

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. Amongst other things, it sets out the resolutions to be proposed at a General Meeting of Plastics Capital plc (registered number 6387173) (the “Company”) to be held at 10.00 a.m. on 20 November 2014 at Room 1.1, London Heliport, Bridges Court Road, London, SW11 3BE. If you are in any doubt about the contents of this document you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 (“FSMA”). The whole of the text of this document should be read. If you have sold or transferred all of your Ordinary Shares in the Company, please pass this document and Form of Proxy, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, such documents should not be forwarded to, or transmitted in or into, any jurisdiction where to do so might violate the relevant laws and regulations in that jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares you should retain these documents and consult with the stockbroker, bank or agent through whom the sale or transfer was effected.

A notice convening a General Meeting of the Company to be held at Room 1.1, London Heliport, Bridges Court Road, London, SW11 3BE at 10.00 a.m. on 20 November 2014 is set out at the end of this document. A Form of Proxy also accompanies this document for use at the General Meeting. To be valid, the Form of Proxy should be completed and returned to the Company’s registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham BR3 4TU, in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 48 hours before the time appointed for the General Meeting. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Placing Shares will commence on AIM on 21 November 2014.

Plastics Capital plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 6387173)

Placing of 5,102,041 Ordinary Shares at 98 pence per share and Proposed Acquisition of Flexipol Packaging Limited and Notice of General Meeting

The distribution of this document and/or the accompanying Form of Proxy in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

Cenkos Securities plc (“Cenkos”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as nominated adviser and joint broker to the Company and no-one else in connection with the Placing. The responsibilities of Cenkos as the Company’s nominated adviser, under the AIM Rules for Nominated Advisers, are owed solely to London Stock Exchange plc and are not owed to the Company or to any Director, shareholder or any other person, in respect of its decision to acquire shares in the Company in reliance on part of this document, or otherwise. Cenkos will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cenkos, or for providing advice in relation to the arrangements set out in this document. Cenkos will not regard any other person as its customer nor be responsible to any other person for providing the protections afforded to customers of Cenkos nor for providing advice in relation to the transactions detailed in this document. Cenkos is not making any representation or warranty, express or implied, as to the content or completeness of this document.

Allenby Capital Limited (“Allenby Capital”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as joint broker to the Company and no-one else in connection with the Placing. Allenby Capital will not be responsible to anyone other than the Company for providing the protections afforded to clients of Allenby Capital, or for providing advice in relation to the arrangements set out in this document. Allenby Capital will not regard any other person as its customer nor be responsible to any other person for providing the protections afforded to customers of Allenby Capital nor for providing advice in relation to the transactions detailed in this document. Allenby Capital is not making any representation or warranty, express or implied, as to the content or completeness of this document.

This document does not constitute a prospectus for the purposes of section 85 of FSMA and any offer to the public is exempt by virtue of section 86 of FSMA nor does it constitute an admission document drawn up in accordance with the AIM Rules. This document has not been approved for issue by any person for the purposes of Section 21 of FSMA. This document does not constitute or form part of any offer or invitation, to buy, subscribe for or sell, or the solicitation of an offer to buy, subscribe for or sell, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, the Placing Shares have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the “Securities Act”) or qualified for sale under the laws of any state of the United States or under the applicable laws of any of Canada, Australia, the Republic of South Africa or Japan and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the Securities Act) or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan. The distribution of this document in other jurisdictions may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this document may not be distributed, directly or indirectly, in or into the United States, Canada, the Republic of South Africa, Australia or Japan. Overseas shareholders and any person (including, without limitation, nominees and trustees), who have a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

You are recommended to read the whole of this document but your attention is drawn to the letter from the Chairman of the Company set out on pages 7 to 11 of this document which provides details of the Placing Shares and the Proposed Acquisition, and recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

A notice convening a General Meeting of the Company to be held at Room 1.1, London Heliport, Bridges Court Road, London, SW11 3BE at 10.00 a.m. on 20 November 2014 is set out at the end of this document. A Form of Proxy accompanies this document. **To be valid, Forms of Proxy for use at the meeting must be completed and returned so as to be received at the offices of the Company’s Registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham BR3 4TU not later than 10.00 a.m. on 18 November 2014.**

The completion and depositing of the Form of Proxy will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

In accordance with the AIM Rules, this document will be available to Shareholders on the Company’s website (www.plasticscapital.com) from the date of this document, free of charge.

FORWARD-LOOKING STATEMENTS

This document includes “forward-looking statements” which includes all statements other than statements of historical fact, including, without limitation, those regarding the Group’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group’s control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

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DEFINITIONS

| | |
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| “Acquisition Agreement” | the acquisition agreement entered into on or around 3 November 2014 between (1) the Company and (2) John Joseph Dermot Griffiths, Patrick Thomas Connelly and Ian John Smith for the acquisition by the Company’s wholly owned subsidiary, Plastics Capital Trading Limited, of the entire issued share capital of Flexipol |
| “Act” | the UK Companies Act 2006 (as amended) |
| “Admission” | the admission of the Placing Shares to trading on AIM becoming effective in accordance with rule 6 of the AIM Rules |
| “AIM” | AIM, a market operated by London Stock Exchange plc |
| “AIM Rules” | the AIM Rules for Companies issued by London Stock Exchange plc as amended from time to time |
| “Allenby Capital” | Allenby Capital Limited, a private limited company incorporated in England & Wales under registered number 6706681 and having its registered office at 3 St. Helen’s Place, London EC3A 6AB, the Company’s Joint Broker to the Placing |
| “CAGR” | compound annual growth rate |
| “Capita Asset Services” | a trading division of Capita Registrars Limited, a private limited company incorporated in England & Wales under registered number 2605568 and having its registered office at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU |
| “Cenkos” | Cenkos Securities plc, a public limited company incorporated in England & Wales under registered number 5210733 and having its registered office at 6-8 Tokenhouse Yard, London EC2R 7AS, the Company’s nominated adviser and Joint Broker to the Placing |
| “Company” or “Plastics Capital” | Plastics Capital plc, a public limited company incorporated in England & Wales under registered number 6387173 and having its registered office at Room 1.1, London Heliport, Bridges Court Road, London SW11 3BE |
| “CREST” | the relevant system (as defined in the Regulations) which enables title to units of relevant securities (as defined in the Regulations) to be evidenced and transferred without a written instrument and in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations) |
| “Directors” or “Board” | the directors of the Company, whose names are set out on page 6 of this document |
| “Enlarged Issued Share Capital” | the number of issued Ordinary Shares immediately following Admission |
| “Existing Ordinary Shares” | the 30,242,532 Ordinary Shares in issue at the date of this document |
| “Flexipol” | Flexipol Packaging Limited, a private limited company incorporated in England & Wales under registered number 02963868 and having its registered office at Unit 14, Bentwood Road, Carrs Industrial Estate, Haslingden, Rossendale, Lancashire BB4 5HH |
| “Form of Proxy” | the form of proxy enclosed with this document for use by Shareholders in connection with the General Meeting |

| | |
|------------------------------------|--|
| “General Meeting” | the extraordinary general meeting of the Company convened for 10.00 a.m. on 20 November 2014, notice of which is set out on pages 12 to 13 of this document |
| “Group” | the Company and its subsidiary undertakings |
| “Joint Brokers” | Cenkos and Allenby Capital |
| “Notice of General Meeting” | the notice convening the General Meeting as set out herein |
| “Ordinary Shares” | ordinary shares of 1 pence each in the share capital of the Company |
| “Placees” | the subscribers for Placing Shares pursuant to the Placing |
| “Placing” | the conditional placing of the Placing Shares at the Placing Price pursuant to the Placing Agreement |
| “Placing Agreement” | the conditional agreement dated on or around 3 November 2014 between the Company and the Joint Brokers |
| “Placing Price” | 98 pence per Placing Share |
| “Placing Shares” | the up to 5,102,041 new Ordinary Shares to be issued pursuant to the Placing which have been conditionally placed by Cenkos and Allenby Capital |
| “Proposed Acquisition” | the proposed acquisition by the Company’s wholly owned subsidiary, Plastics Capital Trading Limited of Flexipol pursuant to the terms of the Acquisition Agreement |
| “Regulations” | the UK Uncertificated Securities Regulations 2001 (SI 2001 No.3755), as amended |
| “Resolutions” | the resolutions set out in the notice of General Meeting, which accompanies this document |
| “Shareholders” | holders of Existing Ordinary Shares and the term “Shareholder” shall be construed accordingly |
| “£” | the lawful currency of the United Kingdom |

DIRECTORS, OFFICERS AND ADVISERS

| | |
|---|--|
| Directors: | Faisal Rahmatallah, <i>Executive Chairman</i> Nick Ball, <i>Group Finance Director</i> Richard Vessey, <i>Non-executive Director</i> Andrew Walker, <i>Non-executive Director</i> Keith Butler-Wheelhouse, <i>Non-executive Director</i> |
| Registered office: | Room 1.1, London Heliport Bridges Court Road London SW11 3BE |
| Nominated adviser and Joint Broker: | Cenkos Securities plc 6-8 Tokenhouse Yard London EC2R 7AS |
| Joint Broker: | Allenby Capital Limited 3 St. Helen's Place London EC3A 6AB |
| Solicitors to the Company: | CMS Cameron McKenna LLP 160 Aldersgate Street London EC1A 4DD |
| Solicitors to the nominated adviser and Joint Brokers: | Memery Crystal LLP 44 Southampton Buildings London WC2A 1AP |
| Registrars: | Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU |

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| | |
|---|--------------------------------|
| Publication date of this document | 3 November 2014 |
| Latest time for receipt of Forms of Proxy for the General Meeting | 10.00 a.m. on 18 November 2014 |
| General Meeting | 10.00 a.m. on 20 November 2014 |
| Admission effective and trading in the Placing Shares expected to commence on AIM | 8.00 a.m. on 21 November 2014 |
| CREST accounts expected to be credited with Placing Shares | 21 November 2014 |
| Anticipated date of completion of the Proposed Acquisition | 21 November 2014 |
| Share certificates in respect of Placing Shares expected to be despatched by no later than (where applicable) | 5 December 2014 |

If any of the details contained in the timetable above should change, the revised time and dates will be notified to Shareholders by means of a Regulatory Information Service (as defined in the AIM Rules). All events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting and assume that the General Meeting is not adjourned.

In this document, all references to times and dates are to those observed in London, United Kingdom.

PLACING STATISTICS

| | |
|--|---------------|
| Placing Price | 98p |
| Number of Existing Ordinary Shares in issue at the date of this document | 30,242,532 |
| Number of Placing Shares being issued by the Company for subscription in the Placing | 5,102,041 |
| Number of Ordinary Shares in issue immediately following Admission | 35,344,573 |
| Percentage of Enlarged Issued Share Capital represented by the Placing Shares | 14.4% |
| Amount being raised under the Placing (gross) | £5,000,000.18 |

LETTER FROM THE CHAIRMAN

Plastics Capital plc

(Incorporated in England and Wales with registered number 6387173)

Directors

Faisal Rahmatallah, *Executive Chairman*

Nick Ball, *Group Finance Director*

Richard Vessey, *Non-executive Director*

Andrew Walker, *Non-executive Director*

Keith Butler-Wheelhouse, *Non-executive Director*

Registered Office

Room 1.1, London Heliport

Bridges Court Road

London

SW11 3BE

To Shareholders and, for information purposes only, to the holders of options over Ordinary Shares

Dear Shareholder

**Placing of 5,102,041 new Ordinary Shares at 98 pence per share
Proposed Acquisition of Flexipol
and
Notice of General Meeting**

Introduction

Plastics Capital has today announced the terms of a conditional placing by Cenkos, acting as the Company's nominated adviser and Joint Broker and Allenby Capital, acting as the Company's Joint Broker, to raise approximately £5,000,000 from the issue and allotment by the Company of 5,102,041 new Ordinary Shares at the Placing Price of 98 pence each. It is intended that the net proceeds of the Placing will be used to partially fund the Proposed Acquisition.

The Placing is conditional (amongst other things) upon the passing of certain resolutions by Shareholders at the General Meeting in order to ensure that the Directors have the necessary authority and power to allot the Placing Shares for cash on a non-pre-emptive basis. The General Meeting is being convened at 10.00 a.m. on 20 November 2014 at Room 1.1, London Heliport, Bridges Court Road, London, SW11 3BE for the purpose of considering the Resolutions. The Notice of General Meeting and Resolutions are set out at the end of this document.

The purpose of this document is to explain the background to and reasons for the Placing and the Proposed Acquisition, why the Directors believe that it is in the best interests of the Company and its Shareholders as a whole, why the Directors are seeking authority from Shareholders to issue the Placing Shares for cash on a non-pre-emptive basis and to recommend that you vote in favour of the Resolutions. The Directors intend to vote in favour of the Resolutions in respect of their legal and/or beneficial shareholdings amounting, in aggregate, to 5,544,178 Ordinary Shares representing approximately 18.3 per cent. of the Ordinary Shares in issue as at the date of this document.

Background to and reasons for the Placing and Proposed Acquisition

Plastics Capital is a plastics products manufacturer focused on proprietary products for niche markets and has two principal divisions, the packaging division (the "Packaging Division") and the industrial division. The Packaging Division is comprised of two businesses, namely C&T Matrix Limited ("C&T") and Palagan Limited ("Palagan"). C&T focuses on the manufacture and sale of creasing matrix and accessories for the box making industry. Palagan is a specialist manufacturer of high performance films for industrial packaging applications with end markets such as food packaging, furniture, animal bedding, building products and asbestos removal. Palagan focuses primarily on small and medium-sized UK customers with bespoke needs in terms of, for example, film strength, tear resistance, printing and surface finish.

The Directors believe that the markets served by the Packaging Division are capable of generating sustained growth and that the acquisition of an additional specialist business in this area could materially enhance Shareholder value.

Background information on Flexipol

Flexipol manufactures high strength industrial packaging, such as films and bags, for end-markets including food and animal feed packaging.

Flexipol was incorporated in October 1994 and received funding from 3i Venture Capital. Today, Flexipol is wholly owned by three of its founder shareholders, all of whom are directors of Flexipol and have an equal share in the business. Flexipol supplies its products to major food processors and manufacturers and is a Marks & Spencer accredited supplier. Flexipol is based in Rossendale, Lancashire and, as of 1 October 2014, had 100 employees.

In the financial year ended 1 November 2013, Flexipol generated revenues of £14.9 million and a profit before taxation of £1.1 million. As at 1 November 2013, Flexipol had net assets of £5.5 million. The fixed assets on Flexipol's balance sheet include a freehold property which was last valued at approximately £1.4 million by Ryden LLP.

The Directors believe that Flexipol operates in a growing market place. For example, the UK food and grocery sector is forecast to grow in value by 21 per cent. by 2018, a CAGR of 4.9 per cent. (source: IGD Shopper Vista Research 2013 Report). In addition, the animal feed market is estimated to grow by a CAGR of 2.9 per cent. until 2020. The Directors believe that health & safety requirements and contamination risks are shifting consumer demand towards the type of value-added product manufactured by Flexipol and away from more traditional alternatives. Further, European Union regulation regarding the materials that are allowed to come into contact with food is driving demand to polyethylene plastic.

The Directors believe that there are good potential synergy benefits in connection with the Proposed Acquisition and have identified the following specific areas where they believe these benefits may arise:

- cross selling opportunities, where Flexipol's customers and product sets are considered complementary to the Company's existing businesses within the Packaging Division; and
- some operational efficiencies, where non-specialist products currently sold by Flexipol may be manufactured more efficiently by Palagan.

Key terms of the Proposed Acquisition

Under the terms of the Acquisition Agreement, the Company's wholly owned subsidiary, Plastics Capital Trading limited has conditionally agreed to acquire the entire issued share capital of Flexipol from its shareholders John Joseph Dermot Griffiths, Patrick Thomas Connelly and Ian John Smith.

The completion of the Proposed Acquisition is subject to the satisfaction of various conditions, including but not limited to:

- the Company not having exercised its right to terminate the Acquisition Agreement due to the occurrence of a Material Adverse Change (as defined in the Acquisition Agreement); and
- Admission (the "Condition").

The above list is not exhaustive.

The Acquisition Agreement provides that, subject to satisfaction of the various closing conditions and the compliance by the parties to the Acquisition Agreement with their various obligations at completion, completion will take place immediately following satisfaction of the Condition. Plastics Capital expects completion of the Proposed Acquisition to take place on or around 21 November 2014.

The consideration payable for the issued share capital of Flexipol under the terms of the Acquisition Agreement is the aggregate of:

- £9,820,000 payable in cash on completion; and
- earn-out payments which may be payable based on certain EBITDA targets in accordance with the terms of the Acquisition Agreement. The maximum amount of such earn-out payments is £820,000.

The maximum consideration payable pursuant to the Acquisition Agreement is £10,640,000.

The Acquisition Agreement is governed by English law.

Plastics Capital intends to fund the Proposed Acquisition using the net proceeds of the Placing, a £5,400,000 extension of the existing debt facility with Barclays Bank plc (the “Extended Facilities”) and the remaining £500,000 from existing cash resources. Drawdown of the Extended Facilities by the Company is subject to the conditions precedent to drawdown under the Extended Facilities being satisfied, which include Admission.

Financial position and current trading of the Company

On 30 June 2014, Plastics Capital announced its preliminary results for the year ended 31 March 2014, which included the following summary consolidated figures:

Financial highlights:

| | Year ended 31 March 2014 £'000 | Year ended 31 March 2013 £'000 | % Change |
|--------------------|--------------------------------------|--------------------------------------|----------|
| Revenue | 32,456 | 31,407 | 3.3% |
| EBITDA* | 4,894 | 4,484 | 9.1% |
| Profit before tax* | 3,587 | 3,300 | 8.7% |
| EPS (p)*+ | 11.1 | 10.0 | 11.1% |
| DPS (p) | 3.0 | 2.0 | 50.0% |
| Net Debt | 7,170 | 8,369 | -14.3% |

* excluding amortisation, exceptional costs, unrealised foreign exchange translation and derivative gains/losses.

+ applying an underlying charge of 13% and based on the weighted average number of shares currently in issue in the year.

On 15 September 2014, the Company announced an update on its trading performance for the financial year to that date, stating that the Company was trading broadly in line with market expectations.

An extract from this announcement is shown below:

“Our operations in China are progressing well. Whilst local demand for creasing matrix has been below expectations, we are very pleased with the improvements at Shengli, our recently acquired creasing matrix manufacturer based in Beijing. Post integration, there have been notable improvements in processing speeds, quality controls, financial reporting and health and safety standards. Meanwhile, our bearings sales team has successfully converted three significant plastic ball bearing projects for different Chinese CCTV camera manufacturers amounting to approximately £0.25million in annual sales when these projects move into full production. In addition, we have started to ramp up production of machined plastic ball bearings in the new factory in Shanghai. We are also pleased to report that our recently appointed senior management team in China are already making a valuable contribution.

We continue to experience steady growth in our UK based Packaging division, with strong sales in the spring and early summer being counteracted by a relatively weak holiday period during August. Of particular note has been the successful launch of our new range of highly durable creasing matrix called Pink. We anticipate that this product range will add circa £1 million to sales over the next two to three years.

In the financial year to date, our Industrial division has experienced weaker demand than the prior year. This was partly anticipated as older projects fall away before new projects come into full production in the second half of the current financial year. In addition, we now understand that certain customers overstocked last year and this has impacted sales in the current year as compared to our expectations. In the meantime, our focus has been on new business generation where we have a significant pipeline of projects which have reached prototype testing and production trials with customers worth more than £5 million in annual sales. We expect to convert a significant proportion of these in the next six months.”

Commenting, Faisal Rahmatallah, Executive Chairman, said: "Despite slow demand and some project delays the Group continues to press ahead. We are making good progress in China and in our packaging businesses. The industrial division is experiencing some project delays and slow sales partly due to customer overstocking, but it continues to have a very strong pipeline of opportunities and previously converted business which should flow into production over the next twelve months. Altogether we anticipate another year of reasonable progress."

The above information is not a substitute for reading the full text of the full year results and trading update, which can be found on Plastics Capital's website at: www.plasticcapital.com.

Details of the Placing

The Company proposes to raise approximately £5 million (before expenses of the Placing which are estimated to amount to approximately £0.3 million) through the issue of the Placing Shares at the Placing Price, the net proceeds of which will be used to fund part of the consideration payable on completion of the Proposed Acquisition. The maximum number of Placing Shares would represent approximately 14.4 per cent. of the Enlarged Issued Share Capital. It is expected that Admission in respect of the Placing Shares will occur on 21 November 2014.

The Placing Agreement

Cenkos and Allenby Capital have entered into the Placing Agreement with the Company whereby they have agreed to use their reasonable endeavours, as agents for the Company, to procure places for the Placing Shares.

The Placing is conditional upon, *inter alia*, the Resolutions being duly passed at the General Meeting, the Acquisition Agreement having been entered into and remaining in full force and effect and Admission of the Placing Shares to AIM becoming effective on or before 8.00 a.m. on 21 November 2014 (or such later date, not being later than 8.00 a.m. on 5 December 2014 as the Company, Cenkos and Allenby Capital may agree).

The Placing Agreement contains warranties from the Company in favour of Cenkos and Allenby Capital in relation to, among other matters, the accuracy of the information in this document and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Cenkos and Allenby Capital in relation to certain liabilities they may incur in respect of the Placing. Cenkos and Allenby Capital have the right to terminate the Placing Agreement in whole or in part prior to Admission in certain circumstances, in particular, in the event of a breach of the warranties given under the Placing Agreement.

Settlement and dealings

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Placing Shares will commence at 8.00 a.m. on 21 November 2014.

The Placing Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive dividends and other distributions made, paid or declared following the Placing.

General Meeting

An extraordinary general meeting of the Company has been convened for 10.00 a.m. on 20 November 2014 at Room 1.1, London Heliport, Bridges Court Road, London, SW11 3BE.

The Directors currently do not have sufficient authority to allot shares under the Act to effect the Placing. Accordingly the Resolutions, briefly summarised below, are being proposed at the General Meeting to ensure that the Directors have sufficient authority to allot the Placing Shares on a non-pre-emptive basis. The Resolutions are:

- (1) an ordinary resolution to authorise the directors to allot the Placing Shares up to an aggregate nominal value of £51,020.41; and

- (2) conditional upon passing resolution (a) above, a special resolution to disapply statutory pre-emption rights in respect of the allotment of up to 5,102,041 Placing Shares.

Resolution 1 is an ordinary resolution and requires a majority of more than 50 per cent. of the Shareholders voting to be passed. Resolution 2 is a special resolution and requires the approval of not less than 75 per cent. of the Shareholders voting to be passed. Should the Resolutions not be passed, the Proposed Acquisition will not proceed.

The notice convening the General Meeting is set out at the end of this document.

Action to be taken by Shareholders

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. The Form of Proxy should be completed and returned in accordance with the instructions printed on it so as to arrive at the Company's Registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham BR3 4TU.

Return of the Form of Proxy will not prevent Shareholders from attending and voting at the General Meeting should they so wish. Shareholders who hold their Ordinary Shares through a nominee should instruct their nominees to submit a Form of Proxy on their behalf.

Recommendation

The Directors consider that the Placing and the Proposed Acquisition are in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote in favour of the Resolutions, as they intend to do in respect of their aggregate shareholding of 5,544,178 Ordinary Shares, which represents approximately 18.3 per cent. of the Existing Ordinary Shares.

Yours faithfully,

Faisal Rahmatallah
Executive Chairman

Plastics Capital plc

(Incorporated in England and Wales with registered number 6387173)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Plastics Capital plc (the “**Company**”) will be held at Room 1.1, London Heliport, Bridges Court Road, London, SW11 3BE on 20 November 2014, at 10.00 a.m., for the purpose of considering and, if thought fit, passing the resolutions set out below. Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution.

Ordinary Resolution

To consider, and if thought fit, pass Resolution 1 as an ordinary resolution:

1. THAT, without prejudice to any existing authority to allot shares in the Company, the directors of the Company be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the “**Act**”) to allot ordinary shares of one penny each in the capital of the Company (“**Ordinary Shares**”) up to a maximum aggregate nominal value of £51,020.41 in connection with the Placing (as defined in the circular to the Company’s shareholders dated 3 November 2014) provided that this authority shall expire at the conclusion of the Company’s next annual general meeting (unless previously revoked, varied or renewed by the Company in a general meeting) save that the Company may make offers or agreements before the expiry thereof which would or might require Ordinary Shares to be allotted after the expiry of such authority and the directors of the Company may allot Ordinary Shares in pursuance of such an offer or agreement as if the authority conferred by this resolution had not expired.

Special Resolution

To consider, and if thought fit, pass Resolution 2 as a special resolution:

2. THAT, subject to the passing of Resolution 1 above, the directors of the Company be and they are hereby empowered in accordance with section 571 of the Companies Act to allot up to an aggregate nominal amount of 51,020.41 ordinary shares of one penny each in the capital of the Company in connection with the Placing pursuant to the authority conferred by Resolution 1, as if section 561(1) of the Act did not apply to any such allotments provided that this power will expire at the conclusion of the Company’s next annual general meeting but the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of that offer or agreement as if the power conferred by this resolution had not expired.

By order of the Board

3 November 2014

Nick Ball

Group Financial Director and Company Secretary
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Registered office:

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NOTES TO THE NOTICE OF EXTRAORDINARY GENERAL MEETING

1. A member entitled to attend and vote at the extraordinary general meeting (the “Meeting”) is entitled to appoint another person as their proxy to exercise all or any of their rights to attend, speak and vote at the Meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by them and provided that the member specifies in the form of proxy the number of shares in respect of which each proxy is appointed. A member may not appoint more than one proxy to exercise rights attached to any one share. Where a member appoints more than one proxy, on a vote on a show of hands the proxies shall only be entitled to one vote collectively.
2. A form of proxy is provided with this notice and instructions for use are shown on the form. To be valid, completed forms must be received at the office of Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not later than 48 hours (disregarding any part of a day that is not a business day) before the time fixed for the Meeting. Completion and return of the form of proxy will not prevent a member from attending and voting in person at the Meeting.
3. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
4. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the Company’s register of members not later than 6:00 p.m. on 18 November 2014 or, if the Meeting is adjourned, shareholders entered on the Company’s register of members not later than 48 hours before the time fixed for the adjourned Meeting shall be entitled to attend and vote at the Meeting.
5. 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. CREST personal members or other CREST sponsored members and those CREST members who have appointed voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Capita Asset Services (ID RA 10) by no later than 10:00 a.m. on 18 November 2014. No such message received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
7. 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.

