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Electra Private Equity PLC

(Incorporated in England and Wales with registered number 00303062)

Notice of Annual General Meeting 2020

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

Wednesday 26 February 2020 at 11.00 am

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Electra Private Equity PLC (the "**Company**") which is set out in Part I of this document and which recommends that you vote in favour of the Resolutions to be proposed at the Annual General Meeting.

A Form of Proxy for use at the Annual General Meeting is enclosed with this Notice of Annual General Meeting and instructions for its completion and return by post are set out in the Form.

CONTENTS

	PAGE	
PART I	LETTER FROM THE CHAIRMAN OF ELECTRA PRIVATE EQUITY PLC	3
PART II	NOTICE OF ANNUAL GENERAL MEETING	6
PART III	EXPLANATORY NOTES TO THE PROPOSED RESOLUTIONS	10
PART IV	PROPOSED NEW DIRECTORS' REMUNERATION POLICY	14
PART V	NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING	24
PART VI	ADDITIONAL INFORMATION	26
PART VII	DEFINITIONS	31

PART I

LETTER FROM THE CHAIRMAN OF ELECTRA PRIVATE EQUITY PLC (Incorporated in England and Wales with registered number 00303062)

17 Old Park Lane
London W1K 1QT

28 January 2020

Directors

Neil Johnson (*Chairman*)
Paul Goodson
David Lis
Gavin Manson
Stephen Welker
Linda Wilding

Dear Shareholder

2020 Annual General Meeting

Introduction

I am pleased to invite you to this year's Annual General Meeting to be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD on Wednesday, 26 February 2020 at 11.00 am.

The Notice of Annual General Meeting, which follows this letter, sets out the business to be considered at the Meeting.

AGM

The AGM gives the Board the opportunity to present the Company's performance and strategy to Shareholders and to listen and respond to your questions. Your participation is important to us and, if you cannot attend, I would encourage you to appoint a proxy to cast your vote. You may appoint the Chairman of the AGM or a person of your choice to be your proxy to attend, speak and vote on your behalf by completing the enclosed Form of Proxy. This Form of Proxy should be completed, signed and returned in accordance with the instructions printed on it at least 48 hours before the AGM.

All the Resolutions are proposed as ordinary resolutions, except for Resolutions 13, 15, 16 and 17 which are proposed as special resolutions. Voting on all Resolutions to be proposed at the AGM will be by way of a poll. Please refer to pages 24 and 25 of this document for further details on voting.

Rule 9 Waiver and the Sherborne Parties

Rule 9 of the Takeover Code

Rule 9 of the Takeover Code applies when (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which, taken together with shares in which he and persons acting in concert with him are interested, carry 30% or more of the voting rights of a company subject to the Takeover Code, or (ii) any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30% of the voting rights of a company, but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he is interested. In either case, that person is normally required to make a general offer in cash for all the remaining equity share capital of the company at the highest price paid by him, or any persons acting in concert with him, for shares in the company within the 12 months prior to announcement of the offer.

Under Rule 37 of the Takeover 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 (although a shareholder who is neither a director nor acting in concert with a director will not normally incur an obligation to make a Rule 9 offer).

Sherborne Parties

The Sherborne Parties are Edward Bramson, Stephen Welker, Sherborne Investors Management GP, LLC, Sherborne Investors Management LP, Sherborne Investors Management (Guernsey) LLC and Ian Brindle. The Ordinary Shares in which the Sherborne Parties (other than Ian Brindle) are interested are beneficially owned by SIGB, LP.

The Sherborne Parties are viewed as acting in concert for the purposes of the Takeover Code. Details of the Sherborne Parties are given on page 13 of this document.

Edward Bramson, a former Director of the Company, is a managing member of Sherborne Investors Management LP. Ian Brindle is also a former Director of the Company.

The Sherborne Parties are, as at 16 January 2020 (being the latest practicable date prior to the publication of this Circular), interested in a total of 29.9% of the Issued Ordinary Share Capital.

Waiver

The Board wishes to continue to have the maximum flexibility in managing the Company's capital resources and intends to seek Shareholder approval to review its authority to purchase its own shares at this AGM (the "**Buyback Authority**") (Resolution 17). Resolution 17 (if approved) would enable the Company to make market purchases of its own shares that could increase the Sherborne Parties' percentage interest in the issued Ordinary Shares. The Company has applied to the UK Panel on Takeovers and Mergers (the "**Panel**") for a waiver of the obligation which would otherwise arise for the Sherborne Parties pursuant to Rule 9 of the Takeover Code to make an offer for the remaining Ordinary Shares in the Company (the "**Waiver**") if, as a result of the exercise of the Buyback Authority, the percentage interest of the Sherborne Parties were to increase to 30% or more. The Panel has agreed, subject to the approval of the Independent Shareholders on a poll, to waive the requirement for the Sherborne Parties and any person acting in concert with the Sherborne Parties to make a general offer to all Shareholders where such an obligation would arise as a result of purchases by the Company pursuant to the Buyback Authority of up to 5,738,586 Ordinary Shares.

If the Company were to repurchase from persons, other than the Sherborne Parties, all the Ordinary Shares allowed for pursuant to the Buyback Authority under Resolution 17 (and assuming no other allotments of Ordinary Shares and with no other person exercising any options or any other rights to subscribe for or invest into Ordinary Shares), the shareholding of the Sherborne Parties would remain at 11,446,883 Ordinary Shares but the proportion of the Company's reduced issued voting share capital represented by those shares would increase to 35.2%.

The Waiver relates only to any increase in the percentage of Ordinary Shares in which the Sherborne Parties are interested as a result of purchases by the Company of Ordinary Shares pursuant to the Buyback Authority and is conditional on the passing of the Rule 9 Waiver Resolution by the Independent Shareholders on a poll. As the Sherborne Parties are interested in the outcome of the Rule 9 Waiver Resolution, the voting rights held by them will not be exercised on that Resolution.

Approval of the Rule 9 Waiver Resolution will not restrict the Sherborne Parties from making a future offer for the Company, but they have confirmed that it is not their intention to make any offer for the Ordinary Shares.

Explanatory Notes

Explanatory notes to the Resolutions to be considered at the AGM appear on pages 10 to 13 of this document.

Recommendation

Your Directors consider that each Resolution to be proposed at the AGM (excluding Resolution 18 as detailed in the paragraph below) is in the best interests of the Shareholders as a whole and unanimously recommend that Shareholders vote in favour of these Resolutions, as they intend to do in respect of their own shareholdings.

In respect of Resolution 18, the Independent Directors, who have been so advised by HSBC, consider the Waiver to be fair and reasonable and in the best interests of the Company and the Independent Shareholders as a whole. In providing advice to the Independent Directors, HSBC have taken into account the Independent Directors' commercial assessments. Accordingly, the Independent Directors unanimously recommend that the Independent Shareholders vote in favour of the Rule 9 Waiver Resolution at the AGM, as the Independent Directors intend to do in respect of their own beneficial holdings of, in aggregate, 67,126 Ordinary Shares, representing approximately 0.2% of the current Issued Ordinary Share Capital.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Neil Johnson', with a long horizontal flourish extending to the right.

Neil Johnson
Chairman

PART II

NOTICE OF ANNUAL GENERAL MEETING

Electra Private Equity PLC (the "Company")
(Incorporated in England and Wales with registered number 00303062)

NOTICE is hereby given that the eighty-fifth Annual General Meeting of the Company will be held on Wednesday 26 February 2020 at 11.00 am at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD to consider and, if thought fit, pass the following Resolutions, of which Resolutions 1 to 12, 14 and 18 will be proposed as ordinary resolutions and Resolutions 13, 15, 16 and 17 will be proposed as special resolutions.

Ordinary Business

1. To receive the Annual Report and Financial Statements for the financial year ended 30 September 2019.
2. To approve the Directors' Remuneration Report for the year ended 30 September 2019, other than the part containing the Directors' Remuneration Policy, as set out in the Annual Report and Financial Statements of the Company for the financial year ended 30 September 2019.
3. To approve the Directors' Remuneration Policy as set out in Part IV of this Notice (pages 14 to 23) and, if approved, to take effect immediately after the end of this Annual General Meeting and to apply for the period starting on 1 January 2020.
4. To elect Mr Stephen Welker as a Director of the Company.
5. To re-elect Mr Paul Goodson as a Director of the Company.
6. To re-elect Mr Neil Johnson as a Director of the Company.
7. To re-elect Mr David Lis as a Director of the Company.
8. To re-elect Mr Gavin Manson as a Director of the Company.
9. To re-elect Ms Linda Wilding as a Director of the Company.
10. To re-appoint Deloitte LLP as auditor of the Company until the conclusion of the Company's annual general meeting in 2021.
11. To authorise the Audit Committee to fix the auditor's remuneration.

Special Business

12. Ordinary resolution to approve amendments to the Electra Private Equity PLC 2017 Executive Share of Value Plan:

That the amended rules of the Electra Private Equity PLC 2017 Executive Share of Value Plan (the "SoVP"), the principal terms of which are summarised in Part IV of this Notice of Annual General Meeting, and produced in draft to this meeting and, for the purposes of identification, are initialled by the Chairman of the meeting, be and are hereby approved and the Directors be authorised to make any modifications to the SoVP they consider appropriate to take account of the requirements of best practice and for the implementation of the SoVP and to adopt the SoVP as so modified and to do all other acts and things they consider appropriate to implement the SoVP.

13. Special resolution to amend the Company's Articles of Association:

That the Company's articles of association be amended by:

- a) deleting article 42 and replacing it with the following words:

"(1) The Company shall be entitled to sell, at the best price reasonably obtainable, the shares of a member or the shares to which a person is entitled by transmission if:

- a) during a period of 12 years at least three dividends in respect of the shares in question have been declared and all dividend warrants and cheques which have been sent in the manner authorised by these articles in respect of the shares in question have remained uncashed;
- b) after expiry of the 12 year period referred to in paragraph (a) of this article, the Company has sent a notice to the last known address of the relevant member or person entitled by transmission, stating that it intends to sell the shares. Before sending such notice to a member or person entitled by transmission, the Company must have used such efforts as it considers reasonable to trace the member or person by transmission; and
- c) during the 12 year period and for three months after sending the notice referred to in paragraph (b) of this article, the Company has received no indication either of the whereabouts or the existence of such member or person entitled by transmission.

(2) To give effect to any sale pursuant to article 42(1), the board of directors may:

- a) where the shares are held in certificated form, authorise any person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the buyer; or
- b) where the shares are held in uncertificated form, do all acts and things it considers necessary or expedient to effect the transfer of the shares to, or in accordance with the directions of, the buyer.

(3) An instrument of transfer executed by any person in accordance with article 42(2)(a) shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. An exercise by the board of directors of its powers in accordance with article 42(2)(b) shall be as effective as if exercised by the registered holder of or person entitled by transmission to the shares. The transferee shall not be bound to see to the application of the purchase money, and his title to the shares shall not be affected by any irregularity in, or invalidity of, the proceedings in reference to the sale.

(4) The net proceeds of any shares in the Company sold pursuant to article 42(1) shall, together with any unpaid or unclaimed dividends or other moneys payable in each case in respect of such shares and to the extent not already forfeited under articles 136 and 144, belong to the Company and the Company will not be liable in any respect to the former member or person who would have been entitled to the shares by transmission for the proceeds of sale. The Company may use the proceeds for any purpose as the board of directors may from time to time decide.";

b) deleting article 136 and replacing it with the following words:

"The payment by the directors of any unclaimed dividend or other moneys (including capital due for repayment) payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and (without prejudice to the Company's right to forfeit dividends pursuant to any sale of shares in accordance with article 42) if any dividend or other moneys remain unclaimed at the expiration of a period of six years from the date on which such dividend or other moneys became due and payable then the member or other person to whom the same is due shall cease to be entitled to payment thereof and all rights of any person to claim the same shall be extinguished. Provided nevertheless that the directors may in their discretion pay or transfer to any member or person deriving title under a member any dividend or other moneys to which but for the provisions of this article such member would have been entitled."; and

c) deleting article 144 and replacing it with the following words:

"Without prejudice to the Company's right to forfeit dividends pursuant to any sale of shares in accordance with article 42, any dividend which has remained unclaimed for six years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company subject to the proviso set out in article 136."

14. Ordinary resolution to give the Directors the authority to allot shares:

That the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all Company's powers to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £3,190,230.25, such authority to expire (unless previously renewed, varied or revoked) on the earlier of 26 May 2021 or the conclusion of the Company's annual general meeting in 2021, but so that the Directors are entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant rights pursuant to any such offer or agreement as if this authority had not expired, and this authority is in substitution for all existing unexercised authorities.

15. Special resolution to disapply pre-emption rights:

That the Directors be and they are hereby empowered pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) for cash either pursuant to the authority conferred by Resolution 14 above or by way of a sale of treasury shares as if section 561(1) of the Companies Act 2006 did not apply to any such allotment on the following terms:

- (a) this power is limited to the allotment or sale of equity securities:
 - (i) in connection with an offer of securities in favour of Shareholders where the equity securities respectively attributable to the interests of the Shareholders (other than the Company) are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held by them and holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary or appropriate, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, legal or practical problems under the laws of, or the requirements of any relevant regulatory body or stock exchange in, any territory, or any other matter; and
 - (ii) otherwise than under paragraph (i), up to a total nominal amount of £478,534;
- (b) no allotment of equity securities shall be made under this power which would result in Ordinary Shares being issued at a price which is less than the Company's net asset value per Ordinary Share as at the latest practicable date before such allotment of equity securities as determined by the directors in their reasonable discretion;
- (c) this power expires (unless previously renewed, varied or revoked) upon the expiry of the general authority conferred by Resolution 14 above;
- (d) before this power expires, the Directors may make offers or agreements which would or might require equity securities to be allotted or sold after it expires and the Directors are entitled to allot or sell equity securities pursuant to any such offer or agreement as if this power had not expired; and
- (e) this power is in substitution of all unexercised powers given for the purposes of section 570 of that Act.

16. Special resolution to adjust the notice requirements for general meetings:

That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

17. Special resolution to renew share Buyback Authority:

That the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 to make market purchases (within the meaning of Section 693(4) of the said Act) of Ordinary Shares, provided that:

- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 5,738,586 or such other number of Ordinary Shares as is equal to 14.99% of the total number of Ordinary Shares in issue as at the date of the passing of this Resolution;

- (b) the minimum price which may be paid for an Ordinary Share shall be 25 pence;
- (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the higher of (i) an amount equal to 105% of the average middle market quotations for an Ordinary Share taken from the London Stock Exchange Daily Official List for the five Business Days immediately preceding the day on which the Ordinary Share is purchased and (ii) the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System;
- (d) any purchase of Ordinary Shares will be made in the market for cash at prices below the prevailing net asset value per Ordinary Share (as determined by the Directors); and
- (e) unless renewed, the authority hereby conferred shall expire on the earlier of 26 May 2021 or the conclusion of the Company's annual general meeting in 2021 save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares which will or may be completed or executed wholly or partly after such expiry.

18. Ordinary resolution to waive the requirement for a mandatory offer:

That approval is granted for the waiver by the Panel on Takeovers and Mergers of any obligation which might otherwise arise, pursuant to Rule 9 of the City Code on Takeovers and Mergers, for Edward Bramson, Stephen Welker, Sherborne Investors Management GP, LLC, Sherborne Investors Management LP, Sherborne Investors Management (Guernsey) LLC and Ian Brindle (or any of them) (together the "**Sherborne Parties**") to make a general offer to all Shareholders following any increase in the percentage of shares in the Company carrying voting rights in which the Sherborne Parties (or any of them) are interested as a result of the exercise by the Company from time to time of the share buyback authority granted pursuant to Resolution 17, provided that such approval shall expire on the earlier of 26 May 2021 or the conclusion of the Company's annual general meeting in 2021.

BY ORDER OF THE BOARD

Frostrow Capital LLP
Company Secretary

28 January 2020

Registered in England and Wales No. 00303062
Registered Office:
17 Old Park Lane
London
W1K 1QT

PART III

EXPLANATORY NOTES TO THE PROPOSED RESOLUTIONS

For Resolutions 13, 15, 16 and 17 (proposed as special resolutions) to be passed at the AGM, at least three quarters of the votes cast must be in favour of the Resolution.

For any of the ordinary resolutions listed below (all Resolutions except Resolutions 13, 15, 16 and 17) to be passed at the AGM, more than half the votes cast must be in favour of the Resolution.

Resolution 1 – To receive the Annual Report and Financial Statements

For each financial year the Directors are required to present the Annual Report and Financial Statements of the Company (including the Strategic Report, Directors' Report and Auditor's Report) to the Shareholders.

Resolution 2 – To approve the Directors' Remuneration Report

Resolution 2 seeks shareholder approval for the Directors' Remuneration Report which is set out on pages 57 to 70 (inclusive) of the 2019 Annual Report and Financial Statements.

The Directors are required to prepare the Directors' Remuneration Report, comprising an annual report detailing the remuneration of the Directors and a statement by the Chairman of the Remuneration Committee of the Board. The Company is required to seek Shareholder approval in respect of the contents of the Directors' Remuneration Report on an annual basis (excluding the part containing the Directors' Remuneration Policy). As this vote is an advisory vote, no entitlement of a Director to remuneration is conditional on it.

Resolution 3 – To approve the Directors' Remuneration Policy

Following a review of the Directors' Remuneration Policy approved at the March 2018 Annual General Meeting and in light of the outcome of the Strategic Review conducted by the Board, a new Directors' Remuneration Policy is being proposed to be applied from 1 January 2020 onwards and is being put to a Shareholder vote. The vote is binding and, subject to limited exceptions, no remuneration payment or loss of office payment may be made to a prospective, current or former Director unless consistent with the approved Directors' Remuneration Policy (or otherwise specifically approved by Shareholders).

The proposed Directors' Remuneration Policy is described in Part IV of this Notice of Annual General Meeting and has been developed taking into account the principles of the 2016 UK Corporate Governance Code and the views of our major Shareholders.

If approved, the Directors' Remuneration Policy will take formal effect from the date of the Annual General Meeting and will apply for the period starting on 1 January 2020. If approved, it is anticipated that the Directors' Remuneration Policy will be in force for three years from the date of approval at the Annual General Meeting, although the Board will closely monitor regulatory changes and market trends and, if necessary, may present a revised Directors' Remuneration Policy within that three-year period.

Resolutions 4 to 9 – Election and re-election of Directors

Resolutions 4 to 9 deal with the proposed election and re-election of all the Directors who are currently serving on the Board, in accordance with the requirements of the Company's articles of association and the UK Corporate Governance Code.

Biographical details of all the Directors who are standing for election or re-election, as at the date of this Notice of Annual General Meeting, including information relating to their experience, skills and background, are set out on pages 74 to 75 of the 2019 Annual Report and Financial Statements and appear on the Company's website www.electraequity.com. Additional information is included on page 54 of the 2019 Annual Report and Financial Statements about the independence of the independent Non-Executive Directors, as required by the Listing Rules.

Following the completion of the Board evaluation process for 2019, the Chairman confirms on behalf of the Board that each of the Directors standing for election or re-election under Resolutions 4 to 9 continues to be effective and demonstrates appropriate commitment to their respective roles. It is the view of the Chairman that each Director has sufficient time to meet his or her commitment to the Company and has individual skills and experience which are relevant and beneficial to support the Board in fulfilling its duties.

Resolutions 10 and 11 – Auditor

Resolution 10 relates to the re-appointment of Deloitte LLP as the Company's auditor to hold office until the conclusion of the Company's annual general meeting in 2021.

Resolution 11 authorises the Audit Committee to set the auditor's remuneration.

Resolution 12 – SoVP

Shareholder approval is being requested to amend the terms of the Electra Private Equity PLC Executive Share of Value Plan (the "SoVP"), which was established in 2018. The proposed amendments are set out in Part IV of this Notice on pages 14 to 16.

Resolution 13 – Approval of the amendment to the Company's articles of association

It is proposed in this Resolution to amend the articles of association to make the following changes in relation to the provisions concerning untraced shareholders. The amendments will remove the requirement, where the Company wishes to sell the shares of a shareholder who has failed to cash at least three cash dividends in a period of 12 years to place notices in newspapers before selling the relevant shares and instead the Company will be obliged to take reasonable steps to trace the shareholder and let them know that it intends to sell their shares. Shareholders whose shares are sold following this tracing process will not be able to claim the proceeds of the sale or any accrued dividends and the Company can use these funds as the Directors think fit. The amendments will also reduce the time period for the forfeiture of unclaimed dividends from 12 to six years in line with the statutory limitation period and the approach followed by other listed companies.

Resolution 14 – Authority to allot

The Companies Act 2006 requires that to allot shares the Directors must receive authority from Shareholders. This Resolution would allow the Directors to issue new shares up to a total nominal value of £3,190,230.25 which represents approximately one third of the Company's Issued Ordinary Share Capital as at the date of this document.

This authority would expire on the earlier of 26 May 2021 and the conclusion of the Company's annual general meeting in 2021.

The Company holds no shares as treasury shares (within the meaning of section 724 of the Companies Act 2006) as at the date of this Notice of Annual General Meeting.

The Directors have no present intention of exercising this authority but consider it desirable that they should have the flexibility to issue new shares from time to time to enable the Company to act in the best interests of Shareholders when opportunities arise.

Resolution 15 – Disapplication of statutory pre-emption rights

The Companies Act 2006 requires that, subject to certain exceptions, before directors of a company can issue any new shares (including the sale of treasury shares) for cash, the new shares must first be offered to existing members of the Company in proportion to the number of shares which they hold at the time of the offer.

This Resolution would allow the Directors to allot shares or sell treasury shares for cash only:

- (a) up to a nominal value of £478,534 which is approximately 5% of the Company's Issued Ordinary Share Capital as at the date of this document; and
- (b) in a rights issue or other pre-emptive issue.

This is in line with the Share Capital Management Guidelines issued by the Investment Association and the Pre-Emption Group's Statement of Principles. The Directors have no present intention of exercising this power to issue shares. Any issue of new shares or re-sale of treasury shares would take place only at, or at a premium to, the prevailing net asset value per share, and this is reflected in the text of Resolution 15.

The Board confirms that, in accordance with the Pre-Emption Group's Statement of Principles, it does 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 to those who are not existing Shareholders without prior consultation with Shareholders.

The authority contained in Resolution 15 will expire upon the expiry of the authority to allot shares conferred in Resolution 14, being the earlier of 26 May 2021 and the conclusion of the Company's annual general meeting in 2021.

Resolution 16 – Notice of general meetings

The notice period required by the Companies Act 2006 for general meetings of the Company is 21 days, unless Shareholders approve a shorter notice period, which cannot be less than 14 clear days. Annual general meetings must always be held on at least 21 clear days' notice.

It is therefore proposed that Shareholders should renew the authority for general meetings other than annual general meetings to be called on not less than 14 clear days' notice. The authority granted by Resolution 16, if passed, will expire on the earlier of 26 May 2021 or the conclusion of the Company's annual general meeting in 2021, when it is intended that a similar resolution will be proposed.

In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all Shareholders for that meeting. The flexibility offered by Resolution 16 will be used where, taking into account the circumstances, and noting the recommendations of the UK Corporate Governance Code, the Directors consider this appropriate in relation to the business of the meeting and in the interests of the Company and Shareholders as a whole.

Resolution 17 – Buyback Authority

This Resolution seeks authority for the Company to purchase up to 14.99% of its Issued Ordinary Share Capital, renewing the authority granted by the Shareholders at its annual general meeting held on 27 February 2019. The Company has not purchased any Ordinary Shares in the period from the date of the 2019 annual general meeting to 16 January 2020 (being the latest practicable date prior to the publication of this document), under the existing authority.

The Directors will exercise this authority only if this would result in an increase in net asset value per share and when they consider that to do so would be in the best interests of the Company and of its Shareholders generally.

Ordinary Shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The Directors will consider holding any Ordinary Shares the Company may purchase as treasury shares. The Company does not currently have any Ordinary Shares in treasury.

The authority will expire at the earlier of 26 May 2021 and the conclusion of the Company's annual general meeting in 2021.

Resolution 18 – Approval of Waiver of Rule 9 offer obligation

The Board wishes to have the maximum flexibility in managing its capital resources and exercising its share Buyback Authority if market conditions are favourable.

As at 16 January 2020 (being the latest practicable date prior to the publication of this Circular), the Sherborne Parties were interested in 11,446,883 Ordinary Shares, representing approximately 29.9% of the Issued Ordinary Share Capital.

As explained in Part I, the Company has obtained the approval of the Panel for the Waiver, subject to approval of the Independent Shareholders of the Company (Resolution 18). If approved by Independent Shareholders, this Waiver would apply until the earlier of the Company's annual general meeting in 2021 or 26 May 2021.

The Sherborne Parties will not vote on Resolution 18.

Background Information on the Sherborne Parties

The Sherborne Parties comprise Edward Bramson, Stephen Welker, Sherborne Investors Management GP, LLC, Sherborne Investors Management LP, Sherborne Investors Management (Guernsey) LLC and Ian Brindle. The Ordinary Shares in which the Sherborne Parties (other than Ian Brindle) are interested are beneficially owned by SIGB, LP.

Edward Bramson is a managing member and Stephen Welker is a member of Sherborne Investors Management GP, LLC. Edward Bramson and Stephen Welker are each members of an investment committee of Sherborne Investors Management GP, LLC which makes all decisions regarding the acquisition, holding, voting, or disposition of investment securities managed, directly or indirectly, by Sherborne Investors Management GP, LLC (including its predecessors, associates and subsidiaries).

Sherborne Investors was founded in 1986 and currently invests in publicly traded companies principally in the United States and United Kingdom. Sherborne Investors Management GP, LLC is the general partner of Sherborne Investors Management LP. Sherborne Investors Management LP is the sole member of Sherborne Investors Management (Guernsey) LLC.

Sherborne Investors Management (Guernsey) LLC is an investment manager which is entitled to exercise discretion over the voting rights in the Company held by Sherborne Investors (Guernsey) GP, LLC as the general partner of SIGB, LP.

Edward Bramson is a founding member of Sherborne Investors. Previously, he co-founded New York-based Hillside Capital in 1977, which was one of the first specialist private equity firms in the United States. Mr. Bramson has served as Chairman of Ampex Corporation, 4imprint Group plc, Elementis plc, Spirent Communications plc, Nautilus, Inc. and F&C Asset Management plc. Mr. Bramson was elected as a Director of the Company on 5 November 2015 and ceased to be a Director of the Company on 17 July 2019.

Stephen Welker is responsible for leading Sherborne Investors' research function, including identifying investments, establishing the turnaround thesis and participating in the management of the investment. He was previously an adviser to the board of directors of F&C Asset Management plc. Prior to joining Sherborne Investors, Mr. Welker worked at Morgan Stanley on both real estate investment banking and principal investment transactions. Mr. Welker was appointed as a Director of the Company on 18 July 2019.

Ian Brindle was elected as a Non-Executive Director of the Company on 5 November 2015 and ceased to be a Director of the Company on 27 February 2019. He was previously the Senior Partner of Price Waterhouse from 1991 to 1998 and Chairman of PricewaterhouseCoopers until 2001. He was also a member of the Accounting Standards Board between 1992 and 2001 and Deputy Chairman of the Financial Reporting Review Panel between 2001 and 2008. Mr. Brindle has served as a non-executive director on the boards of a number of companies including Spirent Communications plc, Elementis plc, F&C Asset Management plc and 4imprint Group plc. Mr Brindle does not have any involvement with Sherborne Investors Management GP, LLC, Sherborne Investors Management LP or Sherborne Investors Management (Guernsey) LLC. As at 16 January 2020, Mr Brindle held 797 Ordinary Shares.

PART IV

PROPOSED NEW DIRECTORS' REMUNERATION POLICY

Introduction

The current Directors' Remuneration Policy (the "**Policy**") was approved by Shareholders in March 2018 and implemented with effect from 1 January 2018. The Remuneration Committee's (the "**Committee**") intention is that the Policy should ensure that executive pay is aligned with the creation of value for Shareholders, as well as being in line with best practice within the industry. The Committee reviewed the Policy in light of the changes to the Company's Investment Policy and Objective approved by Shareholders in October 2018. As a result of this review the Committee is proposing a number of changes to the Policy itself, and more specifically to the Electra Private Equity PLC 2017 Executive Share of Value Plan (the "SoVP").

The SoVP was adopted at the Company's annual general meeting in March 2018, at which time the Investment Policy and Objective was that of an on-going private equity investment trust. The focus was on value creation and the optimisation of shareholder returns through optimisation of each stage of the 'buy, improve and sell' model for investment holdings. Whilst market conditions for new investment were challenging at the time the Company had announced that it would consider investments in new holdings when market conditions were conducive. Accordingly, the performance targets for the SoVP were based on an increase in net asset value ("NAV").

Following finalisation of the strategic review in October 2018, Shareholders approved the adoption by the Company of a revised Investment Policy and Objective. The revision involved a fundamental change to follow a realisation strategy aimed at crystallising value for Shareholders, balancing the timing of returning value to Shareholders with the maximisation of that value. Given this material change in strategy since the adoption of the SoVP, the Committee reviewed the suitability of the SoVP in its current format. As a result of that review the Committee believes that the alignment of executive and Shareholder interests in line with the revised Investment Policy and Objective can now only be achieved by making corresponding fundamental changes to the SoVP.

It is not proposed to change the level of earnings opportunity available to the executives under the SoVP. However, it is proposed that the SoVP should be amended so that the reward payable under it is clearly linked to, and dependent on, the optimisation of investment realisation and return of value to Shareholders.

The main changes to the SoVP and the principal features of the re-focused incentive are outlined below. The revised Policy is set out in full on pages 17 to 23 of this Notice.

- Period of the SoVP

So that the SoVP will reward executives for optimising the crystallisation of the remaining investments and return of cash to Shareholders, it is proposed to extend the end date from 30 September 2020 to 31 December 2021. This coincides with the targeted end date under the new Investment Policy and Objective for distribution of substantially all of the assets of the Company to Shareholders. To give some degree of flexibility to this date, in recognition of the fact that it may take more time to optimise the value creation and to avoid public visibility of this date impacting negatively on the optimal realisation of assets in 2021, it is proposed that the Committee will have discretion to extend the end date of the SoVP by up to a further 12 months, if it considers that this is in the best interests of Shareholders.

- Time value of money

In quantifying the current targets under the SOVP, a threshold discount rate of 8% is applied to the relevant target measure from 1 October 2017 to 30 September 2020. It is proposed to continue to use this 8% rate to increase targets beyond the current end date of 30 September 2020 to the final distribution and deemed end date (see below). In order to avoid disincentivising the return of cash to shareholders it is proposed to use the same 8% discount rate to apply to distributions against the targets from the start of the plan on 1 October 2017 (excluding the 1 December 2017 distribution) to the deemed end date.

If the Board concludes that circumstances make it in the best interests of Shareholders for some or all of the assets to be realised significantly before 31 December 2021, the Committee will have discretion to adjust the discount rate applicable to distributions in the manner it reasonably determines to ensure that the executives are neither advantaged or disadvantaged by the early realisation.

- Early termination

The amended SoVP will reward the executives for optimising the return of all, or substantially all, of the net assets of the Company to Shareholders (other than those required to meet any payments due under the SoVP). Should this return of assets to Shareholders be completed before the anticipated end date of the

SoVP the Committee can measure achievement of the objectives and make payment of any amounts due to coincide with the final distribution to Shareholders.

- Incentive pay-out

The SoVP was established with default payment being in the form of Ordinary Shares in the Company, with a subsequent required holding period. Given the change of Investment Policy and Objective, payment in Ordinary Shares is no longer appropriate and so the SoVP will be changed so that it pays out in cash.

- Performance measures and conditions

Under the revised Investment Policy and Objective it is considered appropriate to base the performance target of the SoVP on total shareholder value rather than NAV. This provides an incentive not only to optimise NAV, but also to realise that value for Shareholders. Other than the change from a NAV-based target to a total shareholder value target and the application of the proposed 'time value of money' proposals outlined above, the overall targets are unchanged.

Accordingly, assuming a 31 December 2021 end date, to trigger a payment at the threshold level of £2.42m under the SoVP, an increase in shareholder value from the 31 October 2019 market capitalisation of approximately 78% will be required. To trigger a payment at the maximum level of £6.9m, an increase in shareholder value of approximately 140% will be required. This represents a share of the value generated to the threshold level of approximately 3% and a share of value generated to the maximum limit of approximately 4%.

- Individual award opportunities and limits

Awards under the SoVP have been made with 35% of the available pool allocated to the Chairman and 65% allocated to the Chief Financial and Operating Officer. The maximum value under the SoVP is capped at £2.4m for the Chairman and £4.5m for the Chief Financial and Operating Officer. No changes to the awards or to the individual limits are proposed.

- Executive Director annual bonus arrangements

When the SoVP was introduced with effect from 1 October 2017, the Executive Directors became ineligible for any annual bonus awards or participation in any other long-term incentive plan for the duration of the (then) three-year vesting period of the SoVP. The SoVP will remain the single performance-based incentive and so the Executive Directors will not receive annual bonus opportunities or other long-term incentives.

- Executive Director salary levels

Executive Director salary levels will continue to be reviewed annually taking account of all relevant factors.

- Share ownership guidelines

Before implementation of the SoVP, the Executive Directors were expected to build up a shareholding of at least 200% of salary, over a five-year period. This shareholding would have been built using annual bonus payments (deferred into shares) and any annual pay-outs under the prior long-term incentive plan. On implementation of the SoVP the Executive Directors were, as mentioned above, no longer eligible for an annual bonus or to participate in any other long-term incentive plans. However, the shareholding expectation was increased to 350% of salary, which was intended to be achieved by pay-out in Ordinary Shares under the SoVP. Given that the new Investment Policy and Objective is targeted on return to shareholders of value realised through a final distribution of cash and that no other incentive plans are available to the Executive Directors it is proposed that the share ownership expectation for Executive Directors is withdrawn in conjunction with the amendments to the SoVP.

Summary

Following the adoption of the revised Investment Policy and Objective, the Committee has given considerable thought to ensuring that the remuneration arrangements for the Executive Directors are appropriate, properly targeted and transparent. The proposed changes to the SoVP will, in our view, provide an appropriate reward for the achievement of stretching targets and closely align the variable remuneration of the Executive Directors to delivery of the corporate strategy and the optimisation and return of shareholder value. They will also provide an incentive for the Executive Directors to remain with the Company through the realisation process.

The proposed changes to the SoVP and the Policy, as set out on pages 17 to 23 of this Notice will be subject to Shareholder approval at the forthcoming AGM in February 2020. If approved at the AGM, the Policy will

be effective for a period of three years from that date and will apply for the period starting on 1 January 2020. We hope that you will support these resolutions.

Remuneration Policy

1. Key objectives of the Remuneration Policy

The Remuneration Policy aims to deliver two core objectives, to:

- Enable the Company to retain, and incentivise the best talent for its business; and
- Create alignment with Shareholders' interests.

To deliver these objectives the Remuneration Policy seeks to:

- Reward the achievement of Electra's strategic objectives;
- Comply with corporate governance best practices, wherever feasible; and
- Deliver an appropriate balance between fixed and variable pay.

2. Executive Directors' Remuneration Policy Table

Salary	
Purpose and link to strategy	To provide competitive fixed remuneration that will attract, retain and motivate high calibre executives and reflect their experience, duties and location
Operation	<ul style="list-style-type: none"> • Salaries are normally reviewed annually, and any increases take account of a broad range of factors including: <ul style="list-style-type: none"> - Economic conditions - Inflation/cost of living - Individual performance, skills and experience - Financial performance of the group - Pay levels in comparative companies • Salaries in respect of the year under review (and for the following year) are disclosed in the Annual Report on Remuneration
Maximum opportunity	<ul style="list-style-type: none"> • There is no maximum salary under this Policy. The Committee retains discretion to increase salaries for the duration of this Policy.

Benefits	
Purpose and link to strategy	To provide competitive benefits in line with market practice
Operation	<ul style="list-style-type: none"> • The Benefits provision will be reviewed annually • The Company provides the following benefits: <ul style="list-style-type: none"> - Private health insurance - Death-in-service cover • The Committee has the ability to reimburse reasonable business-related expenses and any tax thereon
Maximum opportunity	<ul style="list-style-type: none"> • The cost of some of the benefits provided is not pre-determined and may vary from year to year based on the overall cost to the Company in securing these benefits (particularly health insurance and death-in-service cover) • The Committee has discretion to approve an additional allowance in exceptional circumstances (such as relocation), or where factors outside the Committee's control have changed materially (such as increases in insurance premiums)

Pension	
Purpose and link to strategy	To provide a competitive, yet cost-effective, appropriate long-term retirement benefit
Operation	Executive Directors may receive a Company contribution to a defined contribution scheme or the provision of a cash supplement equivalent, or a combination thereof
Maximum opportunity	Company contributions of up to 10% of base salary

Annual Bonus Plan	
The Annual Bonus Plan has been suspended as the SoVP participants are not eligible to receive an annual bonus opportunity for the duration of the SoVP performance period and there are no other employees of the Company	
Share of Value Plan (“SoVP”)	
Purpose and link to strategy	To align the interests of Executive Directors with Shareholders and drive superior financial performance and shareholder returns in line with the Company's revised strategy. The SoVP has been revised so that it will reward the Executive Directors for optimising the return of all, or substantially all of the net assets of the Company to Shareholders
Operation	<ul style="list-style-type: none"> • The SoVP is a one-off award in which only the Executive Chairman and the Chief Financial and Operating Officer currently participate. The SoVP replaced the LTIP and the Annual Bonus Plan with effect from 1 October 2017 for the duration of the SoVP performance period • The performance period of the SoVP has been extended from 30 September 2020 to 31 December 2021, to coincide with the targeted end date for distribution of substantially of all the assets of the Company to Shareholders, although the Committee can extend this period by up to a further 12 months if this is in the best interests of Shareholders • Under the revised SoVP, participants will receive a share of a cash pool, funded by a 6% share of the incremental growth in total shareholder value above 8% per annum throughout the period of the plan and subject to a threshold of 40% growth above the base value of £287m. Shareholder value is defined for the purpose of the SoVP as the total of (i) all assets and cash distributed to Shareholders with a return rate of 8% per annum applied to each distribution from the distribution date to the end date of the SoVP; and (ii) the market capitalisation of the Company at the end date of the SoVP • The total value of the pool will be calculated at the end of the performance period and delivered to participants (in proportion to their share of the pool) in cash. The Committee has discretion to settle the awards fully or partially in Ordinary Shares
Maximum opportunity	<ul style="list-style-type: none"> • The Chief Financial and Operating Officer has been allocated 65% of the total pool, and the Executive Chairman has been allocated 35% of the total pool • The individual awards are subject to a cap. On vesting, the maximum potential individual value of the awards is £4.5 million and £2.4m for the Chief Financial and Operating Officer and Executive Chairman respectively
Performance measurement and framework for the recovery of sums paid	<ul style="list-style-type: none"> • Growth in shareholder value, defined for the purpose of the SoVP as the total of (i) all assets and cash distributed to Shareholders, with a return rate of 8% per annum applied to each distribution from the distribution date to the end date of the SoVP; and (ii) the market capitalisation of the Company at the end date of the SoVP, above an 8% per annum hurdle over the performance period, and subject to achievement of a 40% growth threshold above the base value of £287m • The pool will be funded by a share of the incremental growth in shareholder value above an 8% per annum hurdle over the performance period, subject to achievement of a 40% growth threshold above the base value of £287m • Payments may be subject to claw-back in the event of a material misstatement of the Company's financial results, serious misconduct, or if an error is made in the calculation of the SoVP pool in any respect • The claw-back provisions will operate for a three-year period following the date on which the awards vest

Long-Term Incentive Plan	
The Long-Term Incentive Plan (LTIP) has been suspended as the SoVP participants are not eligible to receive an LTIP annual bonus opportunity for the duration of the SoVP performance period and there are no other employees of the Company	

Share Ownership Guidelines

As the revised SoVP is now targeted on shareholder value realised through a final distribution of cash to Shareholders with the awards under it to be paid in cash and no other equity-based incentive plans are available to the Executive Directors, the share ownership guideline for Executive Directors has been withdrawn

Performance Measures and Approach to Target Setting

Shareholder value including cumulative distributions has been selected as the revised performance measure for the SoVP because it supports the Company's revised Investment Policy and Objective, is aligned with the interests of Shareholders and captures the key outcomes from successful execution of the Company's new strategy; namely, the optimisation of value creation from the disposal of assets within the portfolio, capturing the distribution of realised proceeds to Shareholders. The targets have been set to ensure strong alignment with the goals within the business strategy and were determined following the Board's detailed assessment of the portfolio, and its view on what is aspirational, extremely stretching, but achievable from each of the underlying assets in terms of value that can be realised and delivered to Shareholders.

Incentive Plan Discretions

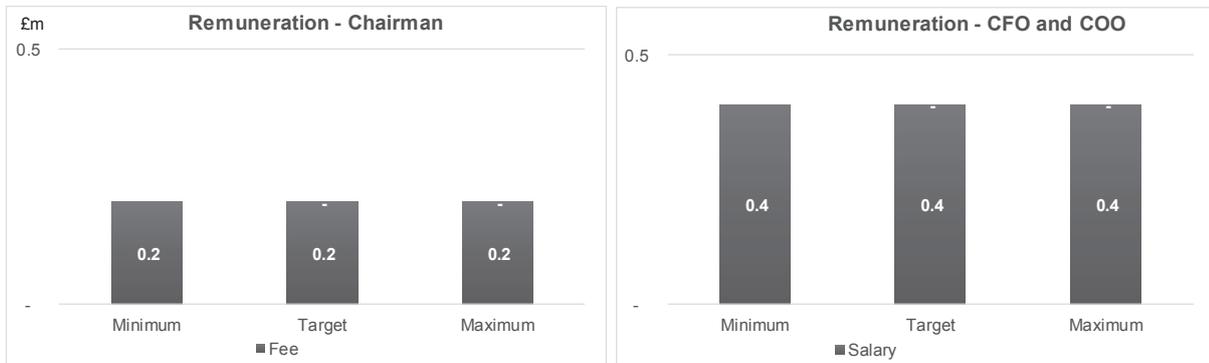
The SoVP will be operated in accordance with the applicable rules. The Committee holds certain discretions which are required for the efficient operation and administration of the SoVP and are consistent with standard market practice. These include discretions as to the determination of the following:

- Participants in the plan;
- The timing of grants of award and/or payment;
- The size of an award and/or a payment (with quantum and performance targets restricted to the descriptions detailed in the Policy table on pages 17 to 18 of this Notice);
- The assessment of performance criteria and the determination of vesting;
- Adjust the discount rate applicable to distributions in the manner it reasonably determines to ensure that the executives are neither advantaged or disadvantaged by the early realisation;
- Exercise of discretion required when dealing with a change of control (e.g. the timing of testing performance targets) or restructuring of the Group;
- good/bad leaver based on the rules of the plan;
- Adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events and special dividends);
- If certain events occur (e.g. a material divestment or acquisition of a Group business), which mean that the original performance conditions are no longer appropriate, the Committee retains the ability to make adjustments to the targets and/or set different measures and alter weightings as necessary to ensure that the conditions achieve their original purpose and are not materially less difficult to satisfy.

Any use of the above discretions would, where relevant, be explained in the Annual Report on Remuneration and may, as appropriate, be the subject of consultation with the Company's major Shareholders.

3. Illustration of the Remuneration Packages for each Executive Director under Different Performance Scenarios

The charts below illustrate the remuneration packages currently proposed for the Executive Chairman and CFO and COO for year ending 30 September 2020 and show potential pay-outs at different levels of performance. The value of each element has been included.



Notes:

- Fixed pay consists of base salaries for the Chairman and CFO and COO, pension and value of benefits;
- Following implementation of the SoVP, which replaced the LTIP and the Annual Bonus Plan for future awards for the duration of the SoVP performance period, the Executive Directors are not entitled to any additional remuneration for the year ending 30 September 2020, so the minimum, target and maximum remuneration figures are the same.

Approach to Recruitment Remuneration

The Committee is responsible for setting the package for any new Executive Director. On appointment of a new Executive Director, the Committee would seek to offer a remuneration package which can secure an individual of the calibre and skillset required to fulfil the role successfully to help drive long-term value for Shareholders.

In determining the appropriate remuneration package for a new Executive Director, the Committee will consider the calibre of the candidate, the level of their existing remuneration, the jurisdiction from which the candidate is recruited and their skills and experience. Additionally, decisions will be informed by consideration of market data for companies of a similar size and complexity and contextual information regarding remuneration paid to employees elsewhere in the organisation.

Any remuneration package would be in line with the parameters set out in the Directors' Remuneration Policy. In the event of recruitment of a new Executive Director, the rationale behind the package offered will be explained in the subsequent Annual Report on Remuneration.

While it is the intention of the Committee for no further participants to join the SoVP, if an executive were to join during the SoVP performance period, the Committee may, taking into account the proportion of the performance period that has elapsed, allow them to participate in the SoVP on a pro-rata basis, taking into account any related factors that it deems appropriate.

Where an individual forfeits outstanding incentive awards with a previous employer as a result of accepting an appointment from the Company, the Committee may offer compensatory awards to facilitate recruitment in the form of a 'buy-out' award. These awards would be in such form as the Committee considers appropriate considering all relevant factors including the form, expected value, performance conditions, anticipated vesting and timing of the forfeited awards. The expected value of any compensatory awards would be no higher than the value forfeited, and, where possible, the Committee would aim to reflect the nature, timing, and value of awards forgone in any replacement, compensatory awards.

While cash may be included to reflect the forfeiture of cash-based incentive awards, the Committee does not envisage that 'golden hello' cash payments would be offered.

Executive Director service contracts

It is the Company's policy to enter into contracts of employment with Executive Directors which may be terminated at any time by either the Company or the Executive Director upon six months' notice. A summary of the way in which each element of remuneration is treated on loss of office is included in the table below.

Loss of office policy

If the employment of an Executive Director is terminated, any compensation payable will be determined in accordance with the terms of the employment contract as well as the rules of any relevant incentive plans. The Committee carefully considers compensation commitments in the event of an Executive Director's termination. The aim is to avoid rewarding poor performance and to reduce compensation to reflect the departing executive's obligations and to mitigate losses.

The main elements of remuneration would typically be treated in the following ways:

Element	"Good leaver" ^{**}	All other leavers
Fixed pay during the notice period	Save for summary dismissal, Executive Directors will receive base pay and other benefits over their notice period including any period where they are not required to work. Alternatively, the Committee may elect to make a payment in lieu of notice. Typically amounts will be paid in monthly instalments and reduce, or cease, in the event that remuneration from new employment is received.	
Bonus for final year of service	The Executive Directors are not eligible for an annual bonus.	
Outstanding deferred bonus awards^{**}	The Executive Directors do not have any outstanding Deferred Bonus awards.	
Outstanding long-term incentive awards^{**}	The Executive Directors do not have any outstanding Long-Term Incentive Plan awards.	
Outstanding Share of Value Plan awards^{**}	The Executive Directors will ordinarily retain their outstanding SoVP awards. These awards will ordinarily vest on the original timetable, unless the Committee in exceptional circumstances determines that they will vest on any earlier date. In either case, the award will normally be pro-rated based on time employed unless the Committee determines otherwise. All awards will remain subject to the performance conditions which will be assessed over the entire performance period (or, where the Committee determines that an award will vest early, on the date of such early vesting), and will remain subject to the holding period.	Awards will lapse.

* The Committee may determine that an Executive Director is a good leaver if they leave the Company as a result of either death, retirement (with the agreement of the Committee), injury, disability or for any other reason as determined by the Committee.

** Where an Executive Director passes away in service the Committee may elect to bring forward the vesting of awards.

Other payments may be made to compensate Executive Directors for the loss of employment rights on termination. Payments may include amounts for agreeing to non-solicitation and confidentiality clauses, reimbursement of legal fees and/or for settlement of any claim arising in connection with the termination of an Executive Director's employment.

In the event of a change of control, the vesting of outstanding SoVP awards would normally be accelerated, the percentage of each award which will vest would be determined by the Committee considering the performance conditions and the proportion of the vesting period which has elapsed at the date at which the change of control takes place.

External appointments of Executive Directors

It is the Company's policy to allow each Executive Director to accept and fulfil one non-executive directorship of another company, although the Board retains the discretion to adjust this policy on a needs basis. The Executive Director is permitted to retain any fees received in respect of any external appointment, the details of which will be set out in the Directors' Remuneration Report each year.

Pay and employment conditions across the Company

The Company has no other employees and so no pay or employment condition comparisons between the Executive Directors and other employees is possible.

Consideration of Shareholder views

The views of Shareholders on remuneration are extremely important to the Committee. As such, it is intended that an ongoing and open dialogue with Shareholders is maintained. It is the Committee's policy to consult with major Shareholders and investor representative bodies prior to proposing any material changes to either this policy or any related remuneration arrangements at an annual general meeting. On an ongoing basis, any feedback received from Shareholders is considered as part of the Committee's annual review of remuneration.

Remuneration policy for the Chairman of the Board and Non-Executive Directors

The Company's policy on Non-Executive Board remuneration is to set both the structure and level of fees to reflect the need to attract high-calibre Board members, and the scope of the responsibilities, time commitment, and market practice.

Terms of appointment

The appointment of both the Executive Chairman and Non-Executive Directors are subject to letters of appointment. Service contracts are not used for non-executive Board members. The letters of appointment are available for inspection at the Company's registered office during normal business hours and at the AGM. In line with the requirements of the 2016 UK Corporate Governance Code for FTSE 350 companies, all Non-Executive Directors are subject to annual re-election by shareholders at the AGM.

Non-Executive Board Remuneration Policy

The table below sets out the Company's policy for Non-Executive Director fees.

Fee element	Purpose and link to strategy	Operation	Maximum
Executive Chairman's and Non-Executive Directors' basic fees	To attract and retain high calibre individuals to serve as Non-Executive Directors.	Fee levels are set to reflect the time commitment, responsibility of the role, and taking into account fees paid by similarly sized companies in the market. The Chairman's fee is determined by the Committee and the Non-Executive Directors' fees are determined by the Executive Chairman and Executive Director. Fees are reviewed from time to time to ensure that they remain in line with market practice and paid in equal monthly instalments. The Chairman's fee includes his Chairmanship of the Nominations Committee.	The maximum aggregate fee for Non-Executive Directors, including the Chairman, are limited by the Company's articles of association to £750,000 p.a.
Additional fees	To provide compensation to Non-Executive Directors taking on additional Committee responsibility.	Non-Executive Directors (other than the Chairman) are paid an additional fee for their Chairmanship of a Board Committee.	See table below
Benefits	To facilitate the execution of the role.	The Company reimburses reasonable travel and subsistence costs and any tax liabilities from these.	

Non-Executive Director Fees

Directors' fees are currently as follows:

Role	2019 Fees	2018 Fees
Base fee for Non-Executive Directors	£50,000	£50,000
Additional fees:		
Chairman of the Audit and Risk, Valuations or Remuneration Committee	£10,000	£10,000
Chairman of the Nominations Committee	Nil	Nil
Senior Independent Director	£10,000	£10,000

No fees are paid for membership of a committee.

Benefits

The Company reimburses reasonable travel and subsistence costs together with any tax liabilities from these amounts.

Pension

The Non-Executive Directors are not entitled to any pension benefits.

Variable Pay

The Non-Executive Directors are not entitled to any variable pay.

PART V

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

1. Members of the Company who are entitled to attend and vote at the AGM are entitled to appoint one or more proxies to exercise all or any of their rights to attend and to speak and vote at the Meeting. A member may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company.
2. A member may vote at the AGM subject to being on the Register of Members as at 6.30 pm on 24 February 2020.
3. A Form of Proxy is enclosed. To be effective, the Form of Proxy and any power of attorney under which it is executed (or a duly certified copy of any such power) must reach the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, BN99 6DA, not less than 48 hours, before the time of the AGM (i.e. 11.00 am on 24 February 2020) or adjourned AGM or (in the case of a poll taken otherwise than at or on the same day as the AGM or adjourned AGM) for the taking of the poll at which it is to be used. Completion and return of the Form of Proxy will not prevent a member from attending and voting at the AGM. Replacement Forms of Proxy may be obtained from the Company's Registrar.
4. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those holders of Ordinary Shares entered on the Register of Members of the Company as at 6.30 pm on 24 February 2020 ("the **Specified Time**") shall be entitled to attend and vote at the AGM in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the Register of Members after the Specified Time shall be disregarded in determining the rights of any person to attend and vote at the AGM. If the AGM is adjourned to a time not more than 48 hours after the Specified Time applicable to the original meeting, that time will also apply for the purposes of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned AGM. If, however, the AGM is adjourned for a longer period, then, to be so entitled, members must be entered on the Company's Register of Members at 6.30pm on the date two days prior to the adjourned AGM.
5. CREST Members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on 26 February 2020 and any adjournment(s) thereof 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 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. 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 CREST specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or 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 the latest time for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications 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. CREST Members and, where applicable, their CREST Sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST Member concerned to take (or, if the CREST Member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST Sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST Members and, where applicable, their CREST Sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com). 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.
6. The right to appoint a proxy does not apply to persons whose Ordinary Shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ("**nominated persons**"). Nominated persons may have a right under an agreement with the member who holds the Ordinary Shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons

do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the Ordinary Shares as to the exercise of voting rights.

7. Shareholders are entitled to attend and vote at general meetings of the Company. On a vote by show of hands, every member and every duly appointed proxy who is present in person shall have one vote. On a poll vote, every member who is present in person or by proxy shall have one vote for every Ordinary Share of which he is the holder.
8. 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 Ordinary Shares. A member that is a company may appoint either a proxy or a corporate representative. Members wishing to appoint a corporate representative should examine the Company's articles of association and the provisions of the Companies Act 2006.
9. Under Section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the Meeting put by a member at the Meeting. However, the Company need not answer 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.
10. The total number of issued Ordinary Shares/voting rights in the Company on 16 January 2020, which is the latest practicable date before the publication of this document, is 38,282,763.
11. Shareholders may require the Company to place on its website a statement, made available also to the Company's auditors, setting out any matter relating to the audit of the Company's Financial Statements, including the Independent Auditor's Report and the conduct of the audit, which Shareholders intend to raise at the Annual General Meeting. The Company becomes required to place such a statement on the website once a) members with at least 5% of the total voting rights of the Company or b) at least 100 members who are entitled to vote and on whose Ordinary Shares an average sum per member of at least £100 has been paid have submitted such a request to the Company. Members seeking to do this should write to the Company providing their full names and addresses.
12. You may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
13. Information about the AGM is published on the Company's website www.electraequity.com. A copy of this Notice of Annual General Meeting is also published on that website.

PART VI

ADDITIONAL INFORMATION

1. The Company

The Company is a private equity investment trust which has been listed on the London Stock Exchange since 1976. As reported at the end of 2018, the Board concluded that it was in the best interests of Shareholders to conduct a managed wind-down of the Group's portfolio over a period of time, return cash to shareholders and ultimately effect the winding-up of the Company.

2. Responsibility

The Directors accept responsibility for the information contained in this Circular (including any expressions of opinion), save that:

- (a) Stephen Welker, who has not participated in the Board's consideration of the Waiver, takes no responsibility for the Board's recommendation in relation to the Rule 9 Waiver Resolution; and
- (b) Edward Bramson and Stephen Welker, in their capacities as members of the investment committee of Sherborne Investors Management GP, LLC, accept responsibility for the information relating to the Sherborne Parties contained in this Circular (including any expressions of opinion) and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

3. Interests and dealings

Directors

As at 16 January 2020 (being the latest practicable date prior to the publication of this Circular), the interests, rights to subscribe and short positions of the Directors, their immediate families and persons connected with them in the relevant securities, together with any options in respect of Ordinary Shares (all of which are beneficially held unless otherwise stated) required to be notified to the Company or which are required to be entered into the Register are set out below.

Director	Percentage of Issued Ordinary Share Capital	No. of Ordinary Shares
David Lis	0.05	18,500
Neil Johnson	0.01	2,500
Gavin Manson	0.12	46,126
Stephen Welker	29.90	11,446,086

Sherborne Parties

As at the close of business on 16 January 2020 (being the latest practicable date prior to the publication of this Circular), the Sherborne Parties were interested in 11,446,883 Ordinary Shares (representing approximately 29.89% of the Issued Ordinary Share Capital). The exercise by the Company of the Buyback Authority could result in the Sherborne Parties shareholding in the Company increasing to 30% or more of the Issued Share Capital (and, on the basis of their stated shareholding as at 16 January 2020, up to a maximum of 35.2% if the Buyback Authority were exercised in full).

The Sherborne Parties have not made any dealings in relevant securities during the period beginning 12 months preceding the date of this Circular and ending on 16 January 2020 (being the latest practicable date prior to the publication of this Circular).

4. Major Shareholders

In so far as is known to the Company as at 16 January 2020 (being the latest practicable date prior to the publication of this Circular), the following persons have an interest in either the Ordinary Shares which has been notified under the Disclosure Guidance and Transparency Rules or an interest in 3% or more of the Issued Ordinary Share Capital which has been included in the Company's register of interests maintained under section 808 of the Companies Act 2006.

Name	No. of Ordinary Shares	Percentage of Issued Ordinary Share Capital
Sherborne Investors Management LP and its associates	11,446,086	29.90
Witan Investment Trust PLC	4,864,494	12.71
M&G Investments	4,045,842	10.57
FIL Investment International	3,859,700	10.08
LGT Capital Management	2,230,000	5.83

5. Executive Director's service contract and other Directors' letters of appointment

5.1 Executive Director's service contract: Gavin Manson entered into a service contract with the Company dated 21 July 2016 to initially serve as the Chief Financial Officer of the Company from 8 August 2016. Mr Manson was appointed as an Executive Director of the Company on 23 March 2017. The contract has no fixed period and is terminable by either party on not less than six months' prior written notice. It incorporates a provision for the Company to terminate the contract without giving such notice in which case the Company shall make a payment in lieu of notice comprising basic salary for the relevant notice period or unexpired part plus the value of the benefits (if any) the Executive Director would have been entitled to during that period. Such compensation payment is not payable where the Company is entitled under the contract to terminate it immediately for specified reasons such as by reason of serious misconduct. Mr Manson shall not be compensated for any loss of rights in respect of any options or awards granted to him under any employee share or incentive scheme of the Company on termination of his service agreement.

5.2 Other Directors' letters of appointment: the Chairman and the other Directors have letters of appointment with the Company under which they are entitled to a basic fee (reviewed periodically). In addition, in the case of the Chairman, if he spends more than five days a month on his duties, he is entitled to charge an additional £3,000 per day (plus VAT). The Directors are all required under these letters to stand for re-election each year at the Company's annual general meeting. All the Directors, other than the Chairman, are required to give one month's notice to terminate their appointments and their appointment letters do not contain provisions for them to receive compensation on early termination. The Chairman's appointment is subject to termination by 12 months' written notice by either party save that the Company is entitled to shorten the notice period, in which case it shall make payment in lieu of notice for the relevant period but no such right to compensation shall apply where the Chairman is not re-elected as a Director or his appointment is terminated in accordance with the Company's articles of association.

5.3 Directors' current emoluments: the aggregate emoluments, excluding pensions, of the Directors for the year ended 30 September 2019 are set out below:

Director	Salary £000	Taxable Benefits £000	Pension contributions £000	Long-term incentives ⁽¹⁾ £000	Total £000
Neil Johnson (Chairman)	200	5	-	-	205
Gavin Manson	375	5	38	610	1,028
Paul Goodson	60	1	-	-	61
David Lis	70	3	-	-	73
Stephen Welker ⁽²⁾	-*	13	-	-	13
Linda Wilding	56	1	-	-	57

⁽¹⁾The long-term incentives figure relates to awards received upon early vesting.

⁽²⁾Stephen Welker has waived his entitlement to fees for his role as a Non-Executive Director. The Company reimbursed his travel expenses, with no further benefits provided.

In addition, as described in Part IV of this document, the Chairman and Chief Financial and Operating Officer have been allocated awards under the SoVP, with 35% of the available pool allocated to the Chairman and 65% allocated to the Chief Financial and Operating Officer. The maximum value under the SoVP is capped at £2.4m for the Chairman and £4.5m for the Chief Financial and Operating Officer. No awards were granted or vested during the year ended 30 September 2019.

6. Material contracts

No contract has been entered into by the Company or any of its subsidiaries, other than in the ordinary course of business, within the period of two years prior to the publication of this Circular which are or may be material.

7. Relationships, arrangements or understandings between the Sherborne Parties and HSBC

The Directors are not aware of any relationship, agreement, arrangement or understanding between any of the Sherborne Parties and HSBC (or any person who is, or is presumed to be, acting in concert with HSBC).

8. Arrangements in connection with the proposal

None of the Sherborne Parties has entered into any agreement, arrangement or understanding with any of the Directors which has any connection with, or dependence upon the proposal set out in this document. In addition, the Directors are not aware of any agreement, arrangement or understanding having any connection with or dependence upon the proposals set out in this document between any of the Sherborne Parties and any person interested or recently interested in Ordinary Shares, or any recent Director of the Company.

9. No significant change

There has been no significant change in the financial or trading position of the Group since 30 September 2019, being the date to which the Company's last Annual Report (available on the Company's website at www.electraequity.com) was drawn up.

10. Middle market quotations

The middle market quotations for the Ordinary Shares as derived from the Daily Official List, for the first Business Day of each of the six months immediately preceding the date of this Circular and on 16 January 2020 (being both the latest practicable and available date prior to the date of this Circular) were:

Date	Price per Ordinary Share (pence)
1 August 2019	340.0
2 September 2019	344.5
1 October 2019	331.5
1 November 2019	329.0
2 December 2019	323.0
2 January 2020	380.0
16 January 2020	356.0

11. Consent

HSBC has given and has not withdrawn its written consent to the inclusion of its name and references to it in the form and context in which it is included in this Circular.

12. General

As of close of business on 16 January 2020 (being the latest practicable date prior to the date of this Circular), and save as disclosed in this Part VI:

- (a) none of the Sherborne Parties and no person acting in concert with them has any interest in, right to subscribe in respect of or short position in relation to any relevant securities;
- (b) none of the Sherborne Parties and no person acting in concert with them has dealt in relevant securities during the period of 12 months ended on 16 January 2020 (being the latest practicable date prior to the publication of this Circular);
- (c) there are no relevant securities which any of the Sherborne Parties has borrowed or lent (excluding any borrowed relevant securities which have either been on-lent or sold);
- (d) none of:

- (i) the Directors or any of their close relatives or related trusts;
- (ii) any connected adviser (except in the capacity of an exempt fund manager or an exempt principal trader); or
- (iii) any other person acting in concert with the Company

has as at 16 January 2020 (being the latest practicable date prior to the publication of this Circular) any interest in, right to subscribe in respect of or short position in relation to any relevant securities; and

- (e) there are no relevant securities which any person acting in concert with the Company has borrowed or lent (excluding any borrowed relevant securities which have either been on-lent or sold).

In this Part VI reference to:

- (a) “acting in concert” has the meaning given to it in the Takeover Code;
- (b) “relevant securities” means Ordinary Shares and securities carrying conversion or subscription rights into Ordinary Shares;
- (c) “short position” means a short position, whether conditional or absolute and whether in the money or otherwise, and includes any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
- (d) “connected adviser” means:
 - (i) in relation to the Company, (a) an organisation which is advising the Company in relation to the Rule 9 Waiver Resolution; or (b) a corporate broker to the Company;
 - (ii) in relation to any of the Sherborne Parties, an organisation (if any) which is advising that person either (a) in relation to the Rule 9 Waiver Resolution; or (b) in relation to the matter which is the reason for that person being a Sherborne Party; and
 - (iii) in relation to a person who is an associated company of the Company, an organisation (if any) which is advising that person in relation to the Rule 9 Waiver Resolution;
- (e) “control” means an interest, or aggregate interests, in shares carrying in aggregate 30% or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control; and
- (f) “dealing” or “dealt” includes the following:
 - (i) the acquisition or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities;
 - (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
 - (iii) subscribing or agreeing to subscribe for securities;
 - (iv) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
 - (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
 - (vi) the entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
 - (vii) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he or she has a short position.

For the purposes of this Part VI a person is treated as “interested” in securities if he or she has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:

- (a) he or she owns them;
- (b) he or she has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
- (c) by virtue of any agreement to purchase, option or derivative, he or she:

- (i) has the right or option to acquire them or call for their delivery; or
- (ii) is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- (d) he or she is party to any derivative:
 - (i) whose value is determined by reference to their price; and
 - (ii) which results in, or may result in, having a long position in them.

There is no agreement or arrangement or understanding by which the beneficial ownership of any Ordinary Shares acquired by the Company pursuant to the repurchase will be transferred to any other person.

Save for the interest of Stephen Welker as a member of Sherborne Investors Management GP, LLC as disclosed in the section headed "Background information on the Sherborne Parties" in the Explanatory Note relating to Resolution 18 on pages 12 and 13 of this Notice, neither the Company nor any of the Directors have any interests in the Sherborne Parties of the kind described at Rule 25.4 of the Takeover Code.

13. Documents available for inspection

Copies of the following documents will be available on the Company's website www.electraequity.com, from the date of this Circular until the date of the AGM and may also be inspected at the AGM venue for 15 minutes prior to and during the AGM:

- (a) the articles of association of the Company
- (b) the letters of appointment and service contract referred to in paragraph 5 of this Part VI above
- (c) the consent letter referred to in paragraph 11 of this Part VI above;
- (d) the annual reports and accounts for the Company for each of the two financial years ended 30 September 2018 and 30 September 2019; and
- (e) this document and the Form of Proxy.

14. Incorporation by reference

The annual report and accounts of the Company for each of the two financial years ended 30 September 2018 and 30 September 2019 are incorporated by reference into this Circular and are available for inspection and on the Company's website as set out in paragraph 13 of this Part VI above.

Any Shareholder, person with information rights or other person to whom this Circular is sent may request a copy of each of the documents set out above, or a copy of this Circular, in hard copy form. Hard copies will be sent only where valid requests are received from such persons. Requests for hard copies are to be submitted to the Company Secretary, either by post to Frostrow Capital LLP, 25 Southampton Buildings, London WC2A 1AL, or by calling the Registrar, Equiniti Limited, on 0371 384 2351 or +44 (0)121 415 7047 (if calling from outside the UK). Lines are open from between 8.30 am to 5.30 pm (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 proposals described in this Circular nor give financial, tax, investment or legal advice.

15. No incorporation of website information

Save as expressly stated in this Circular, no content of any website (whether or not of the Company or the Sherborne Parties) is incorporated by reference into, or forms part of, this Circular.

16. Management, employees and continuation of the business of the Company

The Sherborne Parties have no intention, as a result of any increase in the shareholding of the Sherborne Parties following any repurchases by the Company of its own shares, to seek any change in the membership of the Board or management or to the general nature of any other aspect of the Company's business, nor does it intend to redeploy any fixed assets or change the existing trading facilities for the Ordinary Shares.

The strategic plans for the Company are not expected to be altered by the Waiver and so there should be no repercussions on employment pension scheme arrangements or the location of the Company's place of business.

PART VII

DEFINITIONS

The following definitions apply throughout this document, unless stated otherwise:

Annual General Meeting or AGM	the annual general meeting of the Company to be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD at 11.00 am on Wednesday, 26 February 2020, or any adjournment thereof, notice of which is set out in Part II of this document
Board	the board of Directors of the Company
Business Day	any day other than a Saturday, Sunday or public holiday on which banks are open in the City of London for the transaction of general commercial business
Buyback Authority	has the meaning given on page 4 of this document
Companies Act 2006	the Companies Act 2006, as amended from time to time
Company	Electra Private Equity PLC, a company incorporated in England and Wales with registered number 00303062, whose registered office is at 17 Old Park Lane, London W1K 1QT
CREST	the system of paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations
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 Member	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
CREST Participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
CREST Sponsor	a CREST Participant admitted to CREST as a CREST Sponsor
CREST Sponsored Member	a CREST Member admitted to CREST as a Sponsored Member
Daily Official List	the Daily Official List of the London Stock Exchange
Directors	the directors of the Company, whose names are set out on page 3 of this document
Equiniti Limited	Equiniti Limited, a company incorporated in England and Wales with registered number 06226088, whose registered office is at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
Euroclear	Euroclear UK & Ireland Limited, a company incorporated in England and Wales with registered number 02878738, whose registered office is at 33 Cannon Street, London EC4M 5SB, the operator of CREST
FCA	the Financial Conduct Authority
Form of Proxy or Form	the form of proxy accompanying this document to be used in connection with the Annual General Meeting
FSMA	the Financial Services and Markets Act 2000
Group	the Company together with its subsidiaries and subsidiary undertakings
HSBC	HSBC Bank plc
Independent Directors	all members of the Board other than Stephen Welker
Independent Shareholders	all Shareholders other than the Sherborne Parties
Issued Ordinary Share Capital	the issued Ordinary Shares in the capital of the Company from time to time
Listing Rules	the Listing Rules of the UK Listing Authority

London Stock Exchange	the London Stock Exchange plc
Notice of Annual General Meeting	the notice of the Annual General Meeting which appears in Part II of this document
Ordinary Shares	the ordinary shares of £0.25 each in the capital of the Company
Panel	the Panel on Takeovers and Mergers
Panel Executive	the Executive of the Panel
Register of Members	the Company's register of members
Registrar	Equiniti Limited
Resolution	each of the resolutions set out in the Notice of Annual General meeting, as applicable
Rule 9 Waiver Resolution	Resolution 18 in the Notice of Annual General Meeting
Shareholders	the holders of the Ordinary Shares
Sherborne Investors	Sherborne Investors Management GP, LLC (including its predecessors, associates and subsidiaries)
Sherborne Parties	Edward Bramson, Stephen Welker, Sherborne Investors Management GP, LLC, Sherborne Investors Management LP, Sherborne Investors Management (Guernsey) LLC and Ian Brindle
UK Listing Authority	the FCA acting in its capacity as the competent authority for the purposes of Part 6 of FSMA
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
Waiver	has the meaning given on page 4 of this document

Times

All references to times in this document and the Notice of Annual General Meeting are to UK time.