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If you sell or have sold or otherwise transferred all of your Ordinary Shares in Lookers plc you should send this document 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. If you sell or have sold or otherwise transferred only part of your holding, you should retain these documents.

Lookers plc

(incorporated in England and Wales under company number 00111876)

**Circular to Shareholders
and
Notice of General Meeting**

Notice of a General Meeting of Lookers plc, to be held at 10:00 a.m. on 12 August 2021 is set out in Part II of this document. Your attention is drawn to the letter from the Chairman set out in Part I of this document.

We are keen to welcome Shareholders in person to this General Meeting. At the date of posting of the Notice of General Meeting (being 19 July 2021), guidelines issued by the UK Government suggest that it will be possible to hold the General Meeting as an "open" meeting, with Shareholders present in person.

We are therefore proposing to hold this General Meeting at Manchester Airport Marriott Hotel, Hale Road, Hale Barns, Altrincham, WA15 8XW and to welcome the maximum number of Shareholders we are able within safety constraints and in accordance with the UK Government guidelines.

However, given the constantly evolving nature of the situation in relation to the COVID-19 pandemic, we want to ensure that we are able to adapt these arrangements efficiently to respond to any changes in circumstances. On this basis, should the situation change such that we consider that it is no longer possible for Shareholders to attend the General Meeting in person, we will revert to a "closed meeting". In these circumstances, no Shareholders (other than those required to attend the meeting for the purposes of forming a valid quorum), will be admitted to the General Meeting.

Should it become necessary, we will notify Shareholders of any change by issuing a shareholder announcement via RNS and updating our website at www.lookersplc.com/news. Shareholders should monitor any relevant announcements and the Company's website for such updates.

Attendance at the meeting in person

To allow us to ensure that we can operate within safety constraints imposed either by the UK Government or by the venue, it would be helpful if we could ascertain the potential number of attendees in advance. Therefore, Shareholders intending to attend the General Meeting (assuming we will not have to revert to a closed meeting), are asked to register their intention as soon as practicable by sending an email to Mr. Philip Kenny, General Counsel and Company Secretary, at generalmeetings@lookers.co.uk confirming their attendance.

Proxies

Given the uncertainty around whether Shareholders will be able to attend the General Meeting should tighter restrictions be imposed due to a change in the situation with the COVID-19 pandemic, we encourage all Shareholders to complete and return a proxy appointment (appointing the Chair of the

meeting as their proxy) in accordance with the Notes. To be valid, the proxy appointment must be received at the address for delivery specified in the Notes by no later than 10.00 a.m. on 10 August 2021. Appointing a proxy in this manner will ensure that your vote will be counted if ultimately you (or any other proxy you might otherwise appoint) are not able to attend the General Meeting. However, this will not preclude you from being able to attend the General Meeting.

Questions

Shareholders who wish to ask a question of the Board relating to the business of the meeting can do so by sending an email to generalmeetings@lookers.co.uk. In addition, Shareholders who attend the General Meeting in person may pose questions to the Board in person. Further details are provided in the Notes.

Related Party Transactions

Numis Securities Limited ("**Numis**"), which is authorised by the FCA in the United Kingdom, is acting solely for the Company in relation to the related party transactions described in this document ("**Related Party Transactions**") and nobody else (including any recipient of this document) and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Numis nor for providing advice in relation to the Related Party Transactions or any other matter referred to in this document. Apart from the responsibilities and liabilities, if any, which may be imposed upon Numis by the Financial Services and Markets Act 2000 (as amended) or the regulatory regime established thereunder, Numis does not accept any responsibility whatsoever for or make any representation or warranty, express or implied, concerning the contents of this document, including its accuracy, completeness or verification, or concerning any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Related Party Transactions and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Numis accordingly disclaims, to the fullest extent permitted by law, all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this document or any such statement. Numis has given and has not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they are given.

General

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

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Expected timetable of principal events

Event	Time and Date
Publication of this document	19 July 2021
Latest time for receipt of the Form of Proxy for the General Meeting	10 August 2021
Voting record date	10:00 a.m. 10 August 2021
General Meeting	10:00 a.m. 12 August 2021

Future times and dates are indicative only and are subject to change by the Company. If the expected timetable of events changes from the above, the Company will release an announcement to this effect. References to time in this document are to London time.

Directors:

Philip Michael White
Mark Douglas Raban
Paul Michael Van der Burgh
Duncan Andrew McPhee
Robin James Churchouse
Victoria Grant Mitchell

General Counsel and Company Secretary:

Philip John Kenny

Sponsor:

Numis Securities Limited
10 Paternoster Square
London
EC4M 7LT

Solicitors to the Company:

Eversheds Sutherland (International) LLP
70 Great Bridgewater Street
Manchester
M1 5ES

Registrars:

Link Group
10th floor
Central Square
29 Wellington Street
Leeds
LS1 4DL

Lookers plc

Part I – Letter from the Chair of Lookers plc (the “Company”)

(Incorporated and registered in England and Wales with Company No. 00111876)

Directors:

Philip Michael White
Mark Douglas Raban
Paul Michael Van der Burgh
Robin James Churchouse
Duncan Andrew McPhee
Victoria Grant Mitchell

Registered Office:

Lookers House, 3 Etchells Road, West
Timperley, Altrincham, United Kingdom,
WA14 5XS

19 July 2021

Dear Shareholder

General Meeting - Introduction

In my letter to shareholders of 7 June 2021 accompanying the notice of Annual General Meeting, I commented that in order to ensure that we give our advisors as much time as possible to finalise our accounts for the year ended 31 December 2020, the standard shareholder resolutions (normally tabled at the Annual General Meeting) relating to receiving the audited financial statements and the auditors’ and directors’ reports, approving the directors’ remuneration report and the appointment and remuneration of our auditors would instead be tabled at a separate “accounts meeting” of shareholders.

I am pleased to announce that a General Meeting to undertake this business will be held at Manchester Airport Marriott Hotel, Hale Road, Hale Barns, Altrincham, WA15 8XW on 12 August 2021 at 10:00 a.m.

The formal notice of the meeting with details of the proposed resolutions is set out in Part II of this document. Notes to the formal notice are set out on pages 8 to 11 below, with further explanatory notes with regard to the proposed resolutions set out on page 12 below.

COVID-19

The unprecedented COVID-19 pandemic is an evolving situation from a public health perspective and is challenging for us all.

The health and wellbeing of our Shareholders is of paramount importance to us and we are monitoring the situation and measures advised by the UK Government.

We are keen to welcome Shareholders in person to the General Meeting. At the date of posting of this letter, guidelines issued by the UK Government suggest that it will be possible to hold the General Meeting as an “open” meeting, with Shareholders present in person.

We are therefore proposing to hold the General Meeting at Manchester Airport Marriott Hotel, Hale Road, Hale Barns, Altrincham, WA15 8XW and to welcome the maximum number of Shareholders we are able within safety constraints and in accordance with the UK Government guidelines.

However, given the constantly evolving nature of the situation, we want to ensure that we are able to adapt these arrangements efficiently to respond to changes in circumstances. On this basis, should the situation change such that we consider that it is no longer possible for Shareholders to attend the General Meeting in person, we will revert to a “closed meeting”. In these circumstances, no Shareholders (other than those required to attend the meeting for the purposes of forming a valid quorum), will be admitted to the General Meeting.

Should the situation change such that we consider that it is no longer possible for Shareholders to attend the General Meeting in person, we will notify Shareholders of any change by issuing a shareholder announcement via RNS. Any updates to the position will also be included on our website at www.lookersplc.com/news.

Attendance at the meeting in person

To allow us to ensure that we can operate within safety constraints imposed either by the UK Government or by the venue, it would be helpful if we could ascertain the potential number of attendees in advance. Therefore, Shareholders intending to attend the General Meeting (assuming we will not have to revert to a closed meeting) are asked to register their intention as soon as practicable by sending an email to Mr. Philip Kenny, General Counsel and Company Secretary, at generalmeetings@lookers.co.uk confirming their attendance.

Dividend Rectification (Resolution 5)

As noted in our 2019 Annual Report and Accounts, the Board has become aware of an issue concerning technical compliance with the 2006 Act in relation to the payment of interim and final dividends in 2013, 2014 and 2015 financial years of the Company.

The effect of these irregularities is that the interim and final dividends paid in 2013, 2014 and 2015 were paid to Shareholders at a time when the Company did not hold adequate distributable reserves. However, there were sufficient reserves held in subsidiaries of the Company which could have been distributed to the Company in order to provide the Company with adequate reserves.

To satisfy the steps required to rectify these irregularities, it is proposed that the Company put forward Resolution 5 (as set out in Part II of this document), which will, if passed, give the Board authority to enter into the Deeds of Release described in Part III of this document and put all potentially affected parties so far as possible in the position in which they were always intended to be had the Relevant Distributions been made in accordance with the 2006 Act.

Action to be taken

Proxy Appointment

Given the uncertainty around whether Shareholders will be able to attend the General Meeting, should tighter restrictions be imposed due to a change in the situation with the COVID-19 pandemic, we encourage all Shareholders to complete and return a proxy appointment (appointing the Chair of the meeting, as their proxy) in accordance with the Notes set out in Part II of this document. To be valid, the proxy appointment must be received at the address for delivery specified in the Notes by no later than 10.00 a.m. on 10 August 2021. Appointing a proxy in this manner will ensure that your vote will be counted if ultimately you (or any other proxy you might otherwise appoint) are not able to attend the General Meeting. However, this will not preclude you from being able to attend the General Meeting.

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 do this, you will need your Investor Code detailed on your share certificate (or otherwise available from the Company's registrar, Link Group); 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 set out in Part II of this document.

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA immediately.

Questions

Shareholders who wish to ask a question of the Board relating to the business of the meeting can do so by sending an email to generalmeetings@lookers.co.uk. In addition, Shareholders who attend the General Meeting in person may pose questions to the Board in person. Further details are provided in the Notes.

We will ensure, to the extent practicable, that answers to questions received by 10:00 a.m. on 29 July 2021 are published on our website by 10.00 a.m. on 5 August 2021. The Company will endeavour to publish responses to any questions received after 10:00 a.m. on 29 July 2021 on the Company's website in advance of the General Meeting. Please note that in the interests of efficiency and to avoid unnecessary repetition, if multiple questions are submitted with a common theme, they will be answered as one question.

Recommendation

The Board considers that Resolutions 1 to 4 as set out in the Notice are in the best interests of the Company and the Shareholders as a whole, and the Board unanimously recommends that Shareholders vote in favour of them, as they intend to do so in respect of their own shareholdings.

Given the interests of the Relevant Director in Resolution 5, the Relevant Director has not considered whether Resolution 5 is in the best interests of the Company and did not take part in the Board's consideration of the matter. Accordingly, the Relevant Director cannot recommend that Shareholders vote in favour of Resolution 5, but does recommend that those Shareholders who are entitled to do so should vote on it. The remainder of the Board however, can and do recommend that Shareholders vote in favour of Resolution 5.

Additionally, the Directors (other than the Relevant Director) consider, having been so advised by Numis in its capacity as the Company's Sponsor, that: (i) the waiver of claims against Recipient Shareholders and against the Relevant Director and Relevant Former Directors pursuant to Resolution 5 and (ii) the entry into the Deeds of Release referred to in Resolution 5, are fair and reasonable so far as the Shareholders of the Company are concerned.

Yours faithfully

Phil White
Chairman

Part II – Notice of General Meeting

LOOKERS PLC (the “Company”)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting (“**General Meeting**”) of the Company will be held at Manchester Airport Marriott Hotel, Hale Road, Hale Barns, Altrincham, WA15 8XW on 12 August 2021 at 10:00 a.m. for the following purposes:

RESOLUTIONS

Ordinary Business

As ordinary business, to consider and if thought fit pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive and adopt the accounts for the year ended 31 December 2020, together with the Reports of the Directors and of the Auditors thereon.
2. To re-appoint BDO LLP as the auditors to the Company, to hold office until the end of the next general meeting at which accounts are laid before the Company.
3. To authorise the Audit and Risk Committee of the Company to determine the remuneration of the auditors of the Company.
4. To approve the Directors’ Remuneration Report for the year ended 31 December 2020.

To transact any other ordinary business of the Company.

Special Business

As special business, to consider and if thought fit pass the following Resolution 5 which will be proposed as a special resolution:

Unlawful Dividend Rectification

5. That:
 - (i) in respect of any and all interim and final dividends paid by the Company in each of the financial years ended on 31 December 2013, 31 December 2014 and 31 December 2015 (the “Relevant Distributions”), paid to current and former shareholders of the Company, the appropriation of distributable profits of the Company (as shown in the audited accounts of the Company for the financial period in which each such Relevant Distribution was paid) to such payment, to the extent that such payment represented, at the time at which it was made, an unlawful dividend, be and it is hereby ratified and confirmed;
 - (ii) any and all claims which the Company has or may have arising out of or in connection with the payment of the Relevant Distributions against its shareholders who appeared on the register of shareholders on the record date for the Relevant Distributions (or the personal representatives and their successors in title (as appropriate) of a shareholder’s estate if he or she is deceased) be waived and released, and a deed of release in favour of such shareholders (or the personal representatives and their successors in title (as appropriate) of a shareholder’s estate if he or she is deceased) be entered into by the Company in the form produced to the General Meeting and initialled by the Chairman for the purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a Deed for and on behalf of the Company (the “**Shareholders’ Release**”);
 - (iii) any distribution involved in the giving of the Shareholders’ Release in relation to the unlawful element of any Relevant Distribution be made out of the profits appropriated to the unlawful element of such Relevant Distribution pursuant to

paragraph (i) above by reference to a record date identical to the record date for that Relevant Distribution; and

- (iv) any and all claims which the Company has or may have against each of its directors and former directors or the personal representatives and their successors in title (as appropriate) of his or her estate if such director or former director is deceased, arising out of or in connection with the approval, declaration or payment of the Relevant Distributions be waived and released and that a deed of release in favour of each of such directors and former directors (or the personal representatives and their successors in title of his or her estate if such director or former director is deceased), be entered into by the Company in the form produced to the General Meeting and initialled by the Chairman for purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a Deed for and on behalf of the Company.

Dated 19 July 2021

By Order of the Board

Philip John Kenny
General Counsel and Company Secretary

Registered Office:

Lookers House, 3 Etchells Road,
West Timperley, Altrincham,
WA14 5XS, United Kingdom

Notes:

1. **Shareholders wishing to attend the meeting, should this be possible, are asked to register their attendance as soon as practicable by sending an email to Mr. Philip Kenny, General Counsel and Company Secretary, at generalmeetings@lookers.co.uk confirming their attendance. Rules around capacity at the venue and changes in health and safety requirements may mean Shareholders cannot ultimately attend the meeting.**
2. **Given the uncertainty around whether Shareholders will be able to attend the General Meeting, whether because the capacity at the venue does not allow for safety reasons related to COVID-19 restrictions or due to a change in the situation with the COVID-19 pandemic, we recommend that all Shareholders appoint the Chair of the meeting as proxy. This will ensure that your vote is counted even if attendance at the General Meeting is restricted or you or any other proxy you might appoint are unable to attend in person.**
3. Any member ordinarily entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies (who need not be a member of the Company) to attend and to vote instead of the member.
4. The appointment of a proxy does not preclude a member from attending and voting at the meeting in person, should they subsequently decide to do so.
5. The right to appoint a proxy does not apply to persons whose 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 2006 Act ("**Nominated Persons**"). Nominated Persons may have a right under an agreement with the registered shareholder who holds the 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 shares as to the exercise of voting rights.
6. In order to reduce the Company's environmental impact, members are encouraged to appoint a proxy electronically. This can be done 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 do this, you will need your Investor Code detailed on your share certificate (or otherwise available from the Company's registrar, Link Group); or

- submitting (if you are a CREST member) a proxy appointment electronically by using the CREST voting service.

Please note that proxy appointments must be received by no later than 10.00 a.m. on 10 August 2021 to be valid.

7. A member who would prefer a paper proxy form may request one from the Company's registrar by calling the helpline number below. A paper proxy appointment form must be completed in accordance with the instructions that accompany it and then delivered (together with any power of attorney or other authority under which it is signed, or a copy certified by a notary or in some other way approved by the Board) to Link Group, Central Square, 10th Floor, 29 Wellington Street, Leeds, LS1 4DL (the address must be completed in block capitals).

All proxy appointments must be received by no later than 10.00 a.m. on 10 August 2021 to be valid.

The Company's registrar, Link Group, can be contacted on its helpline number by calling 0371 664 0300 (calls are charged at the standard geographic rate and will vary by provider and calls outside the United Kingdom will be charged at the applicable international rate). If dialling from overseas please call +44 371 664 0300. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

8. Any member with the right to attend the General Meeting is entitled, pursuant to section 319A of the 2006 Act, to ask any question relating to the business being dealt with at the meeting. Shareholders who wish to ask a question of the Board relating to the business of the meeting can do so by sending an email to generalmeetings@lookers.co.uk. In addition, Shareholders who attend the General Meeting in person may pose questions to the Board in person. Shareholders who wish to pose questions in advance of the meeting (by sending an email to generalmeetings@lookers.co.uk) are encouraged to send their questions as soon as possible. The Company will, to the extent practicable, answer any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered; or (iii) the answer has already been given on a website in the form of an answer to a question. In the interests of efficiency and to avoid unnecessary repetition, if multiple questions are submitted with a common theme, they will be answered as one question. We will ensure, to the extent practicable, that answers to questions received by 10:00 a.m. on 29 July 2021 are published on our website by 10.00 a.m. on 5 August 2021. The Company will endeavour to publish responses to any questions received after 10:00 am on 29 July 2021 on the Company's website in advance of the General Meeting. A member may not use any electronic address provided by the Company in this document or in any accompanying document or on any website for communicating with the Company for any purpose in relation to the General Meeting other than as expressly stated in or on it.

9. From the date of this Notice and for the following two years the following information will be available on the Company's website and can be accessed at www.lookersplc.com/investors/shareholder-information :

- (i) the matters set out in this Notice;
- (ii) the total numbers of shares in the Company and shares of each class, in respect of which members are entitled to exercise voting rights at the meeting; and
- (iii) the totals of the voting rights that members are entitled to exercise at the meeting in respect of the shares of each class.

Any members' statements, members' resolutions and members' matters of business received by the Company after the date of this Notice will be added to the information already available on the website as soon as reasonably practicable and will also be made available for the following two years.

10. The right of members to vote at the General Meeting is determined by reference to the register of members. As permitted by section 360B(3) of the 2006 Act and Regulation 41 of the Uncertificated Securities Regulations 2001, Shareholders (including those who hold shares in uncertificated form) must be entered on the Company's share register at the close of business on 10 August 2021 in order to be entitled to attend (in ordinary circumstances)

and vote at the General Meeting. Shareholders may only cast votes in respect of shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.

11. Copies of the service contracts and letters of appointment of each of the Directors are available for inspection at the registered office of the Company during usual business hours on any weekday (public holidays excluded) and at the place of the General Meeting from at least 15 minutes prior to and until the end of the General Meeting.
12. The total number of ordinary shares of 5p each in issue as at the date of this document was 391,739,982 Ordinary Shares and the total level of voting rights was 391,739,982, none of which were attached to shares held in treasury by the Company.
13. CREST members who wish to appoint one or more proxies through the CREST system may do so by using the procedures described in "the CREST voting service" section of the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed one or more voting service providers, 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 (CREST proxy appointment instruction) must be properly authenticated in accordance with the specifications of CREST's operator, Euroclear UK & Ireland Limited (Euroclear), and must contain all the relevant information required by the CREST Manual. To be valid, 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 be transmitted so as to be received by Link Group (ID RA10), as the Company's "issuer's agent", by no later than 10.00 a.m. on 10 August 2021. After this time any change of instruction to a proxy appointed through the CREST system should be communicated to the appointee through other means. The time of the message's receipt will be taken to be when (as determined by the timestamp applied by the CREST Applications Host) the issuer's agent is first able to retrieve it by enquiry through the CREST system in the prescribed manner. Euroclear does not make available special procedures in the CREST system for transmitting any particular message. Normal system timings and limitations apply in relation to the input of CREST proxy appointment instructions. 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 CREST sponsor or voting service provider(s) take(s)) such action as is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service providers should take into account the provisions of the CREST Manual concerning timings as well as its section on "Practical limitations of the system". In certain circumstances the Company may, in accordance with the Uncertificated Securities Regulations 2001 or the CREST Manual, treat a CREST proxy appointment instruction as invalid.
14. Pursuant to Chapter 5 of Part 16 of the 2006 Act (sections 527 to 531), where requested by either a member or members having a right to vote at the meeting and holding at least 5% of total voting rights of the Company or at least 100 members having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital, the Company must publish on its website, a statement setting out any matter that such member or members propose to raise at the General Meeting.

Where the Company is required to publish such a statement on its website it may not require the members making the request to pay any expenses incurred by the Company in complying with the request, it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website, and the statement may be dealt with as part of the business of the General Meeting.

The request must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported, and be received by the Company at least one week before the General Meeting.

Explanation of Resolutions

Explanation of Ordinary Business

Resolution 1 - Annual report

The Directors of the Company are required by the 2006 Act to lay before Shareholders the accounts of the Company for the financial year ended 31 December 2020 ("**2020 Annual Report**") together with the report of the Directors and the report of the Auditors of the Company on those accounts.

Resolutions 2 and 3 – Appointment and remuneration of auditors

The Company is required to appoint or re-appoint auditors at each general meeting at which its audited financial statements and reports are presented to Shareholders ("**Accounts Meeting**").

Resolution 2 authorises the re-appointment of BDO LLP as the auditors of the Company, to hold office until the next Accounts Meeting.

Resolution 3 authorises the Audit and Risk Committee of the Company to determine the auditors' remuneration.

Resolution 4 - Remuneration report

Section 439 of the 2006 Act requires companies such as ours, at each Accounts Meeting, to propose an ordinary resolution approving the Directors' Remuneration Report for the year. Resolution 4 will be proposed as an ordinary resolution for this purpose; a copy of the Directors' Remuneration Report is included in the 2020 Annual Report.

In considering Resolution 4, Shareholders should note the announcement made by the Company on 16 June 2021 entitled: "Statement in relation to a significant vote against a resolution put to a General Meeting", the full text of which is reproduced below:

"Lookers plc is publishing this update statement as required by the UK Corporate Governance Code in response to the votes received against the Directors' Remuneration Report resolution at our 2020 General Meeting on 28 December 2020, at which 28.91% of shares voted were not in favour of the resolution on the Annual Report on Remuneration.

The Board understands that the reason for the number of votes cast against was primarily concerned with the notice period for our previous Chief Financial Officer taking effect from his date of stepping down from the Board rather than from the date of announcement. While Mark Raban was recruited to the role of CFO in July 2019, there was a significant amount of handover work to be completed and therefore there was a requirement for Robin Gregson to continue employment until September to assist with this.

The Remuneration Committee determined at the time that it was fair given the circumstances surrounding Robin's departure that a full 12 month notice period should be provided for from his termination date. While we have not formally consulted with shareholders following the General Meeting given this is a legacy one-off event rather than an ongoing issue with the remuneration policy itself or levels of remuneration, we will take on board the response to this decision in future and continue a dialogue with shareholders. In particular, we do not intend to apply this treatment to leavers in future unless there is an exceptional business reason for doing so.

As reported in the 2019 Directors' Remuneration Report, the Remuneration Committee had originally intended to review the remuneration policy for tabling at the 2021 AGM. After careful consideration, in the context of the business and external environment, it has been agreed that the existing policy remains fit for purpose for 2021. The Board and the Remuneration Committee are committed to keeping the remuneration policy under review and continuing their engagement with the Company's shareholders and their advisory bodies on these and other matters."

Explanation of Special Business

Resolution 5 – Dividend Rectification

The reasons for proposing this resolution are set out in the Chairman's letter in Part I and are also described in more detail in Part III of this document.

Part III – Rectification of the Relevant Distributions and Releases

1. The Relevant Distributions

As explained in Part I, an irregularity has arisen in respect of the Company's procedures for the payment of both its interim and final dividends in 2013, 2014 and 2015.

The 2006 Act requires the amount of any dividend distribution to be justified by reference to relevant accounts which show the requisite level of distributable reserves. If the Company's last annual accounts do not show the necessary reserves then the Company must prepare interim accounts and, in the case of a public company such as ours, file those interim accounts with Companies House prior to the payment of the relevant dividend.

The interim and final dividends paid in 2013, 2014 and 2015 were paid at a time when the Company's last annual accounts did not show the necessary reserves (and in circumstances where interim accounts were not filed with Companies House), although there were sufficient reserves held in subsidiaries of the Company which could have been distributed to the Company in order to provide the Company with adequate reserves.

As a result, the Board has been advised that some or all of the Relevant Distributions may have been made otherwise than in accordance with the 2006 Act. The dates and values of the Relevant Distributions are set out in the table below.

Relevant Distributions		
Description	Value of Dividend (£m)	Payment Date
2013 Interim Dividend	3.5	29 November 2013
2013 Final Dividend	6.6	4 June 2014
2014 Interim Dividend	3.8	28 November 2014
2014 Final Dividend	7.4	5 June 2015
2015 Interim Dividend	4.2	27 November 2015
2015 Final Dividend	8.2	3 June 2016
Total:	33.7	

2. The consequences of Relevant Distributions having been paid otherwise than in accordance with the 2006 Act

The Company has been advised that, as a consequence of the Relevant Distributions having been paid otherwise than in accordance with the 2006 Act, it may have claims against past and present Shareholders who were recipients of the Relevant Distributions and against persons who were directors of the Company at the time of payment of the Relevant Distributions. The Board notes, however, that the Company has no intention of bringing any such claims.

3. Shareholder Resolution

In order to remedy the potential consequences of the Relevant Distributions having been paid otherwise than in accordance with the 2006 Act, the Company is proposing Resolution 5, the full text of which is set out in the Notice in Part II of this document.

Resolution 5 (which is proposed in four linked parts), and which will be proposed as a special resolution, asks Shareholders to:

(a) approve the appropriation of the historic profits of the Company to the Relevant Distributions concerned;

(b) waive any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions against its shareholders who appeared on the register of shareholders on the record date for the Relevant Distributions (or personal representatives and their successors in title of the estate of any deceased shareholders), such waiver to be effected by way of the entry by the Company into the Shareholders' Deed of Release;

(c) treat any such release as being equivalent to the Relevant Distribution that was originally paid, and

(d) waive any and all claims which the Company has or may have against its directors and former directors and the personal representatives (and their successors in title) of the estate of any deceased directors and former directors in respect of the payment of the Relevant Distributions, such waiver to be effected by way of the entry by the Company into the Directors' Deed of Release.

The purpose of Resolution 5 is to put the Recipient Shareholders, the Relevant Director and Relevant Former Directors into the position in which they were always intended to be had the Relevant Distributions been paid fully in accordance with the requirements of the 2006 Act. The approach that the Company is proposing by way of Resolution 5 is consistent with the approach taken by other UK incorporated companies whose shares are admitted to the UK Listing Authority's Official List and to trading on the Main Market of the London Stock Exchange and who have also made distributions otherwise than in technical compliance with the 2006 Act.

4. Authorisation of the appropriation of the Company's distributable profits & Shareholders' Deed of Release

The approach that the Company is proposing involves the authorisation of the appropriation of the distributable profits of the Company (as shown by the audited accounts of the Company for the relevant financial years) to the payment of the Relevant Distributions.

As a matter of common law, it is necessary for the appropriation of distributable profits to be approved by the Shareholders. The Company has also been advised that it is preferable for Shareholders to approve the Company's entry into the Shareholders' Deed of Release, since the release of Recipient Shareholders from any and all claims which the Company has or may have in respect of the payment of the Relevant Distribution will, insofar as those persons remain shareholders of the Company, comprise a shareholder distribution.

In addition, the Company's entry into the Shareholders' Deed of Release and consequential waiver of any rights of the Company to make claims against Recipient Shareholders, constitutes a related party transaction (as defined in the Listing Rules). This is because each of Mr. D. C. A. Bramall, Guernsey Investments Limited (through which Mr. D. C. A. Bramall indirectly holds shares in the Company) and Artemis Fund Managers Limited, as well as being Recipient Shareholders, hold (directly and indirectly) more than 10 per cent. of the Company's voting rights as at the date of the Notice, making each a "substantial shareholder" for the purposes of the Listing Rules. Consequently, each shareholder, together with that shareholder's "associates" (as defined in the Listing Rules) who are Recipient Shareholders, is deemed to be a related party under the Listing Rules. As a result, resolution 5 must be approved by the Company's shareholders who are not related parties. Accordingly, Mr. D. C. A. Bramall, Guernsey Investments Limited and Artemis Fund Managers Limited (together with each of their associates) are precluded from voting on resolution 5. Each of Mr. D. C. A. Bramall, Guernsey Investments Limited and Artemis Fund Managers Limited have undertaken to abstain, and to take all reasonable steps to ensure that their associates abstain, from voting on resolution 5.

The proposed authorisation of the appropriation of the Company's distributable profits to the payment of the Relevant Distributions and the entry by the Company into the Shareholders' Deed of Release will not, however, have any effect on the Company's financial position. This is because the aggregate amount of the Relevant Distributions is equal to and offset by the release of each Recipient Shareholder from the liability to repay the amount already paid, and the Company will not be required to make any further payments to shareholders in respect of the Relevant Distributions.

In addition, the Company has not recorded or disclosed the potential right to make claims against Recipient Shareholders as an asset or a contingent asset in its financial statements. Under the Company's accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against the Recipient Shareholders is uncertain (and, in any case, incapable of reliable estimation) on the basis that it may be possible for the Recipient Shareholders to establish defences to any such claims and there can be no certainty as to the amounts which could be recovered by the Company.

In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable. The directors of the Company have concluded that any inflow of economic benefits as a result of such claims is less than probable.

Accordingly, the Company's entry into the Shareholders' Deed of Release will not result in any change in the Company's net assets or the level of its distributable reserves.

5. The Directors' Deed of Release

The entry by the Company into the Directors' Deed of Release and consequential waiver of any rights of the Company to make claims against the Relevant Director, the Relevant Former Directors and the personal representatives (and their successors in title) of any Relevant Former Directors in respect of the Relevant Distributions, constitutes a related party transaction (as defined in the Listing Rules) as the Relevant Director is a related party for the purposes of the Listing Rules. As a result, resolution 5 must be approved by the Shareholders who are not interested related parties. Accordingly, the Relevant Director and Relevant Former Directors and their associates are precluded from voting on resolution 5 and the Relevant Director and Relevant Former Directors have undertaken to abstain, and to take all reasonable steps to ensure that their associates abstain, from voting on resolution 5.

The entry by the Company into the Directors' Deed of Release will not have any effect on the Company's financial position because, as with the position in relation to the Relevant Distributions and potential claims against past and present shareholders, the Company has not recorded or disclosed its right potentially to make claims against past and present directors in respect of the Relevant Distributions as an asset or contingent asset of the Company.

Again, under the Company's IFRS accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against past and present directors is uncertain (and, in any case, incapable of reliable estimation) on the basis that past and present directors would be entitled to seek the court's relief against such claims and there can be no certainty as to the amounts (if any) which could be recovered by the Company.

In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable. The directors of the Company have concluded that any inflow of economic benefits as a result of such claims is less than probable. Therefore, the Company's entry into the Directors' Deed of Release does not involve the disposition of any recognised asset or contingent asset by the Company in favour of past or present directors.

As explained above, the entry by the Company into the Directors' Deed of Release constitutes a related party transaction (as defined in the Listing Rules). Therefore, the Resolution will also seek the specific approval of the Company's shareholders of the entry into the Directors' Deed of Release as a related party transaction, in accordance with the requirements of the Listing Rules.

6. The tax position of UK Shareholders

It is the Company's expectation that, based on the approach that HM Revenue & Customs (HMRC) is understood to have adopted to the circumstances surrounding the payment of corporate distributions otherwise than in technical compliance with the 2006 Act by other UK incorporated companies whose shares are admitted to the UK Listing Authority's Official List and to trading on the Main Market of the London Stock Exchange, the tax position of UK Shareholders will not be affected by any technical irregularity in relation to the Relevant Distributions. Therefore, based on such approach, the

Company does not expect the passing of Resolution 5 to have an effect on the UK tax position of such Shareholders.

7. The tax position of non-UK Shareholders

It is similarly expected that the passing of Resolution 5 should not have an effect on the tax position of non-UK Shareholders, although the Company has not and does not intend to seek confirmation from any non-UK revenue service.

If any non-UK resident Shareholder has any doubts about his or her tax position, he or she should consult with an independent professional adviser.

8. Other information

A copy of the final form of the Shareholders' Deed of Release and the Directors' Deed of Release is available on the Company's website at www.lookersplc.com/investors/regulatory-news/ and in hard copy during normal business hours on any day (except for Saturdays, Sundays and bank or public holidays) at the registered office of the Company and at the offices of Eversheds Sutherland (International) LLP, 70 Great Bridgewater Street, Manchester M1 5ES up to the time of the General Meeting. Copies will also be available at the place of the General Meeting until the conclusion of the Meeting.

9. Steps to ensure that future distributions comply with the 2006 Act

To ensure that all future distributions comply with the 2006 Act, the Company proposes to review procedures and processes at the financial year end ahead of the declaration of the final dividend and at the time of the preparation of the interim accounts ahead of the declaration of the interim dividend as follows: (a) the Group's financial controller will undertake a full review and analysis (the "Internal Review") and sign off on the level of the Company's distributable profits and net assets and confirm whether the last set of accounts filed at Companies House show sufficient distributable profits to cover the relevant dividend to be declared, or if interim accounts (as defined in the 2006 Act) need to be prepared and filed ahead of the Company approving the relevant action; and (b) the Company's chief financial officer will review the Internal Review and confirm whether she/he agrees with the analysis and, if appropriate, make any necessary amendments.

Part IV - Additional Information

1. The Company

The Company was incorporated and registered in England and Wales on 26 September 1910 with company number 00111876 as a public limited company under the name Lookers Public Limited Company. On 18 June 2013, the Company changed its name to Lookers plc.

The Company's registered office is at Lookers House, 3 Etchells Road, West Timperley, Altrincham, United Kingdom, WA14 5XS (Tel: +44 0161 291 943).

The principal legislation under which the Company operates is the law of England and Wales.

2. Relevant Director's Interests

The interest of the Relevant Director in the Ordinary Shares as at 12 July 2021 (being the latest practicable date prior to the publication of this document) is as follows:

Relevant Director's shareholding

	Number of Ordinary Shares	Percentage of Voting Rights ⁽¹⁾
Philip Michael White ⁽²⁾	53,716	0.01371%

⁽¹⁾ On the basis that the total number of voting rights as at 12 July 2021 (being the latest practicable date prior to the publication of this document) is 391,739,982.

⁽²⁾ Philip Michael White has been a director of the Company since 4 September 2006 (including at the point of the Relevant Distributions). Consequently, he is the only Director to be a "Related Party" for the purposes of the Listing Rules.

Relevant Director's interests under benefit schemes

The Relevant Director does not have an interest under the 2017 LTIP or any other benefit scheme for Directors.

3. Non-Executive Appointment Letter in respect of Relevant Director

General terms

The annual salary of the Relevant Director is set out in the table below. The salary is reviewed each year.

Director	Position	Effective Date of Appointment Letter	Annual Salary
Philip Michael White	Non-Executive Chairman	4 September 2006	£160,000

The Relevant Director receives the following benefits under the terms of his non-executive appointment letter: expenses, including travel to and from board meetings, are reimbursed, including any tax payable on those expenses.

Termination provisions

The Relevant Director, as a non-executive director, is subject to annual re-election. No compensation for loss of office is payable if the Relevant Director is required to stand down.

4. Significant shareholders

As at 12 July 2021 (being the latest practicable date prior to the publication of this document), the Company has been notified in accordance with the FCA's Disclosure Guidance and Transparency Rules of the following holdings of voting rights of 3% or more in the Company:

Name (nature of interest)	Number of Ordinary Shares	Percentage of Voting Rights ⁽¹⁾
D. C. A. Bramall (indirect)	78,598,051	20.14%
Guernsey Investments Limited (direct)	44,699,087	11.45%
Artemis Fund Managers Limited (indirect)	39,604,611	10.15%
JO Hambro Capital Management (indirect)	22,129,189	5.62%
Aberforth Partners LLP (indirect)	19,727,002	5.07%
JPMorgan Asset Management Holdings Inc (indirect)	19,528,035	5.02%
Tweedy Browne (direct)	Not stated in TR1	5.01%
Aggregate of Standard Life Aberdeen plc affiliated investment management entities (indirect)	12,378,153	3.14%
Norges Bank (direct)	11,716,384	3.01%

⁽¹⁾ On the basis that the total number of voting rights as at 12 July 2021 (being the latest practicable date prior to the publication of this document) is 391,739,982.

5. Related party transactions

Please see Part III of this document for full details of the related party transactions.

6. Material contracts

There are no material contracts to which the Company or any member of the Group is a party, which contain information that shareholders of the Company would reasonably require to make a properly informed assessment of how to vote.

7. Significant change

Other than as set out in the trading updates issued by the Company on 8 April 2021, 25 May 2021 and 28 June 2021, there has been no significant change in the financial or trading position of the Group since 31 December 2020, being the date to which the Group's annual report and accounts for the financial year ended 31 December 2020 are made up (the Group's annual report and accounts for the financial year ended 31 December 2020 having been published on the same date as this document).

8. Consent

Numis Securities Limited has given and has not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they are given.

9. Documents on Display

Copies of the following documents will be available for inspection during normal business hours on any weekday (except for Saturdays, Sundays and public holidays) at the registered office of the Company and at the offices of Eversheds Sutherland, 70 Great Bridgewater Street, Manchester M1 5ES, United Kingdom up to the time of the General Meeting:

- the Company's articles of association;
- the Shareholders' Deed of Release;

- the Directors' Deed of Release;
- the written consent referred to in paragraph 8 of this Part IV; and
- a copy of this document.

Copies will also be available at the place of the General Meeting until the conclusion of the General Meeting.

Part V – Definitions

“2006 Act” means the Companies Act 2006

“General Meeting” means the general meeting of the Company to be held on 12 August 2021 at 10:00 a.m.

“Board” means the board of Directors of the Company

“Company” means Lookers plc

“CREST” means the paperless settlement procedure operated by Euroclear enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument

“CREST Manual” means the rules governing the operation of CREST as published by Euroclear

“Deeds of Release” the Shareholders’ Deed of Release and the Directors’ Deed of Release

“Directors” means the directors of the Company

“Directors’ Deed of Release” means a deed of release by which the Company waives any rights to make claims against the Relevant Director and Relevant Former Directors in respect of the Relevant Distributions

“Financial Conduct Authority” or **“FCA”** means the Financial Conduct Authority of the United Kingdom

“Form of Proxy” means the form of proxy enclosed with this document for use by Shareholders in connection with the General Meeting

“FSMA” means the Financial Services and Markets Act 2000, as amended

“Group” means the Company and each of its subsidiaries, as such term is defined in section 1159 of the 2006 Act

“Listing Rules” means the listing rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook), as amended

“Notes” means the notes to the Notice, set out on pages 9 to 11 of Part II of this document

“Notice” means the Notice of General Meeting set out in Part II of this document

“Ordinary Shares” means the ordinary shares of 5p each in the capital of the Company

“Recipient Shareholder” means a current or former shareholder of the Company who appeared on the register of members on the record date for one or more of the Relevant Distributions (or their personal representatives (and their successors in title) if they are deceased)

“Relevant Director” means Mr. Philip White

“Relevant Distributions” means the interim and final dividends paid by the Company in each of the Company’s financial years ending 31 December 2013, 31 December 2014 and 31 December 2015, proportions of which were unlawful by reason of irregularities under the 2006 Act, as described in Part III of this document

“Relevant Former Directors” each director of the Company who is not a Relevant Director but who was in office at a time when a Relevant Distribution was distributed to Shareholders

“Shareholders” means the shareholders of the Company

“Shareholders’ Deed of Release” means a deed of release by which the Company waives any rights to make claims against the Recipient Shareholders in respect of the Relevant Distributions