

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you are recommended to seek your own advice immediately from a stockbroker, solicitor, accountant or other professional adviser authorised pursuant to the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or transferred all of your Ordinary Shares in the Company, please forward this document together with the Proxy Form without delay to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. Such documents should not, however, be forwarded or transmitted in or into any jurisdiction where to do so might constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the stockbroker bank or other agent through whom the sale or transfer was effected.

**This document should be read in conjunction with the enclosed Proxy Form and the definitions set out in Part 3 of this document. The whole of this document should be read and, in particular, your attention is drawn to the letter from the Chairman of the Company set out in Part 1 of this document which contains the recommendation by the Directors to Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.**



**UP GLOBAL SOURCING HOLDINGS PLC**

(incorporated under the laws of England and Wales with registered number 05432142)

**Notice of Annual General Meeting**

---

A notice convening the Annual General Meeting of the Company to be held at 2.00 p.m. on 14 December 2018 at Manor Mill, Victoria Street, Chadderton, Oldham OL9 0DD is set out in Part 4 of this document. Whether or not you propose to attend the Annual General Meeting, please complete, sign and return the accompanying Proxy Form in accordance with the instructions printed on it as soon as possible. The Proxy Form must be received by the Company's registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA, not less than 48 hours before the time of the holding of the Annual General Meeting. The Proxy Form may be delivered by post or by hand, to Equiniti Limited so that it is received by Equiniti Limited by no later than 2.00 p.m. on 12 December 2018 (being 48 hours before the time appointed for the holding of the Annual General Meeting). CREST members can also appoint proxies by using the CREST electronic proxy appointment service and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by Equiniti Limited by no later than 2.00 p.m. on 12 December 2018. The time of receipt will be taken to be the time from which Equiniti Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Completion and return of a Proxy Form or transmitting a CREST Proxy Instruction will not prevent you from attending and voting at the Annual General Meeting in person should you wish to do so.



## **IMPORTANT NOTICE**

The release, publication or distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about, and observe, any applicable restrictions or requirements. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. This document has been prepared for the purposes of complying with English law and the Listing Rules and the applicable rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of England and Wales. The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and publication of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date. Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of the Company except where otherwise stated.

## **FORWARD-LOOKING STATEMENTS**

This document contains certain “forward-looking statements” with respect to certain plans and objectives of the members of the Group. In some cases, these forward-looking statements can be identified by the fact that they do not relate to historical or current facts and by the use of forward-looking terminology, including the terms “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “prepares”, “goal”, “target”, “will”, “may”, “should”, “could” or “would” or, in each case, their negative or other variations or comparable terminology. These statements are based on assumptions and assessments made by the Directors in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. Investors should specifically consider the factors identified in this document that could cause actual results to differ before making an investment decision. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. They are also based on numerous assumptions regarding the Company’s and/or the Group’s present and future business strategies and the environment in which it is believed that the Group will operate in the future. These forward-looking statements speak only as at the date of this document. Except as required by the FCA, the Listing Rules, the Disclosure and Transparency Rules, the London Stock Exchange or applicable law, the Company expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document.

## CONTENTS

	Page
Expected Timetable of Events	4
Part 1: Letter from the Chairman of the Company	5
Part 2: Information relating to the SAYE Plan	7
Part 3: Definitions	9
Part 4: Notice of Annual General Meeting	11

## EXPECTED TIMETABLE OF EVENTS

Last time and date for receipt of Proxy Form for the Annual General Meeting	2.00 p.m. on 12 December 2018
Last time and date for receipt of CREST Proxy Instructions	2.00 p.m. on 12 December 2018
Last time and date for registration in the Register	Close of business on 12 December 2018
Annual General Meeting	2.00 p.m. on 14 December 2018

---

### Notes:

1. Reference to times are to London times unless otherwise stated.
2. The dates and times given in this document are based on the Company's current expectations and may be subject to change.
3. Any changes to the timetable set out above will be announced via a Regulatory Information Service.

## **PART 1: LETTER FROM THE CHAIRMAN**

### **UP GLOBAL SOURCING HOLDINGS PLC**

*(incorporated under the laws of England and Wales with registered number 05432142)*

Directors:

James John McCarthy (Non-Executive Chairman)  
Simon Adom Showman (Chief Executive Officer)  
Andrew John Gossage (Executive Director)  
Graham Philip Screawn (Executive Director)  
Alan Rigby (Senior Independent Non-Executive Director)  
Robbie Ian Bell (Non-Executive Director)  
Barry Eric Franks (Non-Executive Director)

*Registered Office*  
Manor Mill  
Victoria Street  
Chadderton  
Oldham  
OL9 0DD

20 November 2018

Dear Shareholder

### **Notice of Annual General Meeting**

#### **1. Notice of Annual General Meeting**

Your attention is drawn to the Notice set out in Part 4 of this document (including the explanatory notes) convening the Annual General Meeting to be held at 2.00 p.m. on 14 December 2018 at Manor Mill, Victoria Street, Chadderton, Oldham OL9 0DD where the resolutions set out in the Notice will be proposed.

Resolution 13 seeks approval of the Save As You Earn Plan proposed to be adopted by the Company (details of which are found in Part 2 of this document).

#### **2. Save As You Earn Plan**

The Company is proposing to adopt a Save As You Earn plan to incentivise its UK employees, being a tax-advantaged all-employee share incentive plan that meets the requirements of Schedule 3 of the Income Tax (Earnings and Pensions) Act 2003. The Board believes that the adoption of the SAYE Plan will further incentivise the Company's workforce as a whole and increase alignment between the broader employee base and shareholders. Should the SAYE Plan be approved by shareholders and adopted by the Company, then in accordance with the Remuneration Policy and the requirements of the relevant legislation the executive Directors will be entitled to participate on the same basis (and subject to the same maximums) as other Group employees.

The SAYE Plan has been developed with the advice of RSM Tax and Advisory Services LLP and the main provisions of the SAYE Plan are summarised in Part 2 of this document. The Rules of the SAYE Plan will be available for inspection at the Company's registered office (at Manor Mill, Victoria Street, Chadderton, Oldham, OL9 0DD) during usual business hours on any weekday (Saturday, Sunday and public holidays in the United Kingdom excluded) from the date of this Notice until the end of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.

Resolution 13 and the accompanying explanatory notes relate to the approval of the SAYE Plan.

#### **3. Action to be Taken**

You are invited to attend the Annual General Meeting. If you would like to vote on the resolutions but cannot attend the Annual General Meeting in person, please fill in the Proxy Form accompanying this document and return it to Equiniti Limited at Aspect House, Spencer Road, Lancing BN99 6DA as soon as possible. Equiniti Limited must receive the Proxy Form by 2.00 p.m. on 12 December 2018 (being 48 hours before the time appointed for the holding of the Annual General Meeting).

Resolutions 1 to 14 are to be proposed as ordinary resolutions and resolutions 15 and 16 are to be proposed as special resolutions. The ordinary resolutions 1 to 14 will require a simple majority of those voting in person or by proxy (whether on a show of hands or on a poll) in favour of such resolutions. The special resolutions 15 to 16 will require approval by not less than 75 per cent of those voting in person or by proxy (whether on a show of hands or on a poll) in favour of such resolutions.

CREST members can appoint proxies by using the CREST electronic proxy appointment service and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by Equiniti Limited (under CREST participant ID: RA19) by no later than 2.00 p.m. on 12 December 2018 (being 48 hours before the time appointed for the holding of the Annual General Meeting). The time of receipt will be taken to be the time from which Equiniti Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Completion and return of a Proxy Form or transmitting a CREST Proxy Instruction will not prevent you from attending the Annual General Meeting and voting in person should you wish to do so.

#### **4. Further Information**

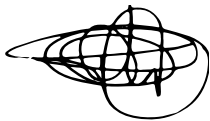
Your attention is drawn to the further information set out in the Notice of Annual General Meeting in Part 4 at the end of this document. You are advised to read the whole of this document and not rely on the summary information provided above.

#### **5. Recommendation**

The Board considers the passing of the resolutions to be in the best interests of the Company and the Shareholders as a whole.

Accordingly, the Board recommends that the Shareholders vote in favour of the resolutions as they intend to do in respect of their beneficial holdings, amounting, in aggregate, to 35,626,344 Ordinary Shares, representing 43.36 per cent of the issued share capital of the Company (excluding treasury shares) at the latest practicable date (being 9 November 2018).

Yours faithfully

A handwritten signature in black ink, appearing to read 'James McCarthy', written over a circular scribble.

**James McCarthy**  
Chairman

## PART 2: SAVE AS YOU EARN PLAN

The following is a summary of the main provisions of the SAYE Plan proposed to be adopted by the Company pursuant to Resolution 13.

This Part summarises the SAYE Plan, but does not form part of the rules of the SAYE Plan (“**Rules**”) and should not be taken as affecting the interpretation of the detailed terms and conditions constituting the Rules.

The Rules will be available for inspection at the registered office of the Company (at Manor Mill, Victoria Street, Chadderton, Oldham, OL9 0DD) during usual business hours on any weekday (Saturday, Sunday and public holidays in the United Kingdom excluded) from the date of this Notice until the end of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.

### General

The SAYE Plan is a savings related share option scheme that has been designed to take advantage of the tax-advantaged status of savings-related share option schemes which comply with Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003 (“**Schedule 3**”).

The SAYE Plan will be operated and supervised by the Remuneration Committee of the Board (the “**Committee**”).

### Eligibility

All UK employees and full-time Directors of the Company and participating companies within the Group are eligible to participate in the SAYE Plan. It is intended that invitations to apply for options over Ordinary Shares (“**Options**”) under the SAYE Plan will be made to all eligible employees and full-time Directors who are employed by the Company and participating companies within the Group on the date invitations under the SAYE Plan are issued. The Committee will determine the basis upon which any invitations to apply for Options are made.

### Savings Contract

To participate in the SAYE Plan, an eligible employee must enter in a save-as-you-earn contract (“**Savings Contract**”) with the savings body designated by the Committee, agreeing to make monthly contributions of between £10 and £500 (or such other amounts as are specified by the Committee, in respect of any particular invitation, such amounts being compliant with Schedule 3) of a specified savings period of three or five years. The Committee has discretion to determine which of the Savings Contracts will be available in respect of any invitation to apply for Options.

A bonus determined by HM Revenue & Customs is payable after the expiration of the savings period.

Applications to participate in the SAYE Plan may be scaled down by the Committee, if applications exceed the number of Ordinary Shares available for the grant of Options. Such scaling down may include:

- the exclusion of bonuses;
- reducing monthly contributions above a certain level pro rata;
- reducing monthly contributions for each eligible employee pro rata; or
- treating elections for five-year Saving Contracts as elections for three-year Savings Contracts.

### Option Price

The exercise price for each Ordinary Share in respect of which an Option is granted (“**Option Price**”) shall not be less than the greater of:

- 80 per cent of the average middle-market quotation as derived from the London Stock Exchange Daily Official List for the dealing day prior to the date of grant; and
- the nominal value of the Ordinary Shares.

### **Issue of Invitations**

Invitations to apply for Options may only be made within the period of 42 days following the approval of the SAYE Plan by the Company's shareholders, the announcement of the Company's results for any period, from any day on which changes to the legislation or regulations affecting save as you earn schemes under Schedule 3 are announced, effected or made or any day on which the Committee determines that exceptional circumstances exist.

If, during any such period, the Company is restricted from issuing invitations, invitations may be made immediately following the date on which such restrictions cease to apply.

### **Grant of Options**

The number of Ordinary Shares over which Options may be granted must, as nearly as possible, be equal to, but not in excess of, that number of Ordinary Shares which may be purchased out of the repayment proceeds (including, any interest or bonus payable) of the relevant Savings Contract at the Option Price.

Options under the SAYE Plan may only be granted within the period of 30 days following the date on which the Option Price is determined (or 42 days where the Company has had to scale back applications).

### **Exercise of Options**

Options will only normally be exercisable for a period of six months commencing on the third or fifth anniversary (as the case may be) of the starting date of the related Savings Contract and, if not exercised by the end of that period, the Option will lapse. Earlier exercise may however be permitted in specified circumstances including:

- termination of employment as a result of death, injury, disability, redundancy, retirement or the sale of the subsidiary or business for which the participant works;
- a change of control of the Company following a general offer;
- a court-sanctioned compromise or arrangement under section 899 of the CA 2006;
- a squeeze-out under section 979 of the CA 2006;
- a sell-out section 983 of the CA 2006; or
- a winding up of the Company.

### **Exchange of Options upon certain corporate events**

In certain specified circumstances, Options may be exchanged for new equivalent Options over shares in an acquiring company.

### **Amending the SAYE Plan**

The Committee may amend the SAYE Plan at any time, provided that any amendment to the advantage of participants that relates to matters including eligibility or plan limits will require the approval of the Company's shareholders in a general meeting.

No amendment to the SAYE Plan may be made where such amendment would result in the plan no longer qualifying as a savings-related share option scheme under Schedule 3.

Minor amendments to benefit the administration of the SAYE Plan, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Committee without shareholder approval.



### PART 3: DEFINITIONS

The following definitions apply to words and phrases used in this document except where the context requires otherwise:

<b>“Annual General Meeting” or “AGM”</b>	the annual general meeting of the Company convened for 2.00 p.m. on 14 December 2018, notice of which is set out at Part 4 of this document;
<b>“Annual Report and Accounts”</b>	the annual report and accounts for financial year ended 31 July 2018;
<b>“Audit Committee”</b>	the Company’s audit committee;
<b>“Board”</b>	the Directors of the Company (or, where the context requires, any duly constituted committee thereof);
<b>“CA 2006”</b>	the Companies Act 2006;
<b>“City Code”</b>	the City Code on Takeovers and Mergers;
<b>“Company”</b>	UP Global Sourcing Holdings plc, a company incorporated under the laws of England and Wales with registered number 05432142;
<b>“CREST”</b>	the Relevant System (as defined in the CREST Regulations), in respect of which Euroclear is the operator (as defined in the CREST Regulations);
<b>“CREST Manual”</b>	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedures and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as subsequently amended);
<b>“CREST member”</b>	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations);
<b>“CREST participant”</b>	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations);
<b>“CREST Proxy Instruction”</b>	an appropriate and valid CREST message appointing a proxy by means of CREST;
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended;
<b>“CREST Sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor;
<b>“Director(s)”</b>	the directors of the Company;
<b>“Directors’ Remuneration Report”</b>	the directors’ remuneration report of the Group, set out in the Annual Report and Accounts for financial year ended 31 July 2018, which is to be voted on by Shareholders at the Annual General Meeting;
<b>“Disclosure and Transparency Rules”</b>	the disclosure guidance and transparency rules of the FCA made for the purposes of Part VI of FSMA in relation to the disclosure of information by an issuer whose financial instruments are admitted to trading on a regulated market in the UK;
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, as the CREST operator (as defined in the CREST Regulations);
<b>“FCA”</b>	the Financial Conduct Authority of the United Kingdom, and any of its successor authorities;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended from time to time;

<b>“Group”</b>	the Company, the subsidiaries and all other subsidiary undertakings of the Company from time to time and <b>“Group Company”</b> shall be construed accordingly;
<b>“Listing Rules”</b>	the listing rules made by the UK Listing Authority under section 73A of FSMA, as amended from time to time;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Notice”</b>	the notice of the Annual General Meeting set out in Part 4 of this document;
<b>“Ordinary Shares”</b>	the issued ordinary shares of 0.25 pence each in the capital of the Company;
<b>“Save As You Earn Plan” or “SAYE Plan”</b>	Save As You Earn Plan of the Company proposed to be approved and adopted by Shareholders at the Annual General Meeting;
<b>“Proxy Form”</b>	the form of proxy which accompanies this document, for use at the Annual General Meeting;
<b>“Regulatory Information Service”</b>	any channel recognised as a channel for the dissemination of regulatory information by listed companies, as defined in the Listing Rules;
<b>“Remuneration Committee”</b>	the Company’s remuneration committee;
<b>“Rules”</b>	the rules of the SAYE Plan proposed to be adopted pursuant to Resolution 13; and
<b>“Shareholder”</b>	a registered holder of an Ordinary Share.

## PART 4: NOTICE OF ANNUAL GENERAL MEETING

### UP GLOBAL SOURCING HOLDINGS PLC

*(incorporated under the laws of England and Wales with registered number 05432142)*

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at the registered office of the Company, being Manor Mill, Victoria Street, Chadderton, Oldham, OL9 0DD on Friday 14 December 2018 at 2.00 p.m. to consider and, if thought fit, pass the resolutions set out below. Resolutions 1 to 14 (inclusive) will be proposed as ordinary resolutions and Resolutions 15 and 16 will be proposed as special resolutions.

#### ORDINARY BUSINESS

1. To receive, approve and adopt the audited accounts of the Group and the Company for the year ended 31 July 2018 together with the Directors' and auditor's reports thereon.
2. To receive and approve the annual statement by the chairman of the Remuneration Committee set out on pages 47 to 49 of the Company's Annual Report and Accounts and the Directors' Remuneration Report as set out on pages 66 to 78 of the Company's Annual Report and Accounts for the year ended 31 July 2018.
3. To declare a final dividend of 1.89 pence per ordinary share of 0.25 pence in the capital of the Company for the year ended 31 July 2018.
4. To re-elect Mr James John McCarthy as a director of the Company.
5. To re-elect Mr Simon Adom Showman as a director of the Company.
6. To re-elect Mr Andrew John Gossage as a director of the Company.
7. To re-elect Mr Graham Philip Screawn as a director of the Company.
8. To re-elect Mr Alan Rigby as a director of the Company.
9. To re-elect Mr Robbie Ian Bell as a director of the Company.
10. To re-elect Mr Barry Eric Franks as a director of the Company.
11. To re-appoint BDO LLP as the Company's auditor, to hold office until the conclusion of the next general meeting at which accounts are laid.
12. To authorise the Audit Committee of the Board to determine the auditor's remuneration.
13. THAT the rules of the UP Global Sourcing Holdings plc Save As You Earn Option Plan (the "**SAYE Plan**"), described in the circular of which the notice containing this resolution forms part and in the form produced in draft to the meeting and for the purposes of identification initialled by the Chairman of the meeting, are hereby approved and adopted and that the Directors are hereby authorised to do all such other acts and things as they may consider appropriate to implement the SAYE Plan, including making any changes to the rules of the SAYE Plan necessary or desirable in order to ensure that the Directors can make a valid declaration to HM Revenue & Customs that the SAYE Plan satisfies the requirements of Schedule 3 to the Income Tax (Earning and Pensions) Act 2003.
14. THAT, in accordance with section 551 of the CA 2006, the Directors be generally and unconditionally authorised to allot Relevant Securities (as defined below):
  - (a) comprising equity securities (as defined by section 560 of the CA 2006) up to an aggregate nominal amount of £135,000 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant the authority in paragraph 14(b) below) in connection with an offer by way of a rights issue:
    - (i) to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - (ii) to holders of other equity securities (if any) as required by the rights of those securities or as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- (b) in any other case, up to an aggregate nominal amount of £67,500 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authority in paragraph 14(a) above in excess of £67,500),

provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 January 2020 or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

In this resolution, "Relevant Securities" means shares in the Company (other than shares allotted pursuant to (i) an employee share scheme (as defined in section 1166 of the CA 2006); (ii) a right to subscribe for shares in the Company where the grant of the right itself constitutes a Relevant Security; or (iii) a right to convert securities into shares in the Company where the grant of the right itself constitutes a Relevant Security), and including any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined in section 1166 of the CA 2006). References to the allotment of Relevant Securities in this resolution include the grant of such rights.

## SPECIAL BUSINESS

15. THAT, subject to the passing of resolution 14, the Directors be authorised to allot equity securities (as defined in section 560 of the CA 2006) for cash under the authority conferred by that resolution and/or to sell ordinary shares held by the Company as treasury shares as if section 561 of the CA 2006 did not apply to any such allotment or sale, provided that such authority shall be limited to:

- (a) the allotment of equity securities in connection with an offer of equity securities (but, in the case of the authority granted under resolution 14(a), by way of a rights issue only):
- (i) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
  - (ii) to holders of other equity securities (if any) as required by the rights of those securities,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- (b) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to paragraph 15(a) of this resolution) to any person up to an aggregate nominal amount of £10,250.

The authority granted by this resolution will expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or, if earlier, at the close of business on 31 January 2020, save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted (or treasury shares to be sold) after the authority expires and the Directors may allot equity securities (or sell treasury shares) in pursuance of any such offer or agreement as if the authority had not expired.

16. THAT the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the CA 2006 to make one or more market purchases (within the meaning of section 693(4) of the CA 2006) of ordinary shares of 0.25 pence each in the capital of the Company ("**Ordinary Shares**"), on such terms and in such manner that the Directors think fit, provided that:

- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased shall be 8,216,960;
- (b) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is an amount equal to the higher of: (i) 105% of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five dealing days immediately

preceding the day on which the Ordinary Share is purchased; and (ii) the value of an Ordinary Share calculated on the basis of the higher of the price quoted for:

- (i) the last independent trade of; and
- (ii) the highest current independent bid for,  
any number of the Company's Ordinary Shares on the trading venue where the purchase is carried out;
- (c) the minimum price which may be paid for an Ordinary Share is an amount equal to its nominal value (in each case exclusive of associated expenses);
- (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the earlier of 31 January 2020 and the conclusion of the next annual general meeting of the Company after the passing of this resolution, but a contract to purchase Ordinary Shares may be made before such expiry which will or may be completed wholly or partly thereafter, and a purchase of Ordinary Shares may be made in pursuance of any such contract; and
- (e) an Ordinary Share so purchased shall be cancelled or, if the Directors so determine and subject to the provisions of applicable laws or regulations of the Financial Conduct Authority, held as a treasury share.

By order of the Board



**Graham Screawn**  
Company Secretary  
20 November 2018

Registered Office  
UP Global Sourcing Holdings plc  
Manor Mill  
Victoria Street  
Chadderton  
Oldham  
OL9 0DD  
Registered in England and Wales  
Company Number 5432142

Shareholders should also read the Explanatory Notes and the General Notes to this Notice which are set out on pages 14 to 19 of this document. Those notes provide further information about Shareholders' entitlement to attend, speak and vote at the Annual General Meeting (or appoint another person to do so on their behalf).

## EXPLANATORY NOTES

### **Resolution 1 – Receive and approve the reports and accounts**

Shareholders are being asked to receive and approve the Annual Report and Accounts of the Group and the Company (as audited by BDO LLP) for the year ended 31 July 2018 together with the associated reports of the directors and the auditor.

### **Resolution 2 – Directors' Remuneration Report**

Resolution 2 invites Shareholders to approve the annual statement by the chairman of the Remuneration Committee and the Directors' Remuneration Report for the year ended 31 July 2018 (set out on pages 47 to 49 and 66 to 78 of the Annual Report and Accounts respectively). In line with legislation, Resolution 2 is an advisory vote and the Directors' entitlement to remuneration is not conditional on the resolution being passed.

### **Resolution 3 – Final dividend**

Shareholders are being asked to approve a final dividend of 1.89 pence per ordinary share of 0.25 pence for the year ended 31 July 2018. If Shareholders approve the recommended final dividend, it will be paid on 30 January 2018 to all Shareholders on the Company's register of members on 4 January 2018.

### **Resolutions 4 to 10 inclusive – Re-election of Directors**

The Board complies with the provisions of the UK Corporate Governance Code whereby all Directors are subject to annual re-election. Accordingly, all Directors of the Company are retiring and offering themselves for re-election.

Each of the Directors standing for election has demonstrated that he or she remains committed to the role, has the necessary skills and experience, and continues to be an effective and valuable member of the Board. In considering the independent Non-Executive Directors' independence, the Board has taken into consideration the guidance provided by the UK Corporate Governance Code. The Board considers James McCarthy, Alan Rigby and Robbie Bell to be independent in accordance with Provision B.1.1 of the UK Corporate Governance Code and there are no relationships or circumstances likely to affect their character or judgement. Accordingly, the Board unanimously recommends the election of the Directors set out in Resolutions 4 to 10.

### **Resolutions 11 and 12 – Auditor Appointment and Remuneration**

The auditors of a company must be reappointed at each general meeting at which accounts are presented. Resolution 11 proposes the reappointment of BDO LLP as auditors of the Company. The Board, on the recommendation of the Audit Committee, recommends the reappointment of BDO LLP and BDO LLP has agreed to continue as the Company's Auditor until the conclusion of the next AGM at which the accounts are laid before the Company. In accordance with best practice, Resolution 12 is a separate resolution which gives authority to the Audit Committee to determine the auditor's remuneration.

### **Resolution 13 - To approve the Company's SAYE Plan**

Resolution 13 relates to the proposal to adopt a new employee share option plan to incentivise the Company's UK employees and full-time Directors. The reasons for the proposal of the SAYE are described in Part 1 of this document and a summary of the principal terms of the SAYE Plan is set out on in Part 2 of this document.

The rules of the SAYE Plan will be available for inspection at the Company's registered office (at Manor Mill, Victoria Street, Chadderton, Oldham, OL9 0DD) during usual business hours on any weekday (Saturday, Sunday and public holidays in the United Kingdom excluded) from the date of this Notice until the end of the Annual General Meeting and will be available for inspection at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.

### **Resolution 14 – Authority to allot shares**

This resolution complies with the Investment Association Share Capital Management Guidelines issued in July 2016. The Directors may not allot shares in the Company unless authorised to do so by Shareholders in general meeting. If passed, the resolution will authorise the Directors to allot: (i) in relation to a pre-emptive rights issue only, equity securities (as defined by section 560 of the CA 2006) up to a maximum nominal amount of £135,000 which represents approximately two-thirds of the Company's issued Ordinary Shares (excluding treasury shares) as at 9 November 2018 (being the latest practicable date prior to the publication of this document). This maximum is reduced by the nominal amount of any Relevant Securities allotted under the authority set out in Resolution 14(b); and (ii) in any other case, Relevant Securities up to a maximum nominal amount of £67,500 which represents approximately one-third of the Company's issued Ordinary Shares (excluding treasury shares) as at 9 November 2018 (being the latest practicable date prior to the publication of this document). This maximum is reduced by the nominal amount of any equity securities allotted under the authority set out Resolution 14(a) in excess of £67,500.

The maximum nominal amount of Relevant Securities (including equity securities) which may be allotted under this resolution is £135,000, subject to the limitations explained above.

As at close of business on 9 November 2018 (being the latest practicable date prior to the publication of this document), the Company did not hold any treasury shares.

The Directors have no present intention to exercise the authority sought under sub-paragraph (a) of Resolution 14. However, if such authority is obtained, it will give the Company greater flexibility to allot additional shares for the purpose of a pre-emptive rights issue. This authority will be used when the Directors consider it to be in the best interests of Shareholders.

The authorities sought under Resolution 14 will expire on the earlier of 31 January 2020 (being the latest date by which the Company must hold its annual general meeting in respect of the year ending on 31 July 2018) and the conclusion of the annual general meeting of the Company in respect of the year ending on 31 July 2018.

### **Resolution 15 – Disapplication of statutory pre-emption rights**

If the Directors wish to allot new shares for cash, the CA 2006 states that the shares must be offered first to existing Shareholders in proportion to their existing shareholdings. For legal, regulatory and practical reasons, it might not be possible or desirable for shares allotted by means of a pre-emptive offer to be offered to certain Shareholders, particularly those resident overseas. Furthermore, it might, in some circumstances, be in the Company's interests for the Directors to be able to allot some shares for cash without having to offer them first to existing Shareholders. To enable this to be done, Shareholders' statutory pre-emption rights must be disapplied. Accordingly, Resolution 15, if passed, will empower the Directors to allot a limited number of new equity securities without Shareholders' statutory pre-emption rights applying to such allotment. The authority conferred by Resolution 15 would also cover the sale of treasury shares for cash.

Sub-paragraph (a) of Resolution 15 would confer authority on the Directors to allot equity securities (as defined by section 560 of the CA 2006) or sell treasury shares for cash without first offering them to existing Shareholders in proportion to their existing holdings in relation to pre-emptive offers and offers to holders of other equity securities if required by the rights of those securities, up to a maximum nominal amount of £67,500 which represents approximately one-third of the Company's issued ordinary share capital (excluding treasury shares) as at 9 November 2018 (being the latest practicable date prior to the publication of this document) and, in relation to rights issues only, up to a maximum additional amount of £67,500 which represents approximately one-third of the Company's issued ordinary share capital (excluding treasury shares) as at 9 November 2018 (being the latest practicable date prior to the publication of this document).

Sub-paragraph (b) of Resolution 15 would confer authority on the Directors to allot equity securities (as defined by section 560 of the CA 2006) or sell treasury shares for cash without first offering them to existing Shareholders in any other case, but subject to a maximum aggregate nominal value of £10,250, representing approximately 5% of the Company's issued share capital as at 9 November 2018 (being the latest practicable date prior to the publication of this document).

This resolution is in line with guidance issued by the Investment Association (as updated in July 2016) and the Pre-Emption Group's Statement of Principles (as updated in March 2015) (the **Statement of Principles**), and the template resolutions published by the Pre-Emption Group in May 2016.

The Directors have no present intention to exercise the authority conferred by this resolution. The Directors also confirm that in accordance with the Statement of Principles, they do not intend to issue shares for cash representing more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period other than to existing Shareholders unless Shareholders have been notified and consulted in advance.

The authority sought under Resolution 15 will expire on the earlier of 31 January 2020 (being the latest date by which the Company must hold its annual general meeting in respect of the year ending on 31 July 2019) and the conclusion of the annual general meeting of the Company in respect of the year ending on 31 July 2019.

### **Resolution 16 – Purchase of own shares**

The CA 2006 permits a company to purchase its own shares provided the purchase has been authorised by Shareholders in general meeting. Resolution 16, if passed, would give the Company the authority to purchase any of its own issued Ordinary Shares at a price of not less than an amount equal to the nominal value of an ordinary share and not more than the higher of: (i) 5% above the average of the middle market quotations of the Company's Ordinary Shares as derived from the London Stock Exchange Daily Official List for the five dealing days before any purchase is made; and (ii) the value of an Ordinary Share calculated on the basis of the higher of the price quoted for (a) the last independent trade of; and (b) the highest current independent bid for, any number of the Company's Ordinary Shares on the trading venue where the purchase is carried out.

The authority will enable the purchase of up to a maximum of 8,216,960 Ordinary Shares, representing 10% of the Company's issued Ordinary Shares as at 9 November 2018 (being the latest practicable date prior to the publication of this document) and will expire on the earlier of 31 January 2020 (being the latest date by which the Company must hold its annual general meeting in respect of the year ending on 31 July 2019) and the conclusion of the annual general meeting of the Company in respect of the year ending on 31 July 2019.

The Directors will only exercise the authority to purchase Ordinary Shares where they consider that such purchases will be in the best interests of Shareholders generally and will result in an increase in earnings per ordinary share. Purchases are expected to be financed out of distributable profits and shares purchased will either be cancelled (and the number of shares in issue reduced accordingly) or held as treasury shares. The Directors believe that holding shares in treasury would provide the Company with greater flexibility in the management of its share capital. The Directors will also consider using any treasury shares to satisfy share options/awards under the Company's employees' share schemes.

As at 9 November 2018, the Company did not hold any treasury shares.

Simon Showman, Andrew Gossage and Barry Franks (the "**Concert Party**") are currently interested in an aggregate of 33,853,400 Ordinary Shares, representing 41.20 per cent of the issued share capital of the Company (excluding treasury shares) as at 9 November 2018 (being the latest practicable date prior to the publication of this Notice). If the Company were to re-purchase from persons other than the Concert Party all Ordinary Shares for which it is seeking authority, the Concert Party's interest in shares would (assuming no other allotment of ordinary shares) increase to 45.78 per cent of the issued share capital of the Company by virtue of such action (excluding treasury shares).

Under Rule 37 of the City Code, when a company purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the City Code. Therefore, in such circumstances where the Company intends to purchase Ordinary Shares from persons other than the Concert Party, the Company will need to undertake a "whitewash" procedure pursuant to Rule 9 and 37 of the Code prior to exercising the authority set out in resolution 16.



## **General Notes**

### **1. Attending the Annual General Meeting in person**

If you wish to attend the Annual General Meeting in person, you should arrive at the venue for the Annual General Meeting in good time to allow your attendance to be registered. It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity to the Company's registrar, Equiniti Limited (the "**Registrar**"), prior to being admitted to the Annual General Meeting.

### **2. Appointment of proxies**

Shareholders are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the Annual General Meeting. A proxy need not be a Shareholder of the Company but must attend the Annual General Meeting to represent a Shareholder. To be validly appointed, a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying Proxy Form.

Details of how to appoint the Chairman of the Annual General Meeting or another person as your proxy using the Proxy Form are set out in the notes to the Proxy Form. If you wish your proxy to speak on your behalf at the Annual General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. Such an appointment can be made using the Proxy Form accompanying this notice of Annual General Meeting or through CREST.

Shareholders can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Shareholders cannot appoint more than one proxy to exercise the rights attached to the same share(s). If a Shareholder wishes to appoint more than one proxy, they should contact the Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA.

A Shareholder may instruct their proxy to abstain from voting on a particular resolution to be considered at the Annual General Meeting by marking the "Withheld" option in relation to that particular resolution when appointing their proxy. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "For" or "Against" the resolution.

The appointment of a proxy will not prevent a Shareholder from attending the Annual General Meeting and voting in person if he or she wishes.

A person who is not a Shareholder of the Company but who has been nominated by a Shareholder to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 8 below.

### **3. Appointment of a proxy using a Proxy Form**

A Proxy Form for use in connection with the Annual General Meeting is enclosed. To be valid, any Proxy Form or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA at least 48 hours before the time of the AGM or any adjournment of that meeting.

If you do not have a Proxy Form and believe that you should have one, or you require additional Proxy Forms, please contact the Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA.

### **4. Appointment of a proxy through CREST**

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 and by logging on to: [www.euroclear.com](http://www.euroclear.com). CREST personal members or other CREST sponsored members and those CREST members who have appointed (a) voting 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.

In order for a proxy appointment or instruction made using the CREST service to be valid, the 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 the Registrar (ID RA19) no later than 48 hours before the time of the Annual General Meeting or any adjournment of that meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar 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.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear 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(s), to procure that his/her 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 regard, CREST members and, where applicable, their CREST sponsors or voting system provider(s) are referred to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

#### **5. Appointment of a proxy by joint holders**

In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).

#### **6. Corporate representatives**

Any corporation which is a Shareholder can appoint one or more corporate representatives. Shareholders can only appoint more than one corporate representative where each corporate representative is appointed to exercise rights attached to different shares. Shareholders cannot appoint more than one corporate representative to exercise the rights attached to the same share(s).

#### **7. Entitlement to attend and vote**

To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), Shareholders must be registered in the Company's register of members at 6.30 p.m. on Wednesday 12 December 2018 (or, if the Annual General Meeting is adjourned, at 6.30 p.m. on the day two days prior to the adjourned meeting). Any changes to the Company's register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

#### **8. Nominated persons**

Any person to whom this notice is sent who is a person nominated under section 146 of the CA 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.

#### **9. Website giving information regarding the AGM**

Information regarding the AGM, including information required by section 311A of the CA 2006, and a copy of this notice of AGM is available from [www.upgs.com](http://www.upgs.com).

#### **10. Audit concerns**

Shareholders should note that it is possible that, pursuant to requests made by shareholders of the Company under section 527 of the CA 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the CA 2006. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the CA 2006. Where the Company is required to place a statement on a website under section 527 of the CA 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the CA 2006 to publish on a website.

#### **11. Voting rights**

As at 9 November 2018 (being the latest practicable date prior to the publication of this notice), the Company's issued share capital consisted of 82,169,600 Ordinary Shares, carrying one vote each. As at 9 November 2018, the Company did not hold any treasury shares. Therefore, the total voting rights in the Company as at 9 November 2018 were 82,169,600 votes.

**12. Notification of shareholdings**

Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the Annual General Meeting as his/her proxy will need to ensure that both he/she, and his/her proxy, comply with their respective disclosure obligations under the UK Disclosure Rules and Transparency Rules.

**13. Further questions and communication**

Any Shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

**14. Documents available for inspection**

The following documents will be available for inspection on the day of the Annual General Meeting at the registered office of the Company at, Manor Mill, Victoria Street, Chadderton, Oldham, OL9 0DD from 9.15 a.m. until the conclusion of the AGM:

- 14.1 copies of the service contracts of the Company's executive directors;
- 14.2 copies of the letters of appointment of the Company's non-executive directors; and
- 14.3 copies of the Rules of the SAYE Plan.

