

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 or an appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you sell or otherwise transfer, or have sold or otherwise transferred, all of your ordinary shares in McBride plc you should send this document and any enclosures as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted into any jurisdiction in which to do so would constitute a breach of the relevant laws of such jurisdiction. If you sell or otherwise transfer, or have sold or otherwise transferred, only part of your holding, you should retain this document and any enclosures.



McBride plc

(Incorporated in England and Wales – No. 2798634)

Directors:

Jeff Nodland	(Chair)
Chris Smith	(Chief Executive Officer)
Mark Strickland	(Chief Financial Officer)
Steve Hannam	(Senior Independent Non-Executive Director)
Igor Kuzniar	(Non-Executive Director)
Regi Aalstad	(Independent Non-Executive Director)
Elizabeth McMeikan	(Independent Non-Executive Director)
Alastair Murray	(Independent Non-Executive Director)

Registered Office:

Middleton Way
Middleton
Manchester
M24 4DP

Dear shareholder

General Meeting - 25 August 2022

I am writing to explain the background to, and reasons for, a proposal to sanction the borrowing limit in the Articles of Association (the 'Articles') of McBride plc (the 'Company') being exceeded. This proposal requires the approval of Shareholders, which will be sought at a General Meeting of the Company (the 'General Meeting').

Shareholders should note that the Company's accounts for the financial year ended 30 June 2022 will not be finalised until after the General Meeting and the Company's results will be discussed, as usual, at the Annual General Meeting to be held later in the year.

Attending the General Meeting

The General Meeting will be held at Building C, Central Park, Northampton Road, Manchester M40 5BP on Thursday 25 August 2022 at 1.30pm. The formal notice of General Meeting is set out on page 4 of this document and contains the proposed resolution.

Appointing a proxy

Whether or not you propose to attend the General Meeting, I would encourage you to vote on the resolution set out in the notice of General Meeting by appointing a proxy to act on your behalf, and I would strongly encourage you to appoint the Chair of the meeting as your proxy. This will ensure that your vote will be counted if ultimately you are (or any other proxy you might otherwise choose to appoint is) not able to attend the General Meeting for any reason. If you appoint the Chair of the meeting as your proxy, the Chair will vote in accordance with your instructions. If the Chair is given discretion as to how to vote, he or she will vote in favour of the resolution in the notice. The resolution will, once again, be put to the vote on a poll. You can appoint a proxy by:

- logging onto www.signalshares.com and submitting a proxy appointment online by following the instructions. If you have not previously done so, you will need to register to use this service. To do this, you will need your Investor Code which can be found on your share certificate or on any other recent shareholder communication; or
- submitting (if you are a CREST member) a proxy appointment electronically by using the CREST voting service.

If you would prefer to use a paper proxy form to appoint your proxy, you may request one from the Company's registrar, Link Group, by calling the shareholder helpline. Details of the helpline and further information on how to appoint a proxy to vote on your behalf are set out in the notes to the notice of General Meeting.

In each case, your proxy appointment must be received by no later than 1.30pm on Tuesday 23 August 2022 to be valid. Appointing a proxy will not prevent you from attending the General Meeting and voting in person if you wish to do so.

General Meeting business - approval to exceed group borrowing limit

Introduction

The Board has identified that the Group's borrowings are likely to exceed the aggregate amount of borrowings permitted by the Articles when the Company publishes its audited accounts for the financial year ended 30 June 2022 (the 'Full Year End Accounts'). The Board is therefore seeking shareholder approval in order to sanction the borrowing limit contained within the Articles being exceeded (as permitted under Article 89).

Background

The Group has been significantly impacted by and continues to experience a period of uncertainty caused by various macroeconomic factors. Specifically, the rapid and unprecedented rise in input costs and the ongoing macroeconomic supply chain challenges, as a result of the Covid-19 pandemic and exacerbated by the Ukraine war, have had a negative effect on the financial performance of the Group and has cast a degree of uncertainty as to the future financial performance and cash flows of the Group. In particular, the Group's inability to immediately offset the significant input cost inflation by raising prices at which its products are sold to Private Label customers has resulted in a significant deterioration of the Group's profitability. During this time, the Company's main priority has remained the safety, well-being and welfare of its colleagues and their families, whilst also seeking to ensure that its liquidity position was adequate.

The Board has taken a number of measures in order to mitigate the ongoing impact of the Covid-19 pandemic and maintain liquidity, including securing a waiver of the June 2022 covenant tests from the Group's banking group until 30 September 2022 (as announced on 29 June 2022). The Group continues to explore and assess all avenues to maintain liquidity and create additional funding for the benefit of all stakeholders.

Article 89.2 places a restriction on aggregate borrowings of the Group exceeding a sum equal to two times the aggregate of: (i) the amount paid up on the issued share capital of the Company; and (ii) the total of the capital and reserves of the Group (such amount to be calculated in accordance with Article 89 and based on figures as shown in the latest audited consolidated balance sheet of the Group). This limit has been in place for many years and is now materially lower than the limits adopted by a number of other UK listed companies. The impact of the matters outlined above has resulted in an increase in the Group's borrowings and a reduction to the value of the adjusted capital and reserves in the Company's balance sheet. As the borrowing limit in the Articles is calculated by reference to the adjusted capital reserves in the Company's latest audited consolidated balance sheet, when the Company publishes the Full Year End Accounts, it is expected that the Group's borrowings will exceed the current limit in Article 89.2.

Proposal

Article 89.2 permits the borrowing limit set out in that Article to be exceeded with the previous sanction of an ordinary resolution of the Shareholders. It is proposed to use this procedure to approve the borrowing limit being exceeded to ensure that the Company will not be in breach of the Articles based on the Company's existing borrowings when it publishes the Full Year End Accounts, as well as enabling the Company lawfully to incur borrowings in the future. This is the purpose of the resolution set out in the notice of the General Meeting (the 'Resolution'). Shareholders are asked to approve the borrowing limit being exceeded provided that "monies borrowed" (as that term is defined in the Articles) by the Group do not exceed the higher of £500,000,000 or an amount equal to five times the aggregate of (i) the amount paid up on the issued share capital of the Company; and (ii) the total of the capital and reserves of the Group (as calculated in accordance with Article 89). The Board considers this increased threshold to be reasonable and consistent with the approach adopted by a number of other companies. The full text of the proposed Resolution is set out in the notice at the end of this document.

Ordinarily, the Board would have sought to table a proposal such as this at the Company's next Annual General Meeting rather than at a specially convened General Meeting. However, as this year's AGM will take place after publication of the Full Year End Accounts, at a time when it is expected that the Company will have breached the current borrowing limit, the Board is convening this General Meeting now in order to seek shareholder approval to exceed the borrowing limit until the Articles before any breach occurs. The approval will apply until such time as changes to the Articles (including changes to the borrowing limit) are made in due course.

Importance of vote

Shareholders should note that, if the Resolution is not passed, it is likely that the Company will be in breach of the borrowing limit in its Articles following the publication of the Full Year End Accounts. It is therefore important that Shareholders vote in favour of the Resolution to ensure that the Company can continue to operate within the borrowing limit in the Articles in the future.

In light of the above, the Directors have secured irrevocable undertakings from the Company's major shareholders, Teleios Capital Partners, DUMAC, Zama Capital, and Gilead, to vote in favour of the proposed increased borrowing limit resolution thus ensuring that such eventuality does not arise. In aggregate, these shareholders hold approximately 58.4 per cent. of the issued share capital of the Company.

Action to be taken

Whether or not you intend to be present at the General Meeting, you are requested to complete a form of proxy, as soon as possible and in any event so that it may be received by the registrars, Link Group, at Central Square, 10th Floor, 29 Wellington Street, Leeds, LS1 4DL, by no later than 1.30pm on Tuesday 23 August 2022.

Completion of a form of proxy will not prevent a member from attending and voting in person at the General Meeting should he or she so wish.

Recommendation

The Board considers that the resolution set out in the notice of General Meeting is in the best interests of the Company and of its Shareholders as a whole and unanimously recommends Shareholders to vote in favour of it, as each of the Directors intends to do in respect of their own beneficial holdings.

I would like to take this opportunity to thank you on behalf of the Board for your continued support, and look forward to seeing you at the General Meeting.

Yours faithfully

Jeff Nodland

Chair

Notice of General Meeting

Notice is hereby given that a General Meeting of McBride plc (the 'Company') will be held at Building C, Central Park, Northampton Road, Manchester M40 5BP on Thursday 25 August 2022 at 1.30pm to consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution:

1. THAT pursuant to Article 89.2 of the articles of association of the Company (the 'Articles') sanction be and is hereby given to the Directors of the Company permitting the aggregate amount for the time being remaining outstanding of all monies borrowed by the Group (which expression in this resolution means the Company and its subsidiary undertakings for the time being) and for the time being owing to persons outside the Group to exceed the limit imposed on them by Article 89.2 of the Articles provided that:
 - A. The aggregate amount for the time being remaining outstanding of all monies borrowed by the Group and for the time being owing to persons outside the Group shall not at any time, without the previous sanction of an ordinary resolution of the Company in general meeting exceed the higher of £500,000,000 or a sum equal to five times the aggregate of:
 - a) the amount paid up on the issued share capital of the Company; and
 - b) the total of the capital and revenue reserves of the Group (including any share premium account, capital redemption reserve and credit balance on the profit and loss or retained earnings account) in each case, whether or not such amounts are available for distribution;all as shown in the latest audited consolidated balance sheet of the Group from time to time but after making the adjustments described in sub-paragraphs (i) to (vii) of Article 89.2 of the Articles.
 - B. For the purpose of the foregoing limit, "monies borrowed" shall have the meaning given in, and shall be calculated in accordance with, Article 89.3 of the Articles.

By order of the Board

Glenda MacGeekie

Chief Legal Officer and Company Secretary

9 August 2022

Registered Office:

Middleton Way
Middleton
Manchester
M24 4DP

Registered in England and Wales number 2798634

Notes

1. Right to appoint a proxy

A member who is entitled to attend and vote at the General Meeting is entitled to appoint another person, or two or more persons in respect of different shares held by him/her, as his/her proxy to exercise all or any of his/her rights to attend and to speak and vote at the meeting. A proxy need not be a member of the Company.

2. Entitlement to vote

The Company hereby specifies that, to have the right to attend and vote at the General Meeting (and also for the purpose of calculating how many votes a person entitled to attend and vote may cast), a person must be entered on the Company's register of members as the holder of ordinary shares in the Company by the close of business on Tuesday 23 August 2022 or, if the meeting is adjourned, by the time which is not more than 48 hours (excluding non-working days) before the time of the adjourned meeting. Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting. The right to attend and vote at the General Meeting is subject to the Company's articles of association.

3. Attendance at the meeting

A member that is a corporation can only attend and vote at the meeting in person through one or more representatives appointed in accordance with section 323 of the Companies Act 2006. Any such representative should bring to the meeting written evidence of his or her appointment, such as a certified copy of a board resolution of, or a letter from, the corporation concerned confirming the appointment. Any member wishing to vote at the General Meeting without attending in person or (in the case of a corporation) through its duly appointed representative must appoint a proxy to do so.

4. Means of appointing a proxy

A member can appoint a proxy by any of the following methods:

- a) By submitting a proxy appointment online – A member may appoint a proxy online by registering for a share portal account via the website of Link Group at www.signalshares.com. To register for a share portal account, a member will need his or her Investor Code (IVC), which can be found on his or her share certificate or on any other recent shareholder communication.
Once registered, a member will be able to appoint a proxy online immediately. To be a valid proxy appointment, the member's electronic message confirming the details of the appointment completed in accordance with the relevant instructions must be transmitted so as to be received by no later than 1.30pm on Tuesday 23 August 2022 or, if the meeting is adjourned, by the time which is not more than 48 hours (excluding non-working days) before the time of the adjourned meeting; or
- b) By submitting a proxy appointment via CREST – Members who hold their shares in uncertificated form may use the "CREST electronic proxy appointment service" to appoint a proxy electronically, as explained in Note 5; or
- c) By completing and returning a paper form of proxy – A member may appoint a proxy by completing and returning a paper proxy form. Members who would like a paper proxy form may request one from the Company's registrars by calling the helpline number provided in Note 6 below. To be valid, a paper proxy form must be completed in accordance with the instructions that accompany it and then delivered by post or by hand (during normal business hours) so as to be received by the Company's registrar, Link Group, at Central Square, 10th Floor, 29 Wellington Street, Leeds, LS1 4DL, by no later than 1.30pm on Tuesday 23 August 2022 or, if the meeting is adjourned, by the time which is not more than 48 hours (excluding non-working days) before the time of the adjourned meeting.
Any power of attorney or other authority under which an appointment of proxy is executed (or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of that power or authority) must, unless previously registered with the Company, be received at the relevant address specified in these notes for receipt of such proxy appointment by the latest time indicated for receipt of such proxy appointment. Appointing a proxy will not prevent a member from attending and voting in person at the General Meeting should he or she so wish.

Notes continued

5. CREST members

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or a proxy instruction made using the CREST voting service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK and Ireland 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 RA10) no later than 1.30pm on Tuesday 23 August 2022 or, if the meeting is adjourned, by the time which is not more than 48 hours (excluding non-working days) before the time of the adjourned meeting. For this purpose, the time of the message's 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 first able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK and Ireland does not make available special procedures in CREST for transmitting any particular messages. Normal system timings and limitations will therefore apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or a CREST sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

In certain circumstances the Company may, in accordance with the Uncertificated Securities Regulations 2001 or the CREST Manual, treat a CREST Proxy Instruction as invalid.

6. Member helpline

A member who has queries about his or her shareholding, voting, the appointment of a proxy or who requires any other assistance can contact the Company's registrar, Link Group, by sending an email to shareholderenquiries@linkgroup.co.uk. Alternatively, members can call the registrar's helpline on 0371 664 0300. Calls to this number will be charged at the standard geographic rate and will vary by provider. Callers from outside the UK should dial +44 371 664 0300. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open from 9:00am to 5:30pm, Monday to Friday (excluding public holidays in England and Wales).

7. Nominated persons

Any person to whom this notice is sent who is currently nominated by a member of the Company to enjoy information rights under section 146 of the Companies Act 2006 (a 'Nominated Person') may, under an agreement with the member by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy at the General Meeting. If a Nominated Person has no such right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the member concerned as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of a proxy in Note 1 above does not apply to a Nominated Person. Such rights can only be exercised by the member concerned.

8. Total number of shares and voting rights

As at Monday 8 August 2022 (being the last practicable day prior to the publication of this document) the Company's issued share capital consisted of 174,015,287 ordinary shares of 10p each (excluding ordinary shares held in treasury) with each ordinary share carrying the right to one vote and 665,888,258 non-cumulative redeemable preference shares of 0.1 pence each ('B Shares'). B Shares have no voting rights except at any general meeting at which a resolution to wind up the Company is to be considered.

As at Monday 8 August 2022, the Company held 42,041 ordinary shares of 10p each in treasury. Such shares carry no voting rights. Therefore, as at that date, the total voting rights in the Company were 174,015,287.

9. Right to ask questions

Each member attending the meeting has the right to ask questions relating to the business being dealt with at the meeting which, in accordance with section 319A of the Companies Act 2006 and subject to some exceptions, the Company must cause to be answered.

10. Availability of information

Information relating to the meeting which the Company is required by the Companies Act 2006 (including information required by S311A) to publish on a website in advance of the meeting may be viewed at www.mcbride.co.uk.

Copies of the directors' service contracts or letters of appointment (as relevant) are available for inspection during usual business hours on any weekday (Saturday, Sunday and public holidays excluded) at the registered office of the Company.

11. Electronic communications

A member may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the General Meeting other than as expressly stated in it.

12. Poll voting

The resolution contained in this notice of meeting will be put to a vote on a poll. This will result in a more accurate reflection of the views of members by ensuring that every vote is recognised, including the votes of those members who are unable to attend but who have appointed a proxy for the meeting. On a poll, each member has one vote for every share held.

General Meeting Location

Building C, Central Park
Northampton Road
Manchester M40 5BP
Telephone: +44 (0)161 203 7401



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Middleton Way

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M24 4DP United Kingdom

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