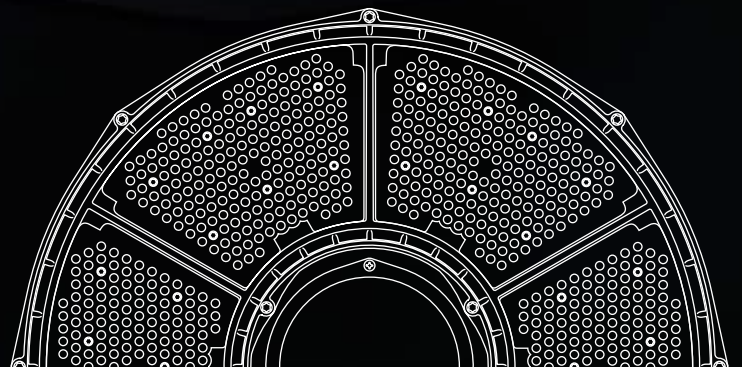
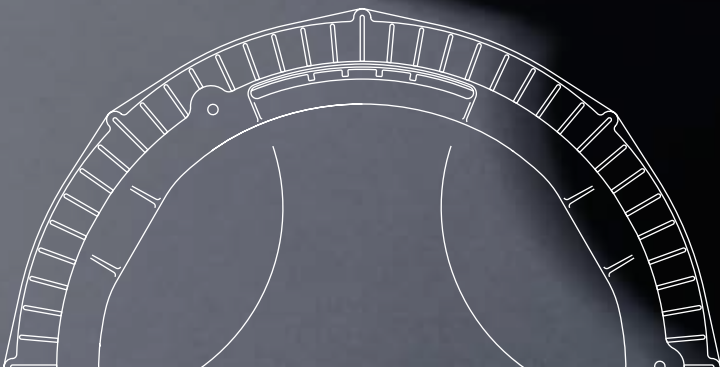
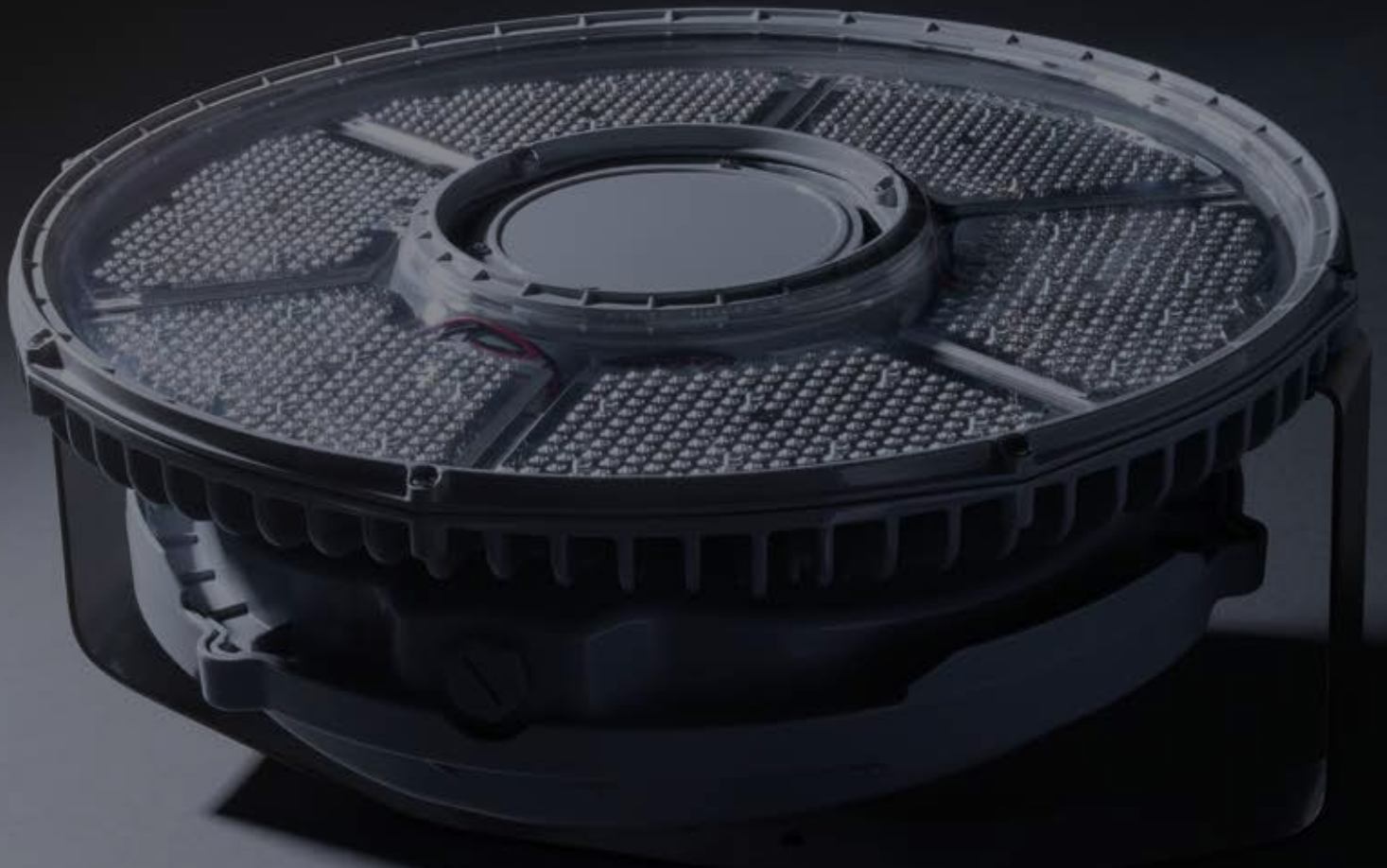


.....Dialight

NOTICE OF ANNUAL GENERAL MEETING 2020



Dialight plc
Notice of Annual General Meeting

To be held at
Tower 42,
25 Old Broad Street,
London EC2N 1HQ

on Wednesday, 13 May 2020 at 11:30am

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about its content or the action you should take, you should consult your stockbroker, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your shares in the Company, please pass this document and the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

A form of proxy for the Annual General Meeting is enclosed and should be completed and returned so as to reach Equiniti Limited (“Equiniti”) (the Company’s Registrars) by no later than 11:30am on Monday, 11 May 2020. Completion and return of the form of proxy will not prevent you from attending and voting at the meeting in person, should you so wish. Alternatively, you can register your proxy vote electronically by no later than 11:30am on Monday, 11 May 2020, either by means of a website provided by Equiniti, www.sharevote.co.uk, or by using the service provided by Euroclear. Further details are given in the explanatory notes from page 13 of this document.

WARNING: COVID-19 – PLEASE READ CAREFULLY

In view of the Government’s current advice in relation to the evolving coronavirus (Covid-19) situation, the Company recommends that shareholders:

- adhere to the current Government guidelines and **do not attend the AGM in person** this year;
- submit their proxy votes in advance of the meeting;
- submit questions that they would like answered in advance of the meeting; and,
- use the weblink that will be made available for shareholders to listen to the proceedings (although this will not constitute formal attendance at the meeting).

Accordingly, the Company anticipates that attendance in person at the meeting will be limited to the minimum number of directors who hold shares or who have been appointed as a proxy as required to constitute a quorum.

Details of how to submit questions in advance and how to join the AGM weblink are summarised in this notice and will be made available on the Company’s website prior to the meeting.

The Company will also have due regard to any legislation that is introduced by the Government following the posting of this document that extends greater flexibilities (including holding the Annual General Meeting online or postponing the meeting) to companies that are required by law to hold annual general meetings. It will take such steps as it considers appropriate and to be in the best interests of the Company and its shareholders whilst safeguarding the health and wellbeing of all attendees.

Dialight plc
Leaf C, Level 36
Tower 42
25 Old Broad Street
London EC2N 1HQ
Registered in England and Wales 2486024
Web: www.dialight.com
7 April 2020

Dear Shareholder

Dialight plc – Annual General Meeting 2020

I am pleased to inform you that this year's Annual General Meeting ("Meeting" or "AGM") of Dialight plc ("Dialight" or the "Company") will be held at Tower 42, 25 Old Broad Street, London EC2N 1HQ, on Wednesday, 13 May 2020 at 11:30am.

This document provides details of those items of business to be transacted at the AGM and includes the formal notice of the AGM (the "Notice"). Explanatory notes can be found from page 9 onwards.

Covid-19 arrangements

The Board of Directors has been closely monitoring the evolving Coronavirus (Covid-19) situation and the related Government guidelines. In view of the Government's advice for people to stay at home and avoid all non-essential travel, we recommend that shareholders **do not attend the AGM in person** this year.

Instead, the Board of Directors requests that shareholders exercise their right to vote on each of the Resolutions by submitting proxy votes in advance of the Meeting via one of the means explained below. In addition, the Board of Directors also encourages shareholders to submit any question that they would have raised at the Meeting by sending it, together with your name as it appears on the Company's register of members, to the following email address: company.secretary@dialight.com so as to be received no later than 5.00pm on Tuesday 12 May 2020. You are directed to note 11 on page 14 for guidance on members' rights to ask questions and when the Company will cause them to be answered. Where appropriate, answers to questions will be provided during the Meeting (if circumstances allow) or be published on our website following the AGM.

In light of the recommendation from the Board of Directors that shareholders adhere to the Government guidelines, the Company has this year arranged for shareholders to be able to listen to the proceedings of the Meeting via weblink, which can be accessed any time from 11.15am on the day of the Meeting until the conclusion of the Meeting via the following link: <https://dialight.zoom.us/j/7327515926> (for scheduled attendees) and UK dial-in: +44 (0) 208 080 6592 (password 732 751 5926) (or such other arrangements as are detailed on our website www.ir.dialight.com prior to the Meeting). Please note that shareholders will not be able to use these arrangements to participate actively in the Meeting by voting on the resolutions or asking questions and that listening to the proceedings in this manner will not constitute formal attendance by a shareholder at the Meeting.

The Company will continue to monitor closely the situation in the lead up to the Meeting and any further updates about the Meeting will be announced via a Regulatory Information Service and made available on the Company's website at www.ir.dialight.com. Shareholders are accordingly requested to visit the Company's website for any such further updates.

The health and wellbeing of our shareholders, as well as our employees, is of paramount importance and we will take such further steps in relation to the Meeting as are appropriate with this in mind. While it is a legal requirement for the Company to hold the AGM in order to pass essential shareholder resolutions, circumstances may require the normal proceedings to be shortened or amended and there will only be limited Company representation at the Meeting. For public health reasons any shareholders who do attend the AGM in person will be required to vacate the venue immediately after the close of the Meeting.

The Company will also have due regard to any legislation that is introduced by the Government following the posting of the Notice that extends greater flexibilities, including holding the Annual General Meeting online or postponing the Meeting, to companies that are required by law to hold annual general meetings, and will take such steps as it considers appropriate and to be in the best interests of the Company and its shareholders whilst safeguarding the health and wellbeing of all attendees.

Voting

We strongly recommend that you **do not attend the Meeting in person**. However, we would still encourage you to vote on the resolutions in the Notice by completing the enclosed form of proxy and returning it to the Company's Registrars, Equiniti, as soon as possible. Equiniti must receive the form of proxy by no later than 11:30am on Monday, 11 May 2020 (or, in the event of any adjournment, 48 hours (excluding non-working days) before the time of the adjourned meeting). Alternatively, you can vote online at www.sharevote.co.uk or appoint a proxy or proxies through the CREST electronic proxy appointment service by using the procedures described in the CREST Manual (available via www.euroclear.com) by no later than 11:30am on Monday, 11 May 2020 (or, in the event of any adjournment, 48 hours (excluding non-working days) before the time of the adjourned meeting). For further information on the appointment of proxies please refer to the explanatory notes and the notes to the form of proxy.

Proposed Remuneration Policy and Directors' Remuneration Report

The Companies Act 2006 requires that shareholders approve the Directors' Remuneration Policy every three years. As the Directors' Remuneration Policy was last approved by shareholders at our 2017 annual general meeting, we invite you to approve a new remuneration policy for Directors this year. In accordance with the Companies Act 2006, the annual advisory vote on the Directors' Remuneration Report is also put to shareholders.

Auditors

The attention of shareholders is drawn to the notes accompanying resolution 4.

New Directors

This year, we are delighted to welcome Karen Oliver and Gotthard Haug to the Board of Dialight. Both directors have extensive experience in the manufacturing sector, in both executive and non-executive capacities, and will bring skills and insights that will complement our existing team. They shall each stand for election, and all the other Directors shall retire and (except for Steve Good, who has retired from the Board) stand for re-election at the AGM. Information regarding the items of business to be transacted at the AGM can be found in the explanatory notes overleaf.

New articles of association

In light of the Covid-19 situation, the Board considers it prudent to update the articles of association of the Company to permit the Company to hold "hybrid" general meetings where shareholders have the option to attend and participate either in person (in a main location or in specified satellite locations) or virtually by electronic means. The new articles will not permit the Company to hold wholly virtual general meetings where all attendees are in separate locations. The primary changes in the new articles to enable the holding of hybrid general meetings are summarised in the explanatory notes to the resolutions on page 12.

Although the Company has no plans at the current time to hold hybrid general meetings in the future, it considers the ability to do so to be in the best interests of shareholders as a whole and to reflect evolving best practice. The new articles showing all the changes to the current articles are available for inspection, as noted below.

Documents available for inspection

Copies of all service agreements under which the Directors of the Company are employed by the Company, copies of the letters of appointment of the Non-Executive Directors of the Company, and a copy of the proposed amended articles of association and a copy of the existing articles of association marked up to show the changes being proposed in Resolution 19 will be available for inspection at the Company's registered office during normal business hours (Saturdays, Sundays and public holidays excepted) from the date of this Notice until the date of the AGM and at the place of the AGM for 15 minutes prior to and during the Meeting.

Recommendation

The Directors consider that all the resolutions to be put to the Meeting are in the best interests of the Company and its shareholders as a whole and are most likely to promote the success of the Company for the benefit of shareholders as a whole. The Directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do so in respect of their own interests (both beneficial and non-beneficial). If you have any questions regarding the AGM business please contact Equiniti by phone on 0371 384 2030. Lines are open from 8:30am to 5:30pm, Monday to Friday (excluding UK bank holidays). Non-UK callers can dial +44 (0)121 415 7047.

Finally, I would like to thank shareholders for their co-operation and understanding during these challenging and unusual times and look forward to returning to full shareholder engagement as soon as feasible.

David Blood

Chairman

Notice of Annual General Meeting

The Annual General Meeting (“AGM”) of Dialight plc (the “Company”) will be held at Tower 42, 25 Old Broad Street, London EC2N 1HQ at 11:30am on Wednesday, 13 May 2020. You will be asked to consider and, if thought fit, pass the resolutions below. Resolutions 15 to 19 (inclusive) will be proposed as special resolutions; all other resolutions will be proposed as ordinary resolutions. Voting on all resolutions will be conducted by way of a poll rather a show of hands.

Ordinary resolutions:

1. That the Company’s Annual Report and Accounts for the financial year ended 31 December 2019, together with the Directors’ report and the auditors’ report on those accounts, be received.
2. That the annual report on remuneration (other than the part containing the Directors’ Remuneration Policy) for the year ended 31 December 2019 as set out on pages 76 to 84 of the Company’s 2019 Annual Report and Accounts be approved.
3. That the Directors’ Remuneration Policy set out on pages 68 to 75 of the Company’s 2019 Annual Report and Accounts be approved.
4. That KPMG LLP be re-appointed as auditors of the Company from the conclusion of the Meeting until the conclusion of the next annual general meeting of the Company.
5. That the Directors be authorised to determine the remuneration of the auditors.
6. That David Blood be re-elected as a Director of the Company.
7. That Fariyal Khanbabi be re-elected as a Director of the Company.
8. That Stephen Bird be re-elected as a Director of the Company.
9. That David Thomas be re-elected as a Director of the Company.
10. That Gaëlle Hotellier be re-elected as a Director of the Company.
11. That Karen Oliver be elected as a Director of the Company.
12. That Gotthard Haug be elected as a Director of the Company.
13. That, in accordance with Sections 366 and 367 of the Companies Act 2006, the Company and all its subsidiary companies from time to time during the period for which this resolution is effective be authorised to:
 - (a) make political donations to political parties and/or independent election candidates not exceeding £10,000 in aggregate;
 - (b) make political donations to political organisations other than political parties not exceeding £10,000 in aggregate; and
 - (c) incur political expenditure, not exceeding £10,000 in aggregate,

provided that the amount of political donations made and political expenditure incurred by the Company and its subsidiaries pursuant to this resolution shall not in aggregate exceed £10,000.

Such power shall, unless previously renewed, revoked or varied, expire at the conclusion of the Company’s next Annual General Meeting after this resolution is passed or on 30 June 2021, whichever is the earlier. For the purpose of this resolution the above terms (political donations, political parties, independent election candidates, political organisations and political expenditure) shall have the same meanings as set out in Part 14 of the Companies Act 2006.

The authorised sum referred to in paragraphs (a), (b) and (c) of this resolution may be comprised of one or more amounts in different currencies which, for the purpose of calculating that authorised sum, shall be converted into pounds sterling at such rate as the Board of the Company in its absolute discretion may determine to be appropriate.

14. That, in substitution for all existing authorities, the Directors be generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company:

- (a) up to an aggregate nominal amount of £205,120 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of such sum); and
- (b) comprising equity securities up to an aggregate nominal amount of £410,241 (such amount to be reduced by the aggregate nominal amount of shares allotted or rights to subscribe for or to convert any security into shares in the Company granted under paragraph (a) of this resolution 14) in connection with an offer by way of a rights issue:
 - (i) to holders of ordinary shares in proportion (as nearly as may be practicable) to the respective number of ordinary shares held by them on the record date for such allotment; and
 - (ii) to holders of any other class of equity securities entitled to participate therein or as permitted by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, or the requirements of any regulatory body or stock exchange in, any territory or any other matter whatsoever.

Such authorities shall, unless previously renewed, revoked or varied, expire at the conclusion of the Company's next Annual General Meeting after this resolution is passed or on 30 June 2021, whichever is earlier, but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority expires and the Directors may allot shares or grant such rights under any such offer or agreement as if the authority conferred by this resolution had not expired.

Special resolutions:

15. That, in substitution for all existing powers and subject to the passing of resolution 14 set out in the notice of the 2020 Annual General Meeting of the Company, the Directors be given the power pursuant to Sections 570(1) and 573 of the Companies Act 2006 to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash pursuant to the authority conferred by that resolution 14 and to sell ordinary shares (as defined in Section 560(1) of the Companies Act 2006) held by the Company as treasury shares for cash, as if Section 561 of the Companies Act 2006 did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash and the sale of treasury shares:
- (a) in connection with or pursuant to an offer of or invitation to acquire equity securities (but, in the case of the authority granted under paragraph (b) of resolution 14 by way of a rights issue only):
 - (i) in favour of holders of ordinary shares in proportion (as nearly as may be practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale; and
 - (ii) to holders of any other class of equity securities entitled to participate therein or, if the Directors consider it necessary, as permitted by the rights of those securities,but subject to such exclusions or other arrangements as the Directors may deem necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and
 - (b) in the case of the authority granted under paragraph (a) of resolution 14 (or in the case of any sale of treasury shares), and otherwise than pursuant to paragraph (a) of this resolution 15, up to an aggregate nominal amount of £30,768.

The power granted by this resolution shall, unless previously renewed, revoked or varied, expire on the conclusion of the Company's next Annual General Meeting after this resolution is passed or on 30 June 2021, whichever is the earlier, save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the Directors may allot equity securities, or sell treasury shares, in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

16. That, subject to the passing of resolution 14, and in addition to any power granted under resolution 15, the Directors be given the power pursuant to Sections 570(1) and 573 of the Companies Act 2006 to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash under the authority granted under paragraph (a) of resolution 14 and to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such power to be:
- (a) limited to the allotment of equity securities for cash and the sale of treasury shares up to an aggregate nominal amount of £30,768; and
 - (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors have determined to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, or for any other purposes as the Company in general meeting may at any time by special resolution determine.

The power granted by this resolution shall, unless previously renewed, revoked or varied, expire at the conclusion of the Company's next Annual General Meeting after this resolution is passed or on 30 June 2021, whichever is the earlier, but, in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not expired.

17. That the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of any of its ordinary shares of 1.89 pence in the capital of the Company (“ordinary shares”) provided that:

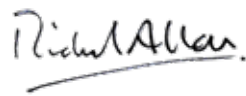
- (a) the maximum number of ordinary shares authorised to be purchased is 3,255,885;
- (b) the minimum price (exclusive of expenses) which may be paid for an ordinary share is 1.89 pence;
- (c) the maximum price (exclusive of expenses) which may be paid for an ordinary share is the higher of:
 - (i) an amount equal to 5% above the average market value of an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venues where the purchase is carried out.

This authority shall, unless previously renewed, revoked or varied, expire at the conclusion of the Company’s next Annual General Meeting after this resolution is passed or on 30 June 2021, whichever is the earlier, but during this period the Company may make a contract to purchase ordinary shares under this authority before the expiry of the authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of ordinary shares in pursuance of any such contract.

18. That the Directors be authorised to call a general meeting of the Company (other than an annual general meeting) on not less than 14 clear days’ notice.

19. That the Articles of Association produced to the Meeting and initialled by the chairman of the Meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the Board



Richard Allan
Company Secretary
Dialight plc

7 April 2020

Company Number: 2486024
Registered Office:
Leaf C, Level 36
Tower 42
25 Old Broad Street
London EC2N 1HQ

Explanatory notes to the resolutions

Resolutions 1 to 14 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 15 to 19 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Voting on all resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as shareholder votes are to be counted according to the number of shares held. This ensures that shareholders who are not able to attend the Annual General Meeting, but who have appointed proxies, have their votes fully taken into account. Any Directors who have been appointed as proxies will cast those votes as directed by the person who appointed them.

Resolution 1 – Annual Report and Accounts

The Directors will lay before the Meeting the audited Annual Report and Accounts for the financial year ended 31 December 2019, together with the Directors' report and the auditors' report on those accounts.

Resolutions 2 and 3 – Annual report on remuneration and Directors' remuneration policy

The Directors' Remuneration Report, which may be found on pages 76 to 84 of the Company's 2019 Annual Report and Accounts, gives details of the remuneration paid to the Directors for the year ended 31 December 2019 and includes the Directors' Remuneration Policy applicable to the period on pages 68 to 75. The Company's auditor has audited those parts of the Directors' Remuneration Report to be audited and their report may be found on pages 89 to 99 of the Company's 2019 Annual Report and Accounts.

By voting on resolution 2, shareholders are invited to approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy). This vote is advisory in nature so payments made or promised to Directors will not have to be repaid, reduced or withheld if the resolution is not passed.

In accordance with Section 439A of the Companies Act 2006, the Remuneration Policy is subject to a binding shareholder vote by ordinary resolution at least once every three years. As the Company's current Remuneration Policy was last approved by shareholders at the annual general meeting in 2017, shareholders are invited to approve the new Directors' Remuneration Policy by voting on resolution 3. The new Remuneration Policy sets out the Company's forward-looking policy in respect of Directors' remuneration, and is subject to a binding shareholder vote.

If resolution 3 is passed, the new Remuneration Policy will take effect from the date of the Company's 2020 Annual General Meeting (**the Effective Date**) and, from the Effective Date, the Company may not make a remuneration payment or payment for loss of office to a person who is, or is to be, or has been, a director of the Company unless such payment is consistent with the approved policy, or such payment has otherwise been approved by a shareholders' resolution.

If resolution 3 is not passed, the policy approved at the 2017 annual general meeting shall continue in effect. The Company will, if and to the extent permitted by the Companies Act 2006, continue to make payments to Directors in accordance with existing contractual arrangements and will seek shareholder approval for a revised policy as soon as reasonably practicable.

Resolution 4 – Appointment of the auditor

The Company is required to appoint the auditor at each general meeting at which accounts are laid before the Company, to hold office until the conclusion of the next such meeting. As such, the Audit Committee recommends that KPMG LLP is re-appointed.

The Company last undertook a formal tender process regarding the Company's external auditor in 2000. In addition, as KPMG has been the Company's external auditor since 2001, it is approaching its maximum tenure. As such, and whilst KPMG would be eligible to continue in office until 31 December 2023, the Audit Committee will undertake a formal tender process for the selection of new external auditor of the Company, which will be commenced as soon after the AGM as practical (allowing for the Covid-19 situation). It is the common understanding of both the Company and KPMG, that KPMG will not participate in such tender exercise and will stand down as soon as a new auditor has been identified. Announcements regarding the outcome of that process will follow as appropriate.

Resolution 5 – To authorise the Directors to agree to the auditor’s remuneration

This resolution authorises the Directors, in accordance with standard practice, to determine the remuneration of the auditor.

Resolutions 6 to 12 – Re-election or election of Directors

In accordance with the UK Corporate Governance Code (the “Code”) and the Company’s Articles of Association, all existing Directors who have served since the Company’s Annual General Meeting in 2019, will stand for re-election or election. The Board considers that, following a formal performance evaluation, the performance of each Director on the Board at the date of this Notice continues to be effective and demonstrates the commitment required to continue in their present roles and accordingly supports each Directors’ re-election or election.

Of the seven directors seeking election / re-election, four (David Blood, Fariyal Khanbabi, Karen Oliver and Gotthard Haug) have been subject to formal and extensive review processes upon assuming a relevant Board role (chairmanship, CEO and NED roles respectively) – and their recommendations for election/re-election are made in full confidence of the efficacy of these review processes. Of the remaining three directors: Gaëlle Hotellier has invested considerable time and effort in a series of shareholder consultations throughout 2019 in respect of the 2019 AGM voting and the drafting of the proposed 2020 remuneration policy; David Thomas has expended considerable time and effort in his capacity as Audit Committee chair, including in visiting the Group’s principal sites to better understand the accounting impact of the considerable operational challenges faced by the Group using 2019; and Stephen Bird has led the Board in smoothly managing the transition from Wayne Edmunds’s chairmanship to that of David Blood’s.

Biographical details of all Directors can be found on pages 44 to 45 of the 2019 Annual Report and Accounts and on the Company’s website at www.dialight.com.

Resolution 13 – Political donations

Part 14 of the Companies Act 2006 prohibits the Company and its subsidiaries from, amongst other things, making political donations exceeding £5,000 in aggregate in any 12-month period or incurring political expenditure in respect of a political party or other political organisation or an independent election candidate unless authorised by the Company’s shareholders. Neither the Company nor any of its subsidiaries has any intention of making any political donations or incurring any political expenditure. However, the Companies Act 2006 defines ‘political party’, ‘political organisation’, ‘political donation’ and ‘political expenditure’ widely. For example, bodies such as those concerned with policy review and law reform or with the representation of the business community or sections of it, which the Company and/or its subsidiaries may see benefit in supporting, may be caught. Accordingly, the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breaches of the Companies Act 2006 through the undertaking of routine activities, which would not normally be considered to result in the making of political donations and political expenditure being incurred. As permitted under the Companies Act 2006, the resolution extends not only to the Company but also covers all companies that are subsidiaries of the Company at any time the authority is in place. The resolution reflects the three categories covered by the rules and authorises the Company and its subsidiaries to:

- (a) make political donations to political parties and/or independent election candidates not exceeding £10,000 in total;
- (b) make political donations to political organisations other than political parties not exceeding £10,000 in total; and
- (c) incur political expenditure not exceeding £10,000 in total, in the period up to the Company’s next AGM or up to and including 30 June 2021, whichever is the earlier.

As required by the Companies Act 2006, the resolution is in general terms and does not purport to authorise particular donations.

Neither the Company nor any of its subsidiaries has any intention of making any political donations or incurring any political expenditure at this time and, as is common practice, this resolution is included on the advice of the Company’s legal advisers to avoid any inadvertent, technical breach of the restrictions on political donations contained in the Companies Act 2006.

Resolution 14 – Authority to allot shares

This resolution is divided into two parts. Paragraph (a) of the resolution would give the Directors the authority to allot ordinary shares up to an aggregate nominal amount equal to £205,120 (representing a maximum of 10,852,952 ordinary shares). This amount represents approximately one-third of the issued share capital of the Company as at 6 April 2020, being the latest practicable date prior to publication of the Notice.

In line with the latest guidelines issued by the Investment Association (“IA”), paragraph (b) of the resolution would give the Directors the authority to allot ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to approximately £410,241 (representing a maximum of 21,705,905 ordinary shares), as reduced by the nominal amount of any ordinary shares issued under paragraph (a) of the resolution. This amount (before any reduction) represents approximately two-thirds of the issued share capital of the Company as at 6 April 2020, being the latest practicable date prior to publication of the Notice.

The authorities sought under paragraphs (a) and (b) of the resolution will expire at the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2021 and 30 June 2021 (the last date by which the Company must hold an Annual General Meeting in 2021).

The Directors are mindful of shareholder concerns relating to the general granting of allotment powers and take all such allotment authorities so granted seriously. The Company has consulted with its major shareholders on the inclusion of this resolution and also sought external legal advice. The Directors have no present intention to exercise the authorities sought under the resolution. However, the authorities will give the Directors the flexibility to (a) manage the business prudently during the Covid-19 situation and (b) take advantage of business opportunities as they arise. If the Directors do exercise these authorities, the Directors intend to take note of relevant corporate governance guidelines in the use of such powers.

As at the date of the Notice, no ordinary shares are held by the Company in treasury.

Resolution 15 and 16 – Disapplication of pre-emption rights

Resolutions 15 and 16 will be proposed as special resolutions, each of which requires a 75% majority of the votes to be cast in favour. They would give the Directors the power to allot ordinary shares (or sell any ordinary shares which the Company holds in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings in certain circumstances.

The power set out in resolution 15 would be, similar to previous years, limited to: (a) allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares; or (b) as the Board otherwise considers necessary, or otherwise up to an aggregate nominal amount of £30,768 (representing 1,627,942 ordinary shares). This aggregate nominal amount represents approximately 5% of the issued share capital of the Company (excluding treasury shares) as at 6 April 2020, being the latest practicable date prior to publication of this Notice.

In respect of the power under resolution 15(b), the Directors confirm their intention to follow the provisions of the Pre-Emption Group’s Statement of Principles regarding cumulative usage of authorities within a rolling 3-year period where the Principles provide that usage in excess of 7.5% of the issued share capital of the Company (excluding treasury shares) should not take place without prior consultation with shareholders. The Directors have no present intention of exercising this power.

The power set out in resolution 16 would be limited to allotments or sales of up to an aggregate nominal amount of £30,768 (representing 1,627,942 ordinary shares) and would be in addition to the power set out in resolution 15. This aggregate nominal amount represents an additional 5% of the issued share capital of the Company (excluding treasury shares) as at 6 April 2020, being the latest practicable date prior to publication of this Notice.

In respect of the power under resolution 16, the Directors confirm their intention to use the power granted by resolution 16 only in connection with a transaction which they have determined to be an acquisition or other capital investment (of a kind contemplated by the Statement of Principles most recently published prior to the date of this notice) which is announced contemporaneously with the announcement of the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

The powers under resolutions 15 and 16 will expire at the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2021 and 30 June 2021 (the last date by which the Company must hold an Annual General Meeting in 2021).

Resolution 17 – Purchase of own shares

This resolution would give authority for the Company to purchase up to 3,255,885 of its ordinary shares, representing approximately 10% of the Company's issued share capital. The resolution specifies the minimum and maximum prices for any ordinary shares purchased under the authority. If granted, the authority will expire at the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2021 and 30 June 2021 (the last date by which the Company must hold an Annual General Meeting in 2021).

The Directors will determine whether any ordinary shares acquired pursuant to this authority are to be cancelled or held in treasury at the time that they resolve to exercise the authority. As at 6 April 2020, being the latest practicable date prior to publication of the Notice, the total number of options over shares outstanding under the Company's share schemes was 918,183 which, if exercised, would represent 2.82% of the issued shares at that time. If the Company were to purchase its own shares to the fullest possible extent of its authority from shareholders (existing and being sought), this number of outstanding options could potentially represent approximately 3.13% of the issued share capital of the Company.

The Directors are of the opinion that this authority, if renewed, will continue to give them greater flexibility to manage the issued share capital of the Company for the benefit of the shareholders and would only use this authority if it is for the benefit of the shareholders as a whole and could be expected to result in an increase in the earnings per share of the Company.

The Directors have no present intention of exercising the authority conferred by this resolution.

Resolution 18 – Notice of general meetings

The minimum notice period for general meetings of listed companies is 21 days pursuant to the Companies Act 2006. However, listed companies may reduce such notice period to 14 days (other than for annual general meetings) provided that the following two conditions are met: (1) that the Company offers a facility for shareholders to vote by electronic means; and (2) that there is an annual resolution of shareholders approving the reduction of the minimum notice period from 21 days to 14 days. The first condition would be met if the Company offers a facility, accessible to all shareholders, to appoint a proxy by means of a website. Please refer to paragraph 3 (Deadline for appointing proxies) of page 13 of this Notice of Meeting for details of the Company's arrangements for electronic proxy appointment.

The Board proposes resolution 18 as a special resolution to approve 14 days as the minimum period of notice for all general meetings other than annual general meetings. The approval will be effective until the Company's next annual general meeting in 2021, when it is intended that the approval will be renewed. The Board will consider, on a case-by-case basis, whether the use of the flexibility offered by the shorter notice period is valid. In doing so, the Board will take into account the circumstances, including whether the business of the meeting is time-sensitive and whether it is thought to be to the advantage of the Company's shareholders as a whole.

Resolution 19 – New articles of association

The Board proposes resolution 19 as a special resolution to adopt new articles of association (the "New Articles") updating the Company's current articles of association (the "Current Articles") to permit the Company to hold "hybrid" general meetings where shareholders have the option to attend and participate either in person (in a main location or in specified satellite locations) or virtually by electronic means. The New Articles will not permit the Company to hold wholly virtual general meetings where all attendees are in separate locations. The primary changes in the New Articles to enable the holding of hybrid general meetings and there are a number of other consequential amendments throughout the New Articles to reflect these changes. The New Articles together with a marked-up version of the Current Articles showing all of the proposed changes are available for inspection, as noted on page 3 of this document. Although the Company has no plans at the current time to hold hybrid general meetings in the future, it considers the ability to do so to be in the best interests of shareholders as a whole and to reflect evolving best practice, particularly in light of the Covid19 situation.

Explanatory notes to the Notice

- 1. Entitlement to attend and vote:** To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6:30pm on 11 May 2020 (or, in the event of any adjournment, 6:30pm on the date which is two working days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the AGM. If you wish to attend the Meeting in person, please bring this Notice with you to the Meeting.
- 2. Appointing proxies:** If you meet the criteria set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the AGM and you should have received a form of proxy with this Notice. A proxy need not be a shareholder of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy. You 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(s) held by that shareholder. You may not appoint more than one proxy to exercise rights attached to any one share. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact the Company's Registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or by telephone on 0371 384 2030 (for callers calling from the UK) or +44 (0)121 415 7047 (for those calling from overseas). Lines are open between 8:30am and 5:30pm, Monday to Friday. The return of a completed form of proxy, other such instrument or any CREST Proxy Instruction (as described in paragraph 5 below), will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so; however, this shall automatically terminate your proxy appointment. Should you wish to change your proxy instructions simply submit a new proxy appointment using the methods set out above with the relevant timeframe. Should you need a further hard-copy form of proxy to be able to do this, please contact the Company's Registrars whose details appear above. You may also terminate a proxy appointment by informing the Company's Registrars prior to the relevant deadline for appointing proxies as detailed below.
- 3. Deadline for appointing proxies:** To be valid, any form of proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA in each case no later than 11:30am on 11 May 2020 (or, in the event of any adjournment, 48 hours (excluding non-working days) before the time of the adjourned meeting). Shareholders who would prefer to register the appointment of their proxy electronically via the internet can do so through the Sharevote website, www.sharevote.co.uk, using their Personal Authentication Reference Number (this is the series of numbers printed under the headings Voting ID, Task ID and Shareholder Reference Number on the form of proxy) by no later than 11:30am on 11 May 2020 (or, in the event of any adjournment, 48 hours (excluding non-working days) before the time of the adjourned meeting). Full details and instructions on these electronic proxy facilities are given on the website. Any electronic communication sent by a shareholder to the Company or to the Registrars which is found to contain a computer virus will not be accepted. If you submit more than one valid proxy instruction, the appointment received last before the latest time for receipt will take precedence.
- 4. Nominated Persons:** Any person to whom this Notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights ("**Nominated Person**") may, under an agreement between them and the shareholder who nominated them, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
- 5. Appointment of proxies through CREST:** CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 6.** In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message ("**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("**EUI**") specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must in order to be valid be transmitted so as to be received by the issuer's agent (ID RA19) by 11:30am on 11 May 2020 (or, in the event of any adjournment, 48 hours (excluding non-working days) before the time of the adjourned 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 Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

7. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. 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.
8. **Corporate representative:** Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all of its powers as a shareholder provided that they do not do so in relation to the same share.
9. **Website publication of audit concerns:** Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with the auditors of the Company ceasing to hold office since the previous meeting at which the Annual Report and Accounts were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
10. **Issued share capital:** As at 6 April 2020 (being the last business day prior to the publication of this Notice) the Company's issued share capital consisted of 32,558,858 ordinary shares of 1.89 pence each, carrying one vote each. Therefore, the total voting rights in the Company as at 6 April 2020 were 32,558,858.
11. **Questions at the Meeting:** Any shareholder attending the AGM has the right to ask questions. In addition, this year, the Company is giving shareholders who are not attending the AGM in person the opportunity to email questions in advance of the Meeting. If asking a question in advance by email, please confirm your name as it appears in the Company's statutory register of members in the email. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the AGM 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 AGM that the question be answered.
12. **Withheld votes:** A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against a resolution. If you have appointed a proxy and you have not indicated your voting preference on the form of proxy, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the AGM.
13. **Website information and electronic communications:** A copy of this Notice and the Company's Annual Report and Accounts for the financial year ended 31 December 2019, and other information required by Section 311A of the Companies Act 2006, can be found at www.dialight.com. If you wish to receive notice of future general meetings and other communications online, please register at www.shareview.co.uk or contact Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.
14. **Communication:** You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided either in this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.



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