voting decision. Please include your full name and your shareholder reference number in your email. We will provide answers to all pre-submitted questions on our website: <https://www.ttelelectronics.com/investors/shareholder-info/aggm-gm>

As previously stated, physical attendance at the AGM is discouraged to protect the safety of our colleagues, shareholders and the wider public. However, the Board would still like to give shareholders an opportunity to engage with the AGM process and, as such, shareholders are invited to participate in the AGM via a live webcast which you can pre-register for by sending an email request to [company.secretary@ttelelectronics.com](mailto:company.secretary@ttelelectronics.com).

The situation around the global pandemic is constantly evolving and the government may change current restrictions or implement further measures. We will provide information on our website [www.ttelelectronics.com/investors/shareholder-info/aggm-gm](http://www.ttelelectronics.com/investors/shareholder-info/aggm-gm) regarding any changes to the AGM arrangements, and we encourage you to check regularly for updates.

## **Director re-elections**

As in previous years, all of the Board Directors will stand for re-election at this year's AGM. A summary of the skills brought to the Board by the Directors can be found on pages 3 and 4 of this Notice. Following the outcome of the annual evaluation process, I have concluded that each Director continues to be effective and to demonstrate commitment to the role.

## **Voting recommendation and results**

The Board considers that the resolutions contained in this Notice of Annual General Meeting 2021 are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote "FOR" the resolutions as they intend to do in respect of their own beneficial holdings.

The results of voting on all the resolutions will be announced via the Regulatory News Service and published on our website as soon as possible after the end of the AGM.

Yours faithfully,



**Warren Tucker**  
Chairman

# The Board

## **Warren Tucker** **Chairman**

**Joined:** April 2020

**Committees:** Nominations (Chair), Remuneration

**Relevant skills and experience:** Warren has over a decade of non-executive experience, as director and chairman, and he brings an in-depth knowledge of a number of our end-markets. He was a non-executive director of Reckitt Benckiser Group plc from 2010 to 2020, and a non-executive director at the UK Foreign Commonwealth Office from 2015 to 2020 (when it was replaced by the Foreign, Commonwealth and Development Office). As chief financial officer and an executive director of Cobham plc from 2003 to 2013, he has a track record of delivering profitable growth and value creation. He has extensive experience in large multinational organisations across several geographies and industries, including aerospace & defence. He also brings a wide understanding of the UK investment community, strategic growth and the delivery of successful M&A. Warren is a Chartered Accountant and has an MBA from INSEAD.

**Other current appointments:** Non-executive director and chair of the audit committee of Tate & Lyle plc and Trustee on the board of Magna Learning Partnership.

## **Richard Tyson** **Chief Executive Officer**

**Joined:** 2014

**Committees:** People, Social, Ethics and Environment (Chair), Risk (Chair)

**Relevant skills and experience:** Richard has developed an extensive portfolio of leadership, managerial and operational capabilities over a 30-year career with a range of leading electronics manufacturing companies in advanced technology industry sectors. Richard has significant experience of leading large, complex, global engineering and manufacturing businesses and transforming them into higher growth, higher quality entities through organic action and portfolio change. As well as driving growth and innovation in high technology businesses Richard has led more than 15 acquisition or divestment transactions with successful transition and integration experience. Additionally, Richard has worked in all tiers of the value chain in these industries with extensive knowledge of global manufacturing and supply chain operations. Richard is a member of the Manufacturing Council of the CBI.

**Other current appointments:** Non-executive director of the Vitec Group plc and Governor of St Swithun's Independent School for Girls in Hampshire.

## **Mark Hoad** **Chief Financial Officer**

**Joined:** 2015

**Committees:** Risk

**Relevant skills and experience:** Mark has a deep understanding of finance and operational activities which he has acquired during a career spent in senior finance/management roles with FTSE listed companies including in the aerospace domain. Mark's experience includes several years working in a variety of management roles in Continental Europe and Australia, as well as a strong focus on driving business transformation in the US. Mark has spent the last 25 years working in global industrial businesses and has extensive experience of driving business and functional re-structuring and transformation, M&A, and equity and debt capital markets.

**Other current appointments:** None.

## **Jack Boyer, OBE** **Senior Independent Non-executive Director**

**Joined:** 2016

**Committees:** Audit, Nominations, Remuneration, People, Social, Environmental and Ethics

**Relevant skills and experience:** Jack has a background in corporate finance, investment and M&A, which he has applied in bringing a number of business ventures through to operational maturity in the engineering, telecommunications and biotechnology sectors. Jack's extensive experience of innovation and the exploitation of technology, in the private sector and through working with Government bodies, are highly relevant given the Company's transformational agenda. Awarded an OBE in 2015 for services to science and engineering, Jack was formerly a non-executive director of Mitie Group plc and Laird plc, and chairman of Ilika plc, AIM-listed Seeing Machines Limited and the Academies Enterprise Trust. He was also an investment banker at Goldman Sachs and strategy consultant at Bain & Co.

**Other current appointments:** Non-executive director of Ricardo plc, Chair of the University of Bristol, and Member of the Board of the Henry Royce Institute for Advanced Materials.

**Alison Wood**  
**Independent Non-executive Director**

**Joined:** 2016

**Committees:** Remuneration (Chair), Audit, Nominations

**Relevant skills and experience:** Alison's background is in leading business development, M&A and strategic planning across blue-chip UK companies, particularly in the Defence sector. In addition, during her time as the Remuneration Committee chair of several FTSE listed companies, she has gained an invaluable insight into the development and execution of remuneration policy, which is a key component of the Company's growth ambitions. Alison was formerly global director corporate development & strategy for National Grid plc and before that, group strategic development director for BAE Systems plc. Alison has previously held non-executive directorships at Cobham plc, e2v technologies plc, BTG plc and THUS plc.

**Other current appointments:** Non-executive director of Oxford Instruments plc, Costain Group plc, Cairn Energy plc and the British Standards Institution (BSI). In addition, Alison chairs the Remuneration Committees of Cairn Energy plc, Costain Group plc and Oxford Instruments plc.

**Anne Thorburn**  
**Independent Non-executive Director**

**Joined:** 2019

**Committees:** Audit (Chair), Nominations

**Relevant skills and experience:** Anne has many years of experience gained from board level finance roles in listed international companies, including across life sciences, medical and industrial markets. Anne has particular expertise in financial management, risk, audit and M&A which complements the Company's strategy as it continues to transform. Anne is a member of the Institute of Chartered Accountants in Scotland and has formerly served as chief financial officer of Exova Group plc and group finance director at British Polythene Industries PLC. Anne was formerly a non-executive director of BTG plc.

**Other current appointments:** Senior independent director and chair of the Audit Committee of Diploma PLC.

# 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 Fourth Floor, St Andrews House, West Street, Woking, Surrey GU21 6EB on 13 May 2021 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 2020.
- 2 To approve the Directors' Remuneration report (excluding the Directors' Remuneration Policy set out on pages 97 and 98 of the report) for the year ended 31 December 2020, as set out on pages 92 to 110 of the 2020 Annual report and accounts.
- 3 To declare a final dividend for the year ended 31 December 2020 of 4.7p per ordinary share, payable on 21 May 2021 to shareholders registered on the Register of Members as at the close of business on 30 April 2021.
- 4 To re-elect Warren Tucker as a Director.
- 5 To re-elect Richard Tyson as a Director.
- 6 To re-elect Mark Hoad as a Director.
- 7 To re-elect Jack Boyer as a Director.
- 8 To re-elect Alison Wood as a Director.
- 9 To re-elect Anne Thorburn as a Director.
- 10 To re-appoint Deloitte LLP as Auditor of the Company.
- 11 To authorise the Audit Committee to determine the Auditor's remuneration.
- 12 That in accordance with section 366 of the Companies Act 2006 the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution has effect are authorised to:
  - (a) make donations to political parties and/or independent election candidates not exceeding £100,000 in total;
  - (b) make donations to political organisations other than political parties not exceeding £100,000 in total; and
  - (c) incur political expenditure not exceeding £100,000 in total,provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000, during the period beginning with the date of the passing of this resolution and ending at the close of business on 1 July 2022 or, if sooner, at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution.

For the purpose of this resolution the terms "political donations", "political parties", "independent election candidates", "political organisations" and "political expenditure" have the meanings set out in sections 363 to 365 of the Companies Act 2006.

13 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 £29,137,624 comprising:

- (a) an aggregate nominal amount of £14,568,812 (whether in connection with the same offer or issue as under (b) below or otherwise); and
- (b) an aggregate nominal amount of £14,568,812, 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 practicable) to the respective number of ordinary shares deemed to be held by them (and to holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities), but 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 2022 and the conclusion of the Annual General Meeting of the Company to be held in 2022, 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

14 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 13 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 practicable) to the respective number of ordinary shares deemed to be held by them (and to holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities), but 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 £2,185,321.

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 2022, 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.

15 That:

- (a) in addition to any authority granted under resolution 14, the Directors be given power:
- (i) subject to the passing of resolution 13, 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 £2,185,321; 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 2022; 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.

- 16 That, in accordance with section 701 of the Companies Act 2006, the Company be and is generally and unconditionally authorised to make market purchases (as defined in section 693(4) of that Act) of its ordinary shares of 25 pence each on such terms and in such manner as the Directors may determine, provided that in doing so it:

- (a) purchases no more than 17,482,574 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 2022 or, if earlier, at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, 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.

- 17 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.

- 18 That the Articles of Association of the Company produced to the meeting, and initialled by the Chairman of the meeting for the purpose of identification, be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.



**Lynton Boardman**  
Group Company Secretary

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

1 April 2021

# Explanatory notes to the resolutions

## **Resolution 1**

### **Receipt of the Annual report and accounts**

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

## **Resolution 2**

### **Approval of the Directors' Remuneration report**

Shareholders are asked to approve the Directors' Remuneration report, which comprises the statement by Alison Wood (the Chair of the Remuneration Committee) on pages 92 to 96 of the Annual report and accounts, and the report on Directors' remuneration on pages 99 to 110 of the Annual report and accounts (but excluding the Directors' Remuneration Policy, set out on pages 97 and 98 of the Annual report and accounts).

The Directors' Remuneration report details payments made to Directors during the year ended 31 December 2020 and other information. As in previous years, this resolution is an advisory vote and does not affect the remuneration paid to any Director. No changes are proposed to the Directors' Remuneration Policy approved by shareholders at the AGM held in 2020.

## **Resolution 3**

### **Declaration of final dividend**

The Directors are recommending a final dividend of 4.7p per ordinary share for the year ended 31 December 2020. If approved by shareholders, the final dividend will be paid on 21 May 2021 to shareholders on the register as at close of business on 30 April 2021.

## **Resolutions 4 to 9**

### **Re-election of Directors**

Each of the Directors referred to in these resolutions will offer himself or herself for re-election at the AGM in order to comply with best practice in the Company's application of corporate governance.

The Chairman has confirmed that, following the formal performance evaluation described on pages 84 and 85 of the Annual report and accounts, each Director's performance continues to be effective and to demonstrate commitment to the role. Jack Boyer, in his capacity as Senior Independent Non-executive Director, has confirmed that the Chairman is an effective Chairman and demonstrates commitment to his role as Chairman.

Biographical details for each Director, including relevant skills and experience that demonstrate why their contribution is, and continues to be, important to the Company's long-term sustainable success, are set out on pages 3 and 4 in this Notice of Meeting and also on pages 76 and 77 of the Annual report and accounts.

## **Resolutions 10 and 11**

### **Re-appointment and remuneration of the Auditor**

The Board is proposing the re-appointment of Deloitte LLP as the Company's Auditor, following the recommendation of the Audit Committee. Resolution 11 authorises the Audit Committee to determine the Auditor's remuneration. Deloitte LLP were appointed as the Company's Auditor at the AGM in 2020.

## **Resolution 12**

### **Authority to make political donations or incur political expenditure**

Part 14 of the Companies Act 2006, amongst other things, prohibits the Company and its subsidiaries from making UK political donations or from incurring political expenditure in respect of a political party or other political organisation or an independent election candidate unless authorised by the Company's shareholders. Aggregate donations made by the Group of £5,000 or less in any 12-month period will not be caught.

Neither the Company nor any of its subsidiaries has any intention of making any political donations or incurring any political expenditure. However, the Companies Act 2006 defines "political party", "political organisation", "political donation" and "political expenditure" widely. For example, bodies, such as those concerned with policy review and law reform or with the representation of the business community or sections of it, which the Company and/or its subsidiaries may see benefit in supporting, may be caught.

Accordingly, and in line with common practice among listed companies, the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of the Companies Act 2006 through the undertaking of routine activities, which would not normally be considered to result in the making of political donations or in political expenditure being incurred.

As permitted under the Companies Act 2006, the resolution covers the Company and extends to all companies which are subsidiaries of the Company at any time the authority is in place. The proposed authority will expire at the next annual general meeting of the Company or, if earlier, at close of business on 1 July 2022.

## **Resolution 13**

### **Authority to allot shares**

The Companies Act 2006 provides that the Directors may only allot shares if authorised by shareholders to do so. Resolution 13 will, if passed, authorise the Directors to allot new shares up to a maximum nominal amount of £29,137,624, which represents an amount which is approximately equal to two-thirds (66.66%) of the issued share capital of the Company as at 23 March 2021, 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 the 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. 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 conclusion of the next AGM or, if earlier, the close of business on 1 July 2022. Passing Resolution 13 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 23 March 2021, the latest practicable date prior to the publication of this document, the Company had 174,825,746 ordinary shares of 25 pence each in issue and no shares were held in treasury.

#### **Resolution 14 (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 £2,185,321 (representing approximately 5% of the Company's issued share capital as at 23 March 2021, 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 14 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 2022.

#### **Resolution 15 (Special resolution)**

##### **Additional authority to disapply pre-emption rights**

Resolution 15 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 2022 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 £2,185,321, which represents approximately 5% of the issued share capital of the Company as at 23 March 2021 (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 14. The maximum nominal value of equity securities which could be allotted if both authorities were used would be £4,370,642, which represents approximately 10% of the issued share capital of the Company as at 23 March 2021 (being the latest practicable date prior to publication of this document).

Shareholders will be aware that, as announced on 17 September 2020, the Company used its authorities to allot shares and to disapply pre-emption rights as granted at the 2020 AGM for a non pre-emptive placing of 10,000,000 ordinary shares, representing approximately 6.1% of the issued ordinary share capital of the Company at the time of the placing. The net proceeds of the placing were used to part fund the acquisition of Torotel, Inc. Prior to launch of the placing, the Company consulted with a significant number of its shareholders to gauge their feedback. Further information is on page 111 of the Annual report and accounts.

# Explanatory notes to the resolutions

## continued

### **Resolution 16 (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 2022 or at the conclusion of the next AGM, whichever is the earlier, 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 23 March 2021, 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 transferred pursuant 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 increased earnings per share and would be in the interests of shareholders generally.

As at 23 March 2021, the latest practicable date prior to the publication of this document, options, DSBP and LTIP awards to subscribe for ordinary shares were outstanding over 8,268,461 ordinary shares of 25 pence each in the Company, representing approximately 4.8% of the issued share capital of the Company at that date. If the full market purchase authority (both existing and sought) 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 5.9% of the Company's issued share capital.

### **Resolution 17 (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 17 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.

### **Resolution 18**

#### **Articles of Association**

Resolution 18 proposes to adopt new Articles of Association (the "New Articles") in order to update the Company's current Articles of Association (the "Current Articles") which were adopted in 2010. The New Articles showing all of the proposed changes to the Current Articles are available for inspection as noted on page 13 of this document and also on our website [www.ttelectronics.com/investors/governance](http://www.ttelectronics.com/investors/governance). The principal changes to be introduced in the New Articles are summarised below (minor, technical and clarifying changes have not been noted). The changes proposed in the New Articles are primarily intended to reflect developments in market practice and technology since the Current Articles were adopted:

#### **a) Untraced shareholders**

The New Articles, in line with market practice, update the process the Company would intend to follow in relation to any exercise of its power to sell the shares of "untraced members". "Untraced members" are shareholders who have not claimed or cashed a dividend payment over a period of at least twelve years provided, during that time, at least three cash dividends have become payable. The New Articles replace the requirement in the Current Articles to place notices in newspapers with a requirement that the Company must send a notice to the last registered address of the shareholder stating that it intends to sell the shares. Before sending such a notice, the Company must have made tracing enquiries for the purpose of contacting the shareholder, which the Directors consider to be reasonable and appropriate in the circumstances. The New Articles provide that, if no valid claim for the proceeds of a sale has been received by the Company during a period of two years from the date on which the relevant shares are sold, the net proceeds of the sale will be forfeited and will belong to the Company. The Company would be permitted to use the sale proceeds for any purpose the Directors may decide. The New Articles also provide that, if the Company exercises its power of sale in respect of any share of an untraced member, any dividend (and any other moneys) payable on the share at the time the share is sold will be forfeited.

#### **b) Hybrid general meetings**

The New Articles include provisions enabling the holding of "combined physical and electronic general meetings" (commonly known as "hybrid meetings"). A "combined physical and electronic general meeting" is a general meeting (including an annual general meeting) held at a physical venue with additional facilities for shareholders to attend the meeting by electronic means. The New Articles are intended to allow (but not to require) the Company to embrace new technology as it develops. The New Articles are in line with best practice and do not permit the holding of "virtual only" general meetings.

**c) Arrangements for general meetings**

The New Articles include updated provisions, in line with market practice, clarifying that the Chairman may adjourn a general meeting (whether or not it has commenced or a quorum is present) in order to facilitate the conduct of the meeting or in circumstances where the facilities available are not sufficient to allow the meeting to be conducted as planned. The New Articles, in line with market practice, dispense with a requirement in the Current Articles to advertise changes in a national newspaper.

**d) Retirement of Directors**

The New Articles provide, in line with common practice, that at each annual general meeting every Director who held office on the date seven days before the date of notice of the annual general meeting shall retire from office, but is eligible for re-election. All of the Company's Directors are subject to annual re-election by shareholders, in accordance with the UK Corporate Governance Code.

**e) Vacation of office by Directors**

The New Articles include updated wording, in line with relevant legislation, regarding the circumstances in which a Director must vacate office where the Director has become physically or mentally ill, subject to a resolution of the Board. The updated wording applies the same test to both physical and mental illness of whether in the opinion of a medical practitioner the Director is rendered incapable by his illness of acting as a Director for more than three months.

**f) Non-executive Directors' fees**

The New Articles provide that the aggregate limit on Non-executive Directors' fees payable in any one year is £500,000 (unless there is an ordinary resolution of the Company determining a larger sum). The limit in the Current Articles is £250,000 and has remained unchanged for more than a decade. The proposed increase is intended to provide sufficient flexibility in setting the level of Non-executive Directors' fees and the number of Non-executive Directors appointed in the future. Information on the current fees paid to Non-executive Directors is on page 102 of the Annual report and accounts. All fees are paid in line with the Directors' Remuneration Policy approved by shareholders.

# Notes

**These Notes are subject to the arrangements for attendance and voting at this year's AGM, and for asking questions on the business of the AGM, as described in the Chairman's letter on page 2 of this document.**

- 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 corporate representative with authority to vote on behalf of a shareholder. As explained in the Chairman's letter on page 2, you are encouraged to appoint the Chairman of the meeting as your proxy, with voting instructions. (In light of restrictions on public gatherings it will not be possible for other named proxies to attend.)
- 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 appointment 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 11 May 2021. 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 public holidays in England and Wales).
- 3 If appointing more than one proxy, 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, online proxy appointment, 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. However, as explained in the Chairman's letter on page 2, shareholders are discouraged from attending the AGM in person this year. 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 11 May 2021 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 11 May 2021, 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 23 March 2021, the Company's issued share capital comprised 174,825,746 ordinary shares of 25 pence each, with no shares held in treasury. 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 23 March 2021 is 174,825,746.
- 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 (ID RA19), 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 Auditor's 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 Auditor 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. As set out in the Chairman's letter on page 2 of this Notice, shareholders are discouraged from attending the AGM in person this year. Please refer to the Chairman's letter for information on how to ask a question in advance on the business of the AGM.
- 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 on the Investor Relations section of the Company's website, [www.ttelectronics.com](http://www.ttelectronics.com).
- 17 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. On a poll, each shareholder has one vote for every share held.

# Notes

## **Inspection of documents**

The following documents are held 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 will also be held at the offices of 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; and
- copies of letters of appointment of the Non-executive Directors.

In addition, a copy of the proposed new Articles of Association and a copy of the current Articles of Association, marked to show the changes proposed by Resolution 18 are available for inspection at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD from the date of this Notice and until the conclusion of the AGM.

In view of the ongoing COVID-19 pandemic, please contact us on [company.secretary@ttelectronics.com](mailto:company.secretary@ttelectronics.com) if you would like to inspect any documents.





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