

THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice as soon as possible from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

If you sell or transfer or have sold or otherwise transferred all of your Existing Ordinary Shares, please forward this document (but not any personalised Form of Proxy) as soon as possible to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Existing Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected. If you receive this document from another Shareholder, as a purchaser or transferee, please contact the Registrar for a personalised Form of Proxy.



Melrose Industries PLC

*(Incorporated and registered in England and Wales with
Registered No. 09800044)*

Return of Capital of 15 pence per Existing Ordinary Share by way of a B2 Share Scheme, a related 9 for 10 Share Consolidation, Capital Reduction and Notice of General Meeting

Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this document to any jurisdiction outside the United Kingdom should seek appropriate advice before taking any action. The distribution of this Circular and any accompanying documents into jurisdictions other than the United Kingdom may be restricted by law. Any person not in the United Kingdom into whose possession this Circular and any accompanying documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdiction.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Melrose which is set out in Part I of this Circular and which contains the unanimous recommendation by the Melrose Directors that you vote in favour of the resolutions to be proposed at the General Meeting.

Notice of the General Meeting, to be held at the Company's offices at Leconfield House, Curzon Street, London W1J 5JA at 10:00 a.m. on 9 July 2021, is set out at the end of this Circular.

The health and wellbeing of our Shareholders, colleagues and the wider community is of the utmost importance to us. Our preference had been to welcome Shareholders in person to our General Meeting, particularly given the constraints we faced in 2020 due to the COVID-19 pandemic. However, at the time of publication of this Circular, national lockdown restrictions would not permit more than six persons from different households to meet indoors. These restrictions are expected to remain in place on the date of the General Meeting which therefore impedes the ability for Shareholders to attend the General Meeting in person.

Consequently, we are proposing to hold the General Meeting with the minimum number of Director Shareholders in attendance so as to meet the quorum requirement. Shareholders will not be permitted to attend the General Meeting in person, but can be represented by the Chairman of the General Meeting acting as their proxy. Shareholders who wish to attend the General Meeting via telephone should contact the Company's Registrar, Equiniti, by email at customer@equiniti.com by no later than 10:00 a.m. on 7 July 2021 in order to register their attendance. In the email, Shareholders must include their (i) name; (ii) full address; and (iii) Shareholder reference number (URN). Shareholders who are not able to use email should contact Equiniti by telephone on 0371 384 2288 or +44 371 384 2288 (if calling from outside the UK). Please note that Shareholders joining by telephone will not be able to vote on the day and nor will they be counted as being present at the General Meeting.

The situation in relation to COVID-19 continues to evolve and should circumstances change before the time of the General Meeting, we want to ensure that we are able to adapt arrangements and to welcome Shareholders to the General Meeting, within safety constraints and in accordance with government guidelines. Should we consider that it has become possible to do so, we will notify Shareholders of any change to our meeting arrangements as early as is possible before the date of the meeting, by publishing details of the changes on our website at www.melroseplc.net, and, if practicable, by issuing a further communication via a Regulatory Information Service and publishing a notice of the change in two national daily newspapers.

Given the uncertainty around whether Shareholders will be able to attend the General Meeting, we recommend that all Shareholders (including those who intend to attend the General Meeting via telephone) complete and return a form of proxy, appointing the Chairman of the General Meeting as their proxy. This will ensure that your vote will be counted even if attendance at the meeting is restricted or you are unable to attend in person.

We look forward to welcoming all Shareholders to attend future meetings when national lockdown restrictions are finally lifted.

Should Shareholders wish to raise any specific questions on the business of the General Meeting, we are providing the opportunity to submit questions to us using the online form that can be accessed from www.melroseplc.net/investors/shareholder-information/melrose-gm-2021-questions-form/. Questions must be received by not later than 10:00 a.m. on 7 July 2021. We will upload a response to these questions on our website. Shareholders who attend the General Meeting via telephone will also have the opportunity to ask questions at the General Meeting.

Shareholders will find enclosed with this Circular a Form of Proxy for use in connection with the General Meeting. You are asked to complete and sign the enclosed Form of Proxy in accordance with the instructions printed on it and return it to the Company's Registrar, Equiniti of Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible and, in any event, by no later than 10:00 a.m. on 7 July 2021. You may alternatively register your vote online by visiting Equiniti's website at www.sharevote.co.uk. In order to register your vote online, you will need to enter the Voting ID, Task ID and your Shareholder reference number (URN) which are set out on the enclosed Form of Proxy, and you will need to ensure that your vote is registered online not later than 10:00 a.m. on 7 July 2021.

If you hold your Existing Ordinary Shares in CREST, and you wish to appoint a proxy or proxies through the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear'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 Equiniti, ID RA19, not later than 10:00 a.m. on 7 July 2021.

Application will be made to the FCA and the London Stock Exchange, respectively, for the New Ordinary Shares resulting from the Share Consolidation to be admitted to the premium listing segment of the Official

List and to trading on the London Stock Exchange's main market for listed securities in place of the Existing Ordinary Shares. It is expected that dealings in the Existing Ordinary Shares will continue until 4.30 p.m. on 27 August 2021 and that Admission of the New Ordinary Shares will become effective and dealings in them will commence on the London Stock Exchange at 8:00 a.m. on 31 August 2021. As noted below, all dates are subject to change and, if so, an announcement will be made through a Regulatory Information Service.

No application will be made to the FCA or to the London Stock Exchange for any of the B2 Shares to be admitted to the Official List or to trading on the London Stock Exchange's main market for listed securities, nor will the B2 Shares be listed or admitted to trading on any other recognised investment exchange.

None of the B2 Shares or the New Ordinary Shares have been or will be registered under the United States Securities Act of 1933, as amended, or the state securities laws of the United States and none of them may be offered or sold in the United States unless pursuant to a transaction that has been registered under the United States Securities Act of 1933 and any applicable state securities laws or a transaction that is not subject to the registration requirements of the United States Securities Act of 1933 and any applicable state securities laws, either due to an exemption therefrom or otherwise.

None of the B2 Shares, New Ordinary Shares or this Circular has been approved, disapproved or otherwise recommended by any US federal or state securities commission or other regulatory authority or any non-US securities commission or regulatory authority, nor have such authorities passed upon or endorsed the merits of this offering or confirmed the accuracy or determined the adequacy of this Circular. Any representation to the contrary is a criminal offence in the United States.

This Circular does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security. This Circular does not constitute an invitation to participate in the B2 Share Scheme in or from any jurisdiction in or from which it is unlawful to make such offer under applicable securities laws or otherwise or where such offer would require a prospectus to be published. Neither this Circular, nor any other document issued in connection with it, may be issued or distributed to any person except under circumstances which do not constitute an offer to the public under applicable securities laws. This document does not constitute a prospectus. The attention of Overseas Shareholders is drawn to paragraph 8 of Part II of this Circular.

No person has been authorised to give any information or make any representations other than those contained in this Circular and, if given or made, such information or representations must not be relied on as having been so authorised. The delivery of this Circular shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Circular or that the information in it is correct as at any time subsequent to its date.

The contents of this document are not to be construed as legal, business or tax advice. Each Shareholder should consult their own legal adviser, financial adviser or tax adviser for legal, financial or tax advice respectively.

Percentages may have been rounded and accordingly may not add up to 100 per cent. Certain financial data has been rounded and, as a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

Capitalised terms have the meaning ascribed to them in Part VI of this Circular.

A summary of action to be taken by Shareholders is set out on page 10 of this Circular and in the Notice of General Meeting set out at the end of this Circular.

Shareholder Helpline

If you have any questions relating to the Capital Reduction, Return of Capital or the Share Consolidation, please contact: Equiniti Limited on 0371 384 2288 or +44 371 384 2288 (if calling from outside the UK). Lines are open from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (excluding English and Welsh public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Please note that calls may be recorded and randomly monitored for security and training purposes. Please note that Equiniti Limited cannot provide advice on the merits of the Capital Reduction, Return of Capital or the Share Consolidation nor give financial, tax, investment or legal advice.

TABLE OF CONTENTS

	Page
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	6
PART I LETTER FROM THE CHAIRMAN OF MELROSE	7
PART II DETAILS OF COURT APPROVED CAPITAL REDUCTION, THE B2 SHARE SCHEME AND SHARE CONSOLIDATION	12
PART III RIGHTS AND RESTRICTIONS ATTACHED TO THE B2 SHARES	16
PART IV SUMMARY OF RESOLUTIONS TO BE PROPOSED AT THE GENERAL MEETING ...	18
PART V UNITED KINGDOM TAXATION	19
PART VI DEFINITIONS	21
NOTICE OF GENERAL MEETING	24

EXPECTED TIMETABLE OF PRINCIPAL EVENTS^{1 2}

	<i>Time and Date</i>
Publication and posting of this Circular, the Notice of General Meeting and the Form of Proxy	22 June 2021
Latest time and date for receipt of Forms of Proxy, CREST Proxy Instructions and registration of online votes from Shareholders in respect of the General Meeting	10:00 a.m. on 7 July 2021
General Meeting*	10:00 a.m. on 9 July 2021
Capital Reduction Record Time**	6:00 p.m. on 6 August 2021
Court Hearing to confirm Capital Reduction	10 August 2021
Registration of Court Order and effective date of Capital Reduction***	24 August 2021
ALL SUBSEQUENT DATES AND TIMES DEPEND UPON THE CAPITAL REDUCTION BECOMING EFFECTIVE	
Filing of interim accounts with Companies House	25 August 2021
Existing Ordinary Share register closed and Existing Ordinary Shares disabled in CREST	4:30 p.m. on 27 August 2021
Record Time for entitlement to B2 Shares and Share Consolidation	6:00 p.m. on 27 August 2021
Cancellation of listing of Existing Ordinary Shares	8:00 a.m. on 31 August 2021
New Ordinary Shares admitted to the Official List and trading on the London Stock Exchange, ex entitlement to B2 Shares	8:00 a.m. on 31 August 2021
B2 Shares issued equal to number of Existing Ordinary Shares held at the Record Time	8:00 a.m. on 31 August 2021
CREST accounts credited with New Ordinary Shares	8:00 a.m. on 31 August 2021
B2 Shares redeemed and cancelled	8:00 a.m. on 31 August 2021
Despatch of share certificates in respect of New Ordinary Shares	14 September 2021
Despatch of cheques and CREST accounts credited in respect of proceeds from sale of fractional entitlements arising as a result of the Share Consolidation	14 September 2021
Despatch of cheques and CREST accounts credited in respect of proceeds from the redemption of the B2 Shares	14 September 2021

Notes:

1. All references in this Circular to times are to London time unless otherwise stated.
 2. The timetable may be subject to change. If any of the above times and/or dates should change, the new times and/or dates will be notified to the Financial Conduct Authority and announced to Shareholders through a Regulatory Information Service.
- * A 14-day notice period for the General Meeting is considered by the Company to be appropriate given the strong Shareholder support (99.89%) received at the General Meeting held on 6 May 2021 for the disposal of Air Management. Further, a Court approved Capital Reduction is required prior to making the Return of Capital to Shareholders, and so the notice period of the General Meeting takes into account the additional time required in the timetable for the Court Hearing, together with the Court's summer recess.
- ** This date is subject to changes that might be imposed by the Court.
- *** This date and all subsequent dates will depend on, amongst other things, the date on which the Court confirms the Capital Reduction and the period of time required to obtain registration of the Court Order by the Registrar of Companies. Based on current guidance from Companies House, Melrose has assumed filing of the Court Order will take 14 calendar days from the date of the Court Order. If in fact Companies House re-introduces a same-day service or otherwise expedites or delays the filing, the Company may change the timetable and will announce such change through a Regulatory Information Service.

PART I
LETTER FROM THE CHAIRMAN OF MELROSE



Incorporated and registered in England and Wales with Registration No. 09800044

Directors:

Justin Dowley (Non-Executive Chairman)
Christopher Miller (Executive Vice-Chairman)
Simon Peckham (Chief Executive)
Geoffrey Martin (Group Finance Director)
Peter Dilnot (Chief Operating Officer)
Liz Hewitt (Senior Independent Director)
David Lis (Independent Non-Executive Director)
Archie G. Kane (Independent Non-Executive Director)
Charlotte Twyning (Independent Non-Executive Director)
Funmi Adegoke (Independent Non-Executive Director)
Heather Lawrence (Independent Non-Executive Director)
Victoria Jarman (Independent Non-Executive Director)

Registered office:

11th Floor
The Colmore Building
20 Colmore Circus Queensway
Birmingham
West Midlands
B4 6AT

22 June 2021

**RETURN OF CAPITAL OF 15 PENCE PER EXISTING ORDINARY SHARE BY
WAY OF B2 SHARE SCHEME, A RELATED 9 FOR 10 SHARE CONSOLIDATION AND
CAPITAL REDUCTION**

1. INTRODUCTION

The Board of Melrose announced today the completion of the sale of its Nortek Air Management business (“**Air Management**”), comprising the Nortek Global HVAC (“**GHVAC**”) and Air Quality & Home Solutions (“**AQH**”) segments, for a cash consideration of approximately £2.62 billion (\$3.625 billion). The sale has generated net cash proceeds of approximately £2.4 billion, with the other Nortek businesses (Nortek Control and Ergotron) remaining in the Group.

The sale was in line with Melrose’s established “Buy, Improve, Sell” model whereby it seeks to buy underperforming but quality manufacturing businesses, invest heavily to improve their performance, typically over a three to five-year investment horizon, before selling the business to a new owner for the next stage of its development and returning the net cash proceeds to Shareholders and other key stakeholders.

Acquired in 2016, Air Management represents the latest success story in a strong track record for the Melrose strategy. Under our ownership:

- operating margins were improved by almost 7 percentage points, from approximately 8.6% on acquisition to 15.3% on sale;
- profit more than doubled from £91 million to £188 million;
- seed funding of \$2 million was provided for the creation of the nascent StatePoint Liquid Cooling technology, with a further \$75 million invested to develop this into the world leading StatePoint business that has over \$300 million of contracted revenue and an impressive growth pipeline; and
- we worked closely with management teams to undertake numerous operational and commercial improvements, including streamlining and refreshing the product portfolio and other initiatives that drove both efficiency and profitable growth.

The sale proceeds, plus more than £700 million of cash generated by the Nortek businesses under our ownership and the retention of the Ergotron and Nortek Control businesses in the Group, means we are well placed to achieve the targeted doubling of Shareholders’ investment on the Nortek acquisition.

Use of net cash proceeds

In accordance with Melrose's "Buy, Improve, Sell" business model, the Board intends to return approximately £730 million of the net sale proceeds to Shareholders by way of a Return of Capital. As previously announced, in addition to funding the Return of Capital, the net sale proceeds will be used to contribute approximately £100 million to the GKN UK defined benefit pension schemes, so that the funding deficit will be less than £200 million, as well as to reduce Group net debt, so that the leverage in the Group adjusting for the Return of Capital will be below 2x EBITDA as at 30 June 2021.

Summary of Proposal

The Board has chosen to implement this payment to Shareholders by way of (i) a court approved Capital Reduction, followed by (ii) the Return of Capital through the issue of a new class of B2 Shares which the Company intends to redeem for cash in order to return 15 pence per Existing Ordinary Share to Shareholders; followed by (iii) a consolidation of the Company's ordinary share capital. Through this Circular, the Company is seeking the approval of Shareholders for each of these steps.

The Company is proposing the Capital Reduction in step (i) in order to create sufficient distributable reserves to make the Return of Capital and also to create sufficient headroom for further distributions to be made to Shareholders in due course.

Steps (ii) and (iii) are referred to as the "B2 Share Scheme" and together, they are intended to return the balance of the net proceeds of the sale of Air Management to Shareholders in the most efficient manner possible, whilst maintaining their pro rata interest in the Company and minimising the impact on the market price of an ordinary share.

The B2 Share Scheme involves the issue to Shareholders of one B2 Share for every Existing Ordinary Share held at the Record Time, which B2 Share will then be immediately redeemed and cancelled so that a Shareholder receives 15 pence for each B2 Share issued to them. Following this, for the reasons explained in Part II of this Circular, it is proposed that the B2 Share Scheme will be accompanied by a 9 for 10 consolidation of the Company's Existing Ordinary Shares to try to ensure that the impact of the B2 Share Scheme on the price of the Company's ordinary shares is mitigated as much as practicable.

This Circular provides Shareholders with further information relating to the Capital Reduction, the Return of Capital and the Share Consolidation. In order to comply with applicable companies legislation the various steps require the approval of Shareholders at a General Meeting of the Company and the Notice of General Meeting is set out at the end of this Circular.

2. COURT APPROVED CAPITAL REDUCTION

As of 31 December 2020, the Company had distributable reserves of £411,000,000 which, under applicable companies legislation, is not sufficient to make the Return of Capital to Shareholders.

2.1 Share Premium Reduction

The Companies Act requires that, if a company issues shares at a premium to the nominal value of those shares, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums must be transferred to the company's share premium account. A share premium account can only be used in very limited circumstances. The Board is recommending that the amount standing to the credit of the Company's share premium account be reduced by £4,137,777,242. The total amount currently standing to the credit of the Company's share premium account is £8,137,777,242, so that the total amount standing to the credit of the Company's share premium account following such reduction will be £4,000,000,000.

2.2 Shareholder and Court Approval

Your approval is being sought to carry out the Capital Reduction pursuant to the Resolutions set out in the Notice. In addition to approval by the Shareholders, the Capital Reduction requires the confirmation of the Court. Accordingly, following approval of the Capital Reduction by Shareholders, an application will be made to the Court in order to confirm and approve the Capital Reduction. Please refer to Paragraph 1 of Part II for further details.

3. TAXATION

Shareholders should be aware that there will be tax considerations that they should take into account when deciding whether or not to approve the Capital Reduction and B2 Share Scheme. Summary details of certain UK taxation considerations in respect of the Capital Reduction and B2 Share Scheme are set out in Part V of this Circular. All statements in this Circular as to the anticipated or intended tax treatment of the Capital Reduction and B2 Share Scheme should be read as subject to the qualifications and limitations set forth in, and are made on an equivalent basis to, the information provided in Part V of this Circular.

4. TRADING UPDATE

The following trading update has been taken from the Company's announcement today:

“Ahead of Melrose's half year end on 30 June 2021, the Board is pleased to confirm that the Group continues to trade in line with expectations as outlined in its AGM Trading Statement published on 6 May 2021.

Both the Automotive and Powder Metallurgy Divisions have seen recovery in the automotive sector, albeit currently tempered by the impact of the global semi-conductor shortage. While it remains too early to state with certainty, there are also some encouraging signs for the Aerospace Division that the start of a recovery for that sector is in sight.

Pleasingly, all these Divisions have been significantly cash generative during Melrose ownership. Indeed, despite the effects of COVID-19, since acquisition the GKN businesses have generated over £0.5 billion of total free cashflow after all restructuring costs. As Shareholders would expect in these unprecedented circumstances, the Board is currently taking a conservative stance in the Return of Capital and the payout is in line with expectations. However, on the assumption these encouraging sector recoveries continue, the Board expects to be able to make another significant return of capital to shareholders next year.

The Company also notes the disposal of Brush, a leading independent provider of turbogenerators, transformers and switchgear and associated services, last week for a net cash consideration of £100 million. Brush is the final business to be sold from the FKI acquisition in 2008, which has been a highly successful investment for our Shareholders, providing a 2.6x return on Shareholders' initial equity, equivalent to an IRR of 29%. We thank the Brush management team for their hard work and wish the business well in its next phase.”

5. GENERAL MEETING

A notice convening the General Meeting to be held at the Company's offices at Leconfield House, Curzon Street, London W1J 5JA at 10:00 a.m. on 9 July 2021 for the purpose of seeking Shareholder approval is set out at the end of this Circular. Approval is sought for the following resolutions to implement the Return of Capital:

- Resolution 1 proposes that the Company's share premium account be reduced by £4,137,777,242.
- Resolutions 2 and 3 relate to the B2 Share Scheme and the Share Consolidation.

Resolutions 1 and 2 will be proposed as special resolutions and Resolution 3 will be proposed as an ordinary resolution. Further details of the Resolutions are set out in Part IV of this Circular.

The health and wellbeing of our Shareholders, colleagues and the wider community is of the utmost importance to us. Our preference had been to welcome Shareholders in person to our General Meeting, particularly given the constraints we faced in 2020 due to the COVID-19 pandemic. However, at the time of publication of this Circular, national lockdown restrictions would not permit more than six persons from different households to meet indoors. These restrictions are expected to remain in place on the date of the General Meeting which therefore impedes the ability for Shareholders to attend the General Meeting in person.

Consequently, we are proposing to hold the General Meeting with the minimum number of Director Shareholders in attendance so as to meet the quorum requirement. Shareholders will not be permitted to attend the General Meeting in person, but can be represented by the Chairman of the General Meeting acting as their proxy. Shareholders who wish to attend the General Meeting via telephone should contact the Company's Registrar, Equiniti, by email at customer@equiniti.com by no later than 10:00 a.m. on 7 July 2021 in order to register their attendance. In the email, Shareholders must include their (i) name; (ii) full address; and (iii) Shareholder reference number (URN). Shareholders who are not able to use email should contact Equiniti by telephone on 0371 384 2288 or +44 371 384 2288 (if calling from outside the UK). Please note that Shareholders joining by telephone will not be able to vote on the day and nor will they be counted as being present at the General Meeting.

The situation in relation to COVID-19 continues to evolve and should circumstances change before the time of the General Meeting, we want to ensure that we are able to adapt arrangements and to welcome Shareholders to the General Meeting, within safety constraints and in accordance with government guidelines. Should we consider that it has become possible to do so, we will notify Shareholders of any change to our meeting arrangements as early as is possible before the date of the meeting, by publishing details of the changes on our website at www.melroseplc.net, and, if practicable, by issuing a further communication via a Regulatory Information Service and publishing a notice of the change in two national daily newspapers.

Given the uncertainty around whether Shareholders will be able to attend the General Meeting, we recommend that all Shareholders (including those who intend to attend the General Meeting via telephone) complete and return a form of proxy, appointing the Chairman of the General Meeting as their proxy. This will ensure that your vote will be counted even if attendance at the meeting is restricted or you are unable to attend in person.

We look forward to welcoming all Shareholders to attend future meetings when national lockdown restrictions are finally lifted.

Should Shareholders wish to raise any specific questions on the business of the General Meeting, we are providing the opportunity to submit questions to us using the online form that can be accessed from www.melroseplc.net/investors/shareholder-information/melrose-gm-2021-questions-form/. Questions must be received by not later than 10:00 a.m. on 7 July 2021. We will upload a response to these questions on our website. Shareholders who attend the General Meeting via telephone will also have the opportunity to ask questions at the General Meeting.

6. ACTION TO BE TAKEN

You will find enclosed with this document a Form of Proxy for use in respect of the Resolutions to be proposed at the General Meeting. You are requested to complete the Form of Proxy in accordance with the instructions printed on it, and return it as soon as possible, but in any event so as to be received by Equiniti, by hand or by post, at Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, **not later than 10:00 a.m. on 7 July 2021.**

You may alternatively register your vote online by visiting Equiniti's website at www.sharevote.co.uk. In order to register your vote online, you will need to enter the Voting ID, Task ID and your Shareholder reference number (URN) which are all set out on the enclosed Form of Proxy, and you will need to ensure that your vote is registered online **not later than 10:00 a.m. on 7 July 2021.**

If you hold your existing Ordinary Shares in CREST, and you wish to appoint a proxy or proxies through the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear'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 Equiniti, ID RA19, **not later than 10:00 a.m. on 7 July 2021.**

7. ADDITIONAL INFORMATION

You are advised to read the whole of this Circular and not just rely on the information in this letter.

In relation to the acquisition of GKN plc, the Company gave certain post-offer undertakings under the City Code on Takeovers and Mergers. None of the actions contemplated by this Circular, nor any of the Resolutions proposed at the General Meeting, breach, or are otherwise inconsistent with, any of these post-offer undertakings, which continue to apply on their terms.

The attention of Shareholders who are not resident in the United Kingdom is drawn to Paragraph 8 of Part II of this Circular.

8. DIRECTORS' RECOMMENDATION

In the Board's opinion the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respect of their own aggregate shareholdings of 64,618,692 Ordinary Shares, representing approximately 1.33% of the existing issued ordinary share capital of the Company.

Yours faithfully,

Justin Dowley
Non-Executive Chairman

PART II
DETAILS OF COURT APPROVED CAPITAL REDUCTION, THE B2 SHARE SCHEME
AND SHARE CONSOLIDATION

1. COURT APPROVED CAPITAL REDUCTION

As previously mentioned, your approval is being sought to carry out the Capital Reduction pursuant to the Resolutions set out in the Notice. In confirming the Capital Reduction, the Court may need to be satisfied that there is no real likelihood of any creditor of the Company remaining unpaid by reason of the Capital Reduction. The Company anticipates being able to satisfy the Court in that regard and will put into place such form of creditor protection as it considers appropriate in the circumstances. The Board has undertaken a thorough and extensive review of the Company's liabilities (including contingent liabilities) and considers that the Company will be able to satisfy the Court that, as at the date on which the Court Order relating to the Capital Reduction and the statement of capital in respect of the Capital Reduction have both been registered by the Registrar of Companies at Companies House and the Capital Reduction therefore becomes effective, the Company's creditors will be sufficiently protected.

It is anticipated that the initial directions hearing in relation to the Capital Reduction will take place on 19 July 2021, with the final hearing by the Court to confirm the Capital Reduction taking place on 10 August 2021 and the Capital Reduction becoming effective as soon as possible thereafter, following the necessary registration of, amongst other things, the order of the Court confirming the Capital Reduction at Companies House. Based on current guidance from Companies House, it is anticipated that Companies House will take at least 14 calendar days from the date of the Court Order to register the Court Order and related documents.

The Board reserves the right to abandon or to discontinue (in whole or in part) the application to the Court in the event that the Board considers that the terms on which the Capital Reduction would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or the Shareholders as a whole.

2. B2 SHARE SCHEME

The B2 Share Scheme is the way in which the Company proposes to effect the Return of Capital to Shareholders. This will involve the allotment and issue of B2 Shares to Shareholders and the subsequent redemption of the B2 Shares by the Company. This will be accompanied by the Share Consolidation (described in paragraph 5 of this Part II).

The exact aggregate cash amount to be returned under the B2 Share Scheme will depend on the number of Existing Ordinary Shares in issue at the Record Time. However, based on the number of Existing Ordinary Shares in issue as at close of business on the Latest Practicable Date and the proposal to return 15 pence per Existing Ordinary Share, the aggregate amount to be returned under the B2 Share Scheme is expected to be approximately £730 million.

3. CONDITIONS TO THE IMPLEMENTATION OF THE B2 SHARE SCHEME

The B2 Share Scheme is conditional on:

- (A) approval by Shareholders of the Resolutions;
- (B) Court confirmation of the Capital Reduction; and
- (C) Admission.

If these conditions are not satisfied by 8.00 am on the Admission Date, neither the B2 Share Scheme nor the Share Consolidation will take effect.

4. ALLOTMENT, ISSUE AND REDEMPTION OF B2 SHARES

Each Shareholder will receive one B2 Share for each Existing Ordinary Share held at the Record Time. The Company intends to redeem and then cancel each such B2 Share shortly following the issue of the B2 Shares. The rights and restrictions attached to the B2 Shares are set out more fully in Part III of this Circular. The B2 Shares are a different class to the B Shares the rights of which are set out in the Articles (and which were adopted in connection with the last return of capital which the Company carried out).

It is proposed that the Company will capitalise a sum of approximately £730 million standing to the credit of the Company's share premium account in order to pay up in full the B2 Shares with a nominal value of

15 pence each. The Return of Capital paid to Shareholders on redemption of each B2 Share will be 15 pence, giving a cash payment of 15 pence per Existing Ordinary Share held at the Record Time. The Company expects to redeem the B2 Shares on or around 31 August 2021 and for the proceeds to be paid to Shareholders approximately 10 working days after the Redemption Date. In the case of any Existing Ordinary Shares which, as at the Record Time, are in certificated form, the Company shall procure the despatch to the persons entitled thereto of cheques for the sums payable to them respectively, provided that if the amount payable to any Shareholder exceeds £500,000 the Company reserves the right in its sole discretion to make arrangements with such Shareholder to facilitate electronic payment of such amount in lieu of a cheque.

The exact number of B2 Shares to be issued will be equal to the number of Existing Ordinary Shares in issue at the Record Time (excluding any held in treasury by the Company). As at close of business on the Latest Practicable Date there were 4,858,254,963 Existing Ordinary Shares in issue and the Company does not hold any shares in treasury.

The B2 Shares will not be admitted to the Official List or admitted to trading on the London Stock Exchange's main market for listed securities, nor will they be listed or admitted to trading on any other recognised investment exchange. The B2 Shares will be cancelled on redemption and will not be transferable, save in the limited circumstances set out in Part III of this Circular.

No share certificate will be issued in respect of the B2 Shares.

The Return of Capital is separate from, and will not affect, the Company's dividend policy. Any future interim or final dividends declared by the Company will be in addition to the Return of Capital. Assuming the Resolutions are passed at the General Meeting and the B2 Share Scheme and the conditions to the implementation of the B2 Share Scheme are satisfied, any future dividend will be paid per share on the number of New Ordinary Shares held by each Shareholder after the Share Consolidation.

This structure has been chosen because it enables all Shareholders to participate equally in the Return of Capital in proportion to the size of their existing holdings in the Company and is expected to provide capital treatment for the majority of United Kingdom tax resident Shareholders, as explained in Part V of this Circular. Shareholders who are subject to taxation in a jurisdiction other than the UK or who are in any doubt as to their tax position should consult an appropriate independent and authorised professional adviser.

5. SHARE CONSOLIDATION

It is anticipated that, as a result of the decrease in market value of the Company due to the Return of Capital, there would, without a consolidation of the Company's ordinary share capital, be a corresponding decrease in the market price of such shares. Accordingly, to maintain comparability, so far as possible, between the market price per ordinary share before and after the Return of Capital, a consolidation of the Company's ordinary share capital is proposed. This allows comparability of share price and per share financial metrics (including dividends, net assets and earnings) with prior financial periods. The effect of the Share Consolidation is that the Existing Ordinary Shares will be replaced by New Ordinary Shares so as to reduce the number of ordinary shares in issue to reflect the amount of cash to be returned to Shareholders.

As a result of the Share Consolidation, each Shareholder will receive a number of New Ordinary Shares at an expected ratio of 9 New Ordinary Shares for every 10 Existing Ordinary Shares held at the Record Time. The ratio used for the Share Consolidation has been set by reference to the closing price of 156.35 pence per Existing Ordinary Share and the number of Existing Ordinary Shares in issue on the Latest Practicable Date.

The Return of Capital of approximately £730 million represents approximately 9.6 per cent. of the Company's market capitalisation (based on the closing market price of 156.35 pence per Existing Ordinary Share as at close of business on the Latest Practicable Date) and the Share Consolidation will reduce the number of Ordinary Shares in issue by a similar percentage.

Although the number of ordinary shares in issue will decrease, each Shareholder will still own the same proportion of the issued share capital of the Company as immediately before the Share Consolidation, subject to the treatment of fractional entitlements. The value of a Shareholder's holding in the Company immediately following the Share Consolidation, when added to the cash payment received as a result of the Return of Capital, will be the same as the value of its holding in the Company immediately before the Share Consolidation (subject to any fluctuations in the market price of the ordinary shares). Similarly, although the nominal value of each ordinary share will change, the New Ordinary Shares will be equivalent in all other respects to the Existing Ordinary Shares, including their dividend, voting and other rights and will be admitted to trading in the same way as the Existing Ordinary Shares.

To effect the Share Consolidation, it will be necessary for the Company to issue seven additional Existing Ordinary Shares so that the number of the Company's Existing Ordinary Shares is exactly divisible by 10.

Therefore, following the Share Consolidation, it is expected that the Company's total issued share capital will comprise 4,372,429,473 New Ordinary Shares.

Application will be made for the New Ordinary Shares to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities, with Admission expected to take place and dealings expected to commence at 8.00 am on the Admission Date. The Company will apply for the New Ordinary Shares under the ISIN GB00BNR5MZ78 to be admitted to CREST with effect from Admission so that general market transactions in the New Ordinary Shares may be settled within the CREST system.

With effect from Admission, share certificates in respect of Existing Ordinary Shares will cease to be valid. Share certificates representing the New Ordinary Shares will be issued following the Share Consolidation and sent to Shareholders by 14 September 2021. Shareholders who hold their Existing Ordinary Shares in CREST will automatically have their New Ordinary Shares credited to their CREST account. The relevant CREST accounts will be credited at approximately 8.00 am on the Admission Date.

6. FRACTIONAL ENTITLEMENTS TO NEW ORDINARY SHARES

Unless a holding of Existing Ordinary Shares is exactly divisible by 10, a Shareholder will have a fractional entitlement to a New Ordinary Share following the Share Consolidation. These fractional entitlements will all be aggregated into New Ordinary Shares and sold in the market on behalf of the relevant Shareholders. Subject to the below, the net proceeds of sale (after deduction of all expenses and commissions incurred) will be distributed *pro rata* to relevant Shareholders. Cheques in respect of the net proceeds of sale will be dispatched to relevant Shareholders or CREST accounts credited with the net proceeds, as appropriate, together with certificates for New Ordinary Shares, where applicable, by 14 September 2021. Should the cash consideration for any Shareholder's fractional entitlement be less than £5.00 (net of expenses), that Shareholder will have no entitlement or right to the proceeds of sale and so will not receive a cheque or have its CREST account credited in respect of that entitlement due to the administrative costs incurred in doing so; rather, the net proceeds resulting from the sale of such fractional entitlements will be distributed to charities chosen by the Board.

The value of any one Shareholder's fractional entitlement will not exceed the value of one New Ordinary Share.

7. EFFECT OF B2 SHARE SCHEME AND SHARE CONSOLIDATION

For illustrative purposes, examples of how the B2 Share Scheme and Share Consolidation would affect Shareholders are set out below.

A. Number of Existing Ordinary Shares held at the Record Time	B. Number of New Ordinary Shares held after Share Consolidation	C. Proceeds under B2 Share Scheme
1	0	£0
100	90	£15
125	112	£18.75

Although the number of ordinary shares held by each Shareholder will be reduced, following the Return of Capital and Share Consolidation each Shareholder will continue to own the same proportion of the issued share capital of the Company as immediately before the Return of Capital and Share Consolidation, subject to fractional entitlements.

These examples do not show fractional entitlements, the value of which will depend on the market value of the New Ordinary Shares at the time of sale, as described in paragraph 5 above.

8. OVERSEAS SHAREHOLDERS

Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of other countries should consult their professional advisers to ascertain whether the issue, holding or disposal of the B2 Shares will be subject to any restrictions or require compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which they are resident or to which they are subject. In particular, it is the responsibility of Overseas Shareholders to satisfy themselves as to full

observance of the laws of each relevant jurisdiction in connection with the B2 Share Scheme, including the obtaining of any government, exchange control or other consents which may be required, or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties in such jurisdiction.

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Neither this document nor any other document issued or to be issued by or on behalf of the Company in connection with the B2 Share Scheme constitutes an invitation, offer or other action on the part of the Company in any jurisdiction such invitation, offer or other action is unlawful.

9. DEALINGS AND DESPATCH OF DOCUMENTS

The B2 Share Scheme will be carried out by reference to holdings of Existing Ordinary Shares on the Company's register of members as at the Record Time.

It is expected that dealings and settlement within the CREST system of the Existing Ordinary Shares under ISIN GB00BZ1G4322 will continue until 4.30 pm on 27 August 2021 when, in the case of Existing Ordinary Shares held in certificated form, the register of members will be closed for transfers and no further transfers of Existing Ordinary Shares will be able to be made. The registration of uncertificated holdings in respect of Existing Ordinary Shares will be disabled in CREST at the Record Time.

In respect of New Ordinary Shares, Shareholders who hold their Existing Ordinary Shares in CREST will have their CREST accounts credited with the New Ordinary Shares under ISIN GB00BNR5MZ78 at approximately 8.00 am on the Admission Date. Shareholders holding New Ordinary Shares through the CREST system will not receive any share certificates.

With effect from Admission, share certificates in respect of Existing Ordinary Shares will cease to be valid. Share certificates in respect of New Ordinary Shares will only be issued following the Share Consolidation. It is therefore important that Shareholders holding certificate(s) in respect of Existing Ordinary Shares retain them until the New Ordinary Share certificates are despatched, which is expected to be by 14 September 2021. On receipt of share certificates in respect of New Ordinary Shares, certificates in respect of Existing Ordinary Shares should be destroyed.

No share certificates will be issued by the Company in respect of B2 Shares.

All share certificates and cheques will be sent by post, at the risk of the Shareholder(s) entitled thereto, to the registered address of the relevant Shareholder (or, in the case of joint Shareholders, to the address of the joint Shareholder whose name stands first in the register of members in respect of such joint shareholding).

Please note that all dates and times are subject to change.

10. SHAREHOLDER HELPLINE

If you have any questions relating to the Capital Reduction, Return of Capital or the Share Consolidation, please contact: Equiniti Limited on 0371 384 2288 or +44 371 384 2288 (if calling from outside the UK). Lines are open from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (excluding English and Welsh public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Please note that calls may be recorded and randomly monitored for security and training purposes. Please note that Equiniti Limited cannot provide advice on the merits of the Capital Reduction, Return of Capital or the Share Consolidation nor give financial, tax, investment or legal advice.

PART III
RIGHTS AND RESTRICTIONS ATTACHED TO THE B2 SHARES

The following sets out the rights of the B2 Shares and the restrictions to which they are subject (the “share rights”). These share rights are proposed to be adopted by special resolution at the General Meeting.

Rights and Restrictions Attached to B2 Shares

(A) General

The non-cumulative redeemable preference shares of 15 pence each in the capital of the Company (the “**B2 Shares**”) shall have the rights, and be subject to the restrictions, attaching to shares set out in the Company’s articles of association (the “**Articles**”) save that in the event of a conflict between any provision in these share rights and any provision in the Articles, the provisions in these share rights shall prevail.

(B) Income

The B2 Shares shall have no right to participate in the profits of the Company.

(C) Capital

- (i) On a return of capital on winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of each B2 Share shall be entitled, in priority to any payment to the holders of ordinary shares in the capital of the Company, to 15 pence per B2 Share held by them.
- (ii) On a winding-up, the holders of the B2 Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in clause C(i) above. In the event that there is a winding-up and the amounts available for payment are insufficient to pay the amounts due on all the B2 Shares in full, the holders of the B2 Shares shall be entitled to their pro rata proportion of the amounts to which they would otherwise be entitled.

(D) Attendance and voting at general meetings

- (i) The holders of the B2 Shares shall not be entitled, in their capacity as holders of such B2 Shares, to receive notice of any general meeting nor to attend, speak or vote at any such general meeting unless the business of the meeting includes the consideration of a resolution for the winding-up (excluding any intra-group reorganisation on a solvent basis) of the Company, in which case the holders of the B2 Shares shall have the right to attend the general meeting and shall be entitled to speak and vote only on any such resolution.
- (ii) Whenever the holders of the B2 Shares are entitled to vote at a general meeting of the Company, on a show of hands every holder thereof who (being an individual) is present in person or (being a corporation) by a duly authorised representative not being himself a member shall have one vote, and on a poll every such holder shall have one vote for every B2 Share which he holds.

(E) Class rights

- (i) The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the B2 Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B2 Shares) shall be treated as being in accordance with the rights attaching to the B2 Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B2 Shares.
- (ii) A reduction by the Company of the capital paid up or credited as paid up on the B2 Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the B2 Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B2 Shares or any other person.
- (iii) Without prejudice to the generality of the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes at any time (subject to the confirmation of the Court in accordance with the Companies Act) and without obtaining the consent of the holders of the B2 Shares.

(F) Form

The B2 Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The B2 Shares shall not be transferable except in accordance with clause (G) below.

(G) Transfer

No B2 Share may be transferred except to:

- (i) satisfy *bona fide* market claims in connection with trades of ordinary shares initiated on or before 6.00 p.m. on 27 August 2021 (or such other time and date as the Company's directors may determine) that have not settled as of such time;
- (ii) personal representatives upon the death of the holder or to any person entitled to the B2 Shares on bankruptcy of the holder; or
- (iii) transfer the legal title in a B2 Share from one nominee to another, provided that there is no transfer of beneficial title to the B2 Share.

(H) Redemption of B2 Shares

Subject to the provisions of the Companies Act and these share rights, the Company may elect, by notice issued through one of the regulatory information services authorised by the FCA to receive, process, and disseminate regulatory information from listed companies, to redeem, out of the profits available for distribution, the B2 Shares as follows:

- (i) The B2 Shares may be redeemed at such time as the Board may in its absolute discretion determine (the "**Redemption Date**").
- (ii) On redemption of each B2 Share on the Redemption Date, the Company shall be liable to pay 15 pence (the "**Redemption Amount**"), to the holder of such B2 Share registered on the Company's relevant register at the Redemption Date. The Company's liability to pay to such holder the Redemption Amount for each such B2 Share shall be discharged by the Company by a payment to such holder of the Redemption Amount for each such B2 Share approximately 10 working days after the Redemption Date.
- (iii) Neither the Company nor any of its directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the determination of the Redemption Date in accordance with clause (H)(i) above.
- (iv) All B2 Shares redeemed shall be cancelled and the Company shall not be entitled to re-issue them.

PART IV

SUMMARY OF RESOLUTIONS TO BE PROPOSED AT THE GENERAL MEETING

The General Meeting will be held at the Company's offices at Leconfield House, Curzon Street, London W1J 5JA at 10.00 am on 9 July 2021. A notice convening the General Meeting is set out at the end of this Circular

Shareholders will find enclosed with this Circular a Form of Proxy for use at the General Meeting. Shareholders holding shares in CREST may appoint a proxy through a CREST Proxy Instruction.

Further details on proxy appointments and the action to be taken are set out in the Notice of General Meeting at the end of this Circular.

Three resolutions will be proposed at the General Meeting. Resolutions 1 and 2 will be proposed as special resolutions, the passing of which requires at least 75 per cent. of the votes cast (whether in person or by proxy) to be in favour. Resolution 3 will be passed as an ordinary resolution, the passing of which requires a simple majority of votes cast to be in favour.

A summary of the Resolutions is set out below:

Resolution 1: Capital Reduction

This Resolution reduces the amount standing to the credit of the Company's share premium account by £4,137,777,242.

Resolution 2: Issue of B2 Shares

This Resolution is conditional on the passing of Resolutions 1 and 3 and on Admission. This Resolution authorises the Directors to capitalise a sum not exceeding £730 million standing to the credit of the Company's share premium account, to pay up in full the B2 Shares. This Resolution grants authority to the Directors to allot and issue B2 Shares up to an aggregate nominal amount of £730 million on the basis of one B2 Share for every one Existing Ordinary Share (excluding any Existing Ordinary Shares held by the Company in treasury) at the Record Time, such B2 Shares having the rights and restrictions set out in full in the Resolution (and as set out in Part III of this Circular). This authority granted to the Directors will expire at the end of the next annual general meeting of the Company or if earlier, at close of business on 30 June 2022.

Resolution 3: Share Consolidation

This Resolution authorises the subdivision and consolidation of the Existing Ordinary Shares into New Ordinary Shares on the basis of 9 New Ordinary Shares for every 10 Existing Ordinary Shares.

PART V
UNITED KINGDOM TAXATION

The following comments are intended only as a guide to United Kingdom tax law and HM Revenue & Customs published practice current as at the date of this Circular, both of which are subject to change at any time (potentially with retrospective effect). They do not constitute, and should not be taken as, tax advice. They are not exhaustive and relate only to certain limited aspects of the United Kingdom tax treatment of the Capital Reduction, B2 Share Scheme and Share Consolidation. They are intended to apply only to Shareholders who: (i) are resident and, in the case of individuals, also domiciled in (and only in) the United Kingdom for United Kingdom tax purposes and to whom split-year treatment does not apply; and (ii) are and will be the direct absolute beneficial owners of their Existing Ordinary Shares, B2 Shares and New Ordinary Shares (and any dividends paid on them) and who hold, and will hold, them as investments other than under an individual savings account or pension arrangement (and not as securities to be realised in the course of a trade or which constitute carried interest).

The comments may not apply to certain Shareholders, such as dealers in securities, insurance companies and collective investment schemes, Shareholders who are exempt from tax and Shareholders who have (or are deemed to have) acquired their Existing Ordinary Shares by virtue of an office or employment. Such persons may be subject to special rules.

The position may be different for future transactions and may alter between the date of this Circular and the implementation of the Capital Reduction and B2 Share Scheme.

All potential investors, and in particular those who are in any doubt about their tax position, should always seek their own advice from an appropriate independent and authorised professional if they are in any doubt as to their tax position or are subject to tax in a jurisdiction other than the United Kingdom.

1. ISSUE OF B2 SHARES AND SHARE CONSOLIDATION

The following comments apply for the purposes of capital gains tax (“CGT”).

The issue of the B2 Shares and the New Ordinary Shares as a result of the Share Consolidation should constitute a tax-free reorganisation of the share capital of the Company. Accordingly:

- (A) Shareholders receiving B2 Shares and New Ordinary Shares should not be treated as having made a disposal of all or any part of their holding of Existing Ordinary Shares; and
- (B) a Shareholder’s holding of B2 Shares and New Ordinary Shares should together be treated as the same asset as that Shareholder’s holding of Existing Ordinary Shares and as having been acquired at the same time, and for the same consideration, as the holding of Existing Ordinary Shares.

To calculate the tax due on a subsequent disposal of all or part of a Shareholder’s B2 Shares or New Ordinary Shares, that Shareholder’s CGT base cost in their holding of Existing Ordinary Shares will need to be apportioned between the B2 Shares and the New Ordinary Shares by reference to their respective values on the first day on which the New Ordinary Shares are listed.

The sale on behalf of relevant Shareholders of fractional entitlements to New Ordinary Shares resulting from the Share Consolidation should not generally be treated as a part disposal for CGT purposes. Instead, provided that it does not exceed the relevant Shareholder’s existing base cost, an amount equal to any payment received by that Shareholder from such sale should in practice be deducted from the base cost of the New Ordinary Shares received.

The issue of the B2 Shares and the Share Consolidation should not give rise to a liability to United Kingdom income tax (or corporation tax on income) in a Shareholder’s hands.

2. REDEMPTION OF THE B2 SHARES

The redemption of the B2 Shares will be treated as a disposal of the B2 Shares for the purposes of CGT. This may, subject to the relevant Shareholder’s individual circumstances and any available exemption or relief, give rise to a chargeable gain (or allowable loss).

Any such gain or loss will be calculated by reference to the difference between (i) the redemption proceeds received by the Shareholder and (ii) the part of the Shareholder’s original base cost in their Existing Ordinary Shares that is apportioned to the B2 Shares in the manner described under paragraph 1 above.

The amount of CGT, if any, payable by an individual Shareholder as a consequence of the redemption of the B2 Shares will depend on their own personal tax position. No tax will be payable on any gain realised on the redemption of the B2 Shares if the amount of the net chargeable gain realised by the Shareholder, when aggregated with other gains realised by that Shareholder in the year of assessment (and after taking account of allowable losses), does not exceed the annual exempt amount (£12,570 for 2021/22). Any gains in excess of this amount will be taxed at a rate of 10 per cent, or 20 per cent for higher rate and additional rate taxpayers.

For a corporate Shareholder within the charge to UK corporation tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain at the rate of corporation tax applicable to that Shareholder (currently 19 per cent) or an allowable loss for the purposes of UK corporation tax.

A corporate Shareholder is normally subject to corporation tax on all of its chargeable gains, subject to any available reliefs and exemptions.

No stamp duty or stamp duty reserve tax will arise on the issue or redemption of the B2 Shares, or on the Share Consolidation.

3. DIVIDENDS PAYABLE ON THE NEW ORDINARY SHARES

There is no withholding tax on dividends paid by the Company.

Individual Shareholders

Shareholders who are resident and domiciled in the UK for taxation purposes may, depending on their circumstances, be liable to UK income tax in respect of dividends paid by the Company.

All dividends received from the Company by an Individual Shareholder who is resident and domiciled in the UK will, except to the extent that they are earned through an ISA, self-invested pension plan or other regime which exempts the dividend from tax, form part of the Shareholder's total income for income tax purposes and will represent the highest part of that income.

A nil rate of income tax will apply to the first £2,000 of dividend income received by an individual Shareholder in a tax year from 6 April 2021 (the "Nil Rate Amount"), regardless of what tax rate would otherwise apply to that dividend income. Any dividend income received by an individual Shareholder in a tax year in excess of the Nil Rate Amount will be subject to income tax at the following dividend rates for 2021/22: 7.5 per cent. for basic rate taxpayers, 32.5 per cent for higher rate taxpayers and 38.1 per cent. for additional rate taxpayers.

Dividend income that is within the dividend nil rate amount counts towards an individual's basic or higher rate limits and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the nil rate amount. In calculating into which tax band any dividend income over the nil rate amount falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice

Corporate Shareholders

Shareholders within the charge to UK corporation tax will generally not be subject to UK corporation tax on any dividend received provided certain conditions are met (including an anti-avoidance condition).

PART VI
DEFINITIONS

The following definitions apply throughout this Circular, unless the context requires otherwise:

2021 AGM	the Company's annual general meeting held on 6 May 2021
Admission	admission of the New Ordinary Shares to (i) the premium listing segment of the Official List and (ii) trading on the London Stock Exchange's main market for listed securities
Admission Date	31 August 2021 or such other time and/or date as the Board may in its absolute discretion determine
Articles	the articles of association of Melrose as amended from time to time
B2 Share Scheme	the return of capital by way of payment of 15 pence per Existing Ordinary Share to be effected by the allotment, issue and redemption of the B2 Shares
B2 Shares	the redeemable preference shares of 15 pence each in the capital of the Company carrying the rights and restrictions set out in Part III of this Circular
Board or Melrose Board	the board of directors of Melrose
Capital Reduction	has the meaning given to it in paragraph 2 of the letter from the chairman of the Company set out in Part I of this Circular
Capital Reduction Record Time	6.00 p.m. on the date immediately preceding the date of the Court Hearing
Circular or this document	this Shareholder circular dated 22 June 2021
Companies Act	the Companies Act 2006, as amended from time to time
Company or Melrose	Melrose Industries PLC, a public limited company incorporated under the laws of England and Wales with its registered office at 11 th Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, West Midlands B4 6AT
Court	the High Court of Justice in England and Wales
Court Hearing	the hearing by the Court to confirm the Capital Reduction
Court Order	order of the Court confirming the Capital Reduction
COVID-19	SARS-CoV-2 or COVID-19, and any evolutions or mutations thereof or associated epidemics, pandemics or disease outbreaks
CREST	the electronic transfer and settlement system for the paperless settlement of trades in listed securities operated by Euroclear
CREST Manual	the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof
CREST Proxy Instruction	the instruction whereby CREST members send a CREST message appointing a proxy for the General Meeting and instructing the proxy how to vote and containing the information set out in the CREST Manual
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/378), as amended
Directors	the directors of the Company from time to time, each a Director
Disclosure Guidance and Transparency Rules	the Disclosure Guidance and Transparency Rules as published by the FCA
Existing Ordinary Shares	the existing issued ordinary shares of 48/7 pence each in the capital of the Company, prior to the Share Consolidation

EU	the economic and political confederation of European nations which share a common foreign and security policy and co-operate on justice and home affairs known as the European Union
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST (as defined in the CREST Regulations)
Financial Conduct Authority or FCA	the United Kingdom Financial Conduct Authority
Form of Proxy	the form of proxy for use at the General Meeting which accompanies this Circular
FSMA	the Financial Services and Markets Act 2000, as amended from time to time
General Meeting	the general meeting of Melrose to be held at the Company's offices at Leconfield House, Curzon Street, London W1J 5JA at 10:00 a.m. on 9 July 2021 to consider and, if thought fit, pass the Resolutions
Group or Melrose Group	Melrose, its subsidiaries and subsidiary undertakings from time to time
HMRC	Her Majesty's Revenue and Customs;
Latest Practicable Date	18 June 2021, being the latest practicable date prior to the publication of this Circular
London Stock Exchange	London Stock Exchange plc
New Ordinary Shares	the proposed new ordinary shares of 160/21 pence each in the capital of the Company, following the Share Consolidation
Notice of General Meeting	the notice of General Meeting contained in this Circular
Official List	the official list maintained by the FCA
Ordinary Shares	prior to the Share Consolidation, the Existing Ordinary Shares and, after the Share Consolidation, the New Ordinary Shares
Overseas Shareholders	Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of a country other than the United Kingdom or who have a registered address which is not in the United Kingdom
pence, £ and pounds sterling	the lawful currency of the United Kingdom
Record Time	6.00 p.m. on 27 August 2021, or such other date as the Directors may decide
Redemption Date	8.00 a.m. on 31 August 2021, or such other date as the Directors may decide
Registrar or Equiniti	Equiniti Limited, or any other registrar appointed by the Company from time to time
Regulatory Information Service	one of the regulatory information services authorised by the FCA to receive, process, and disseminate regulatory information from listed companies
Resolutions	the resolutions to be proposed to Shareholders at the General Meeting as set out in the Notice of Meeting
Return of Capital	the proposed return of 15 pence per Existing Ordinary Share via the B2 Share Scheme
Shareholders	holders of Existing Ordinary Shares and, where the content requires, holders of B2 Shares, each a Shareholder
UK or United Kingdom	United Kingdom of Great Britain and Northern Ireland
US or United States	United States of America

All references to legislation in this Circular are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

For the purpose of this Circular, “subsidiary” and “subsidiary undertaking” have the meanings given by the Companies Act.

Words importing the singular shall include the plural and *vice versa*, and words importing the masculine gender shall include the feminine or neutral gender.

NOTICE OF GENERAL MEETING

MELROSE INDUSTRIES PLC

(incorporated and registered in England and Wales under the Companies Act 2006 with registered number 09800044)

NOTICE OF GENERAL MEETING

NOTICE IS GIVEN that a General Meeting of Melrose Industries PLC (the “**Company**”) will be held at the offices of the Company at 10.00 a.m. on 9 July 2021 to consider and, if thought fit, pass the following resolutions. Resolutions 1 and 2 will be proposed as special resolutions and Resolution 3 will be proposed as an ordinary resolution.

Resolution 1—Capital Reduction (“Resolution 1”)

THAT, the amount standing to the credit of the Company’s share premium account be reduced by £4,137,777,242.

Resolution 2—Issue of B2 Shares (“Resolution 2”)

THAT, subject to the passing of Resolutions 1 and 3, and subject to and conditional upon Admission occurring:

- (a) the Directors be authorised to:
- (i) capitalise a sum not exceeding £730 million, standing to the credit of the Company’s share premium account, and to apply such sum in paying up in full up to the maximum number of redeemable preference shares of 15 pence each in the capital of the Company carrying the rights and restrictions set out below (the “**B2 Shares**”) that may be allotted to the holders of ordinary shares of 48/7 pence each in the capital of the Company in issue as at 6.00 p.m. on 27 August 2021 (or such other time and date as the Directors may determine) (each an “**Existing Ordinary Share**”) pursuant to the authority given by subparagraph (a)(ii) below; and
 - (ii) pursuant to section 551 of the Companies Act 2006 (the “**Companies Act**”), exercise all powers of the Company to allot and issue credited as fully paid up B2 Shares with an aggregate nominal amount not exceeding £730 million to the holders of Existing Ordinary Shares on the basis of one B2 Share for each Existing Ordinary Share held and recorded on the register of members of the Company at 6.00 p.m. on 27 August 2021 (or such other time and/or date as the Directors may determine) (the “**Record Time**”), in accordance with the terms of the circular sent by the Company to its Shareholders on 22 June 2021 and the Directors’ determination as to the number of B2 Shares to be allotted and issued; and
- (b) the authority conferred by this Resolution 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 30 June 2022.

Rights and Restrictions Attached to B2 Shares

(A) General

The non-cumulative redeemable preference shares of 15 pence each in the capital of the Company (the “**B2 Shares**”) shall have the rights, and be subject to the restrictions, attaching to shares set out in the Company’s articles of association (the “**Articles**”) save that in the event of a conflict between any provision in these share rights and any provision in the Articles, the provisions in these share rights shall prevail.

(B) Income

The B2 Shares shall have no right to participate in the profits of the Company.

(C) Capital

- (i) On a return of capital on winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of each B2 Share shall be entitled, in priority to any payment to the holders of ordinary shares in the capital of the Company, to 15 pence per B2 Share held by them.

- (ii) On a winding-up, the holders of the B2 Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in clause C(i) above. In the event that there is a winding-up and the amounts available for payment are insufficient to pay the amounts due on all the B2 Shares in full, the holders of the B2 Shares shall be entitled to their pro rata proportion of the amounts to which they would otherwise be entitled.

(D) Attendance and voting at general meetings

- (i) The holders of the B2 Shares shall not be entitled, in their capacity as holders of such B2 Shares, to receive notice of any general meeting nor to attend, speak or vote at any such general meeting unless the business of the meeting includes the consideration of a resolution for the winding-up (excluding any intra-group reorganisation on a solvent basis) of the Company, in which case the holders of the B2 Shares shall have the right to attend the general meeting and shall be entitled to speak and vote only on any such resolution.
- (ii) Whenever the holders of the B2 Shares are entitled to vote at a general meeting of the Company, on a show of hands every holder thereof who (being an individual) is present in person or (being a corporation) by a duly authorised representative not being himself a member shall have one vote, and on a poll every such holder shall have one vote for every B2 Share which he holds.

(E) Class rights

- (i) The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the B2 Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B2 Shares) shall be treated as being in accordance with the rights attaching to the B2 Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B2 Shares.
- (ii) A reduction by the Company of the capital paid up or credited as paid up on the B2 Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the B2 Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B2 Shares or any other person.
- (iii) Without prejudice to the generality of the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes at any time (subject to the confirmation of the Court in accordance with the Companies Act) and without obtaining the consent of the holders of the B2 Shares.

(F) Form

The B2 Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The B2 Shares shall not be transferable except in accordance with clause (G) below.

(G) Transfer

No B2 Share may be transferred except to:

- (i) satisfy *bona fide* market claims in connection with trades of ordinary shares initiated on or before 6.00 p.m. on 27 August 2021 (or such other time and date as the Company's directors may determine) that have not settled as of such time;
- (ii) personal representatives upon the death of the holder or to any person entitled to the B2 Shares on bankruptcy of the holder; or
- (iii) transfer the legal title in a B2 Share from one nominee to another, provided that there is no transfer of beneficial title to the B2 Share.

(H) Redemption of B2 Shares

Subject to the provisions of the Companies Act and these share rights, the Company may elect, by notice issued through one of the regulatory information services authorised by the FCA to receive, process, and

disseminate regulatory information from listed companies, to redeem, out of the profits available for distribution, the B2 Shares as follows:

- (i) The B2 Shares may be redeemed at such time as the Board may in its absolute discretion determine (the “**Redemption Date**”).
- (ii) On redemption of each B2 Share on the Redemption Date, the Company shall be liable to pay 15 pence (the “**Redemption Amount**”), to the holder of such B2 Share registered on the Company’s relevant register at the Redemption Date. The Company’s liability to pay to such holder the Redemption Amount for each such B2 Share shall be discharged by the Company by a payment to such holder of the Redemption Amount for each such B2 Share approximately 10 working days after the Redemption Date.
- (iii) Neither the Company nor any of its directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the determination of the Redemption Date in accordance with clause (H)(i) above.
- (iv) All B2 Shares redeemed shall be cancelled and the Company shall not be entitled to re-issue them.

Resolution 3—Share Consolidation (“Resolution 3”)

THAT subject to the passing of Resolutions 1 and 2, and subject to and conditional upon Admission occurring, every Existing Ordinary Share be subdivided into 9 undesignated shares in the capital of the Company (each an “**Undesignated Share**”) and immediately thereafter, every 10 Undesignated Shares be consolidated into one new ordinary share of 160/21 pence each in the capital of the Company (each a “**New Ordinary Share**” and such New Ordinary Share having the same rights as the Existing Ordinary Shares, including dividend, voting and other rights), provided that, where such subdivision and consolidation results in any member being entitled to a fraction of a New Ordinary Share, such fraction shall, so far as possible, be aggregated with the fractions of New Ordinary Shares to which other members of the Company may be entitled and the Directors of the Company be and are hereby authorised to sell (or appoint any other person to sell), on behalf of the relevant members, all the New Ordinary Shares representing such fractions at the best price reasonably obtainable to any persons, and to pay the proceeds of sale (net of expenses) in due proportion to the relevant members entitled thereto (save that any fraction of a penny which would otherwise be payable shall be rounded up or down in accordance with the usual practice of the Registrar of the Company and, if the proceeds are less than £5.00 in the case of any one Shareholder, they will be donated to charities chosen by the Board of the Company) and that any Director of the Company (or any person appointed by the Directors of the Company) shall be and is hereby authorised to execute one or more instrument(s) of transfer in respect of such shares on behalf of the relevant members and to do all acts and things the Directors consider necessary or expedient to effect the transfer of such shares to, or in accordance with the directions of, any buyer of any such shares.

22 June 2021

Registered office:
11th Floor
The Colmore Building
20 Colmore Circus Queensway
Birmingham
West Midlands
B4 6AT

By order of the Board
Jonathon Crawford
Company Secretary

NOTES

Notes:

1. In view of the current restrictions introduced by the UK Government in response to the COVID-19 pandemic, the Company has made arrangements for the General Meeting to be held with the minimum number of attendees to satisfy the requirements for a quorate meeting. Shareholders are asked not to attend the meeting and, in the interests of safety, any attempted entry to the meeting will be refused. Shareholders who wish to attend the General Meeting via telephone should contact the Company's Registrar, Equiniti, by email at customer@equiniti.com by no later than 10:00 a.m. on 7 July 2021 in order to register their attendance. In the email, Shareholders must include their (i) name; (ii) full address; and (iii) Shareholder reference number (URN). Shareholders who are not able to use email should contact Equiniti by telephone on 0371 384 2288 or +44 371 384 2288 (if calling from outside the UK). Please note that Shareholders joining by telephone will not be able to vote on the day and nor will they be counted as being present at the General Meeting.
2. The situation in relation to COVID-19 continues to evolve and should circumstances change before the time of the General Meeting, we will notify Shareholders of any change to our meeting arrangements as early as is possible before the date of the meeting, by publishing details of the changes on our website at www.melroseplc.net, and we encourage you to monitor our website for any updates.
3. Shareholders are entitled to appoint a proxy to attend, speak and vote on their behalf at the General Meeting. A proxy need not be a Shareholder of the Company but must attend the General Meeting for the Shareholder's vote to be counted. A Form of Proxy is enclosed with this notice. To be effective, the Form of Proxy must be completed and returned, together with any power of attorney or authority under which it is completed or a certified copy of such power or authority, so that it is received by the Company's registrars at the address specified on the Form of Proxy not less than 48 hours (excluding any part of a day that is not a working day) before the time for holding the meeting (or, in the event of an adjournment, not less than 48 hours before the stated time of the adjourned meeting (excluding any part of a day that is not a working day)).
4. Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 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 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. 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 paragraphs 3 and 4 can only be exercised by Shareholders of the Company. In view of the restrictions in relation to the attendance at the General Meeting, Shareholders are urged to appoint the Chairman of the General Meeting as their proxy and provide voting instructions to the proxy in advance of the General Meeting.
5. A 14-day notice period for the General Meeting is considered by the Company to be appropriate given the strong Shareholder support (99.89%) received at the General Meeting held on 6 May 2021 for the disposal of Air Management. Further, a Court approved Capital Reduction is required prior to making the Return of Capital to Shareholders, and so the notice period of the General Meeting takes into account the additional time required in the timetable for the Court Hearing, together with the Court's summer recess.
6. To be entitled to vote at the General Meeting (and for the purposes of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members by 6.30 p.m. on 7 July 2021 (or, in the event of an adjournment, not less than 48 hours before the stated time of the adjourned meeting (excluding any part of a day that is not a working day)). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
7. As at 21 June 2021 (being the last Business Day prior to the publication of this notice) the Company's issued Existing Ordinary Share capital consists of 4,858,254,963 ordinary shares of 48/7 pence each, carrying one vote each. Therefore, the total voting rights in the Company as at 21 June 2021 are 4,858,254,963.
8. 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.

9. 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 www.euroclear.com). 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 RA19 by 10.00 a.m. on 7 July 2021. 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.
10. 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 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. 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.
12. 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.
13. The Company will offer an opportunity for Shareholders to engage in advance of the meeting through a facility to submit questions. If Shareholders have any questions for the Board in relation to the business being dealt with at the General Meeting, these can be submitted using the online service that can be accessed from www.melroseplc.net/investors/shareholder-information/melrose-gm-2021-questions-form/. The Board will endeavour to answer the key themes of these questions as soon as practicable. The Company must answer any such questions relating to the business being dealt with at the meeting but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; and/or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. Shareholders who attend the General Meeting via telephone will also have the opportunity to ask questions at the General Meeting.
14. Voting at the General Meeting will be by poll. All valid proxy votes, whether submitted electronically or in hard copy form, will be included in the poll to be taken at the meeting. In addition, the Chairman of the General Meeting will cast the votes for which he has been appointed as proxy. Once the results have been verified by the Company’s Registrar, Equiniti, they will be notified to the Financial Conduct Authority, announced through a Regulatory Information Service and will be available to view on the Company’s website.
15. A copy of this notice, and other information required by Section 311A of the Companies Act, can be found on the Company’s website at www.melroseplc.net.
16. You may not use an electronic address provided in either this Notice of General Meeting or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
17. You may register your vote online by visiting Equiniti’s website at www.sharevote.co.uk. In order to register your vote online, you will need to enter the Voting ID, Task ID and your Shareholder reference number (URN) which are set out on the enclosed Form of Proxy. Alternatively, Shareholders who have already registered with Equiniti’s online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk and click on the link to vote. The on-screen instructions give details on how to complete the appointment process. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 10.00 a.m. on 7 July 2021.

(This page has been left blank intentionally.)

(This page has been left blank intentionally.)

(This page has been left blank intentionally.)

