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If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this Document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction outside of the UK. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

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 28 June 2016. The Placing Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.

This Document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this Document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the FCA or any other competent authority. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the Placing Shares to the Official List of the United Kingdom Listing Authority.

Swallowfield plc

(incorporated and registered in England & Wales with registered number 01975376)

Proposed Placing of 5,558,985 new Ordinary Shares at a price of 155 pence per Ordinary Share

and

Notice of General Meeting

This Document should be read as a whole. However, your attention is drawn to the letter from the Non-Executive Chairman of the Company which is set out on pages 7 to 11 of this Document and which contains the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.

Nplus1 Singer Advisory LLP ("**N+1 Singer**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with the Placing and will not be acting for any other person (including a recipient of this Document) or otherwise be responsible to any person for providing the protections afforded to clients of N+1 Singer or for advising any other person in respect of the Placing or any transaction, matter or arrangement referred to in this Document. N+1 Singer's responsibilities as the Company's nominated adviser and broker are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this Document.

Apart from the responsibilities and liabilities, if any, which may be imposed on N+1 Singer by the FSMA or the regulatory regime established thereunder, N+1 Singer does not accept any responsibility whatsoever for the contents of this Document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Placing. N+1 Singer accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this Document or any such statement.

Notice of a General Meeting of Swallowfield plc, to be held at the offices of N+1 Singer, One Bartholomew Lane London EC2N 2AX at 2:30 p.m. on 27 June 2016, is set out at the end of this

Document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by not later than 2:30 p.m. on 23 June 2016. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

A copy of this Document will be made available from the Company's website, www.swallowfield.com in accordance with AIM Rule 20. This Document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in Swallowfield plc in any jurisdiction in which such offer or instruction would be unlawful nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with any contract therefor. The distribution of this Document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document and/or the accompanying Form of Proxy comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Forward-looking statements

This Document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this Document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this Document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this Document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this Document.

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PLACING STATISTICS

Number of Existing Ordinary Shares	11,306,416
Placing Price per Placing Share	155 pence
Number of Placing Shares being placed on behalf of the Company	5,558,985
Enlarged Share Capital following Admission of the Placing Shares	16,865,401
Number of Placing Shares as a percentage of the Enlarged Share Capital	33 per cent.
Total gross proceeds of the Placing	£8.6 million
Estimated net proceeds of the Placing receivable by the Company	£8.0 million

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	6 June 2016
Latest time and date for receipt of Form of Proxy	2:30 p.m. on 23 June 2016
General Meeting	2:30 p.m. on 27 June 2016
Admission and commencement of dealings in the Placing Shares on AIM	8.00 a.m. on 28 June 2016

Each of the above dates is subject to change at the absolute discretion of the Company and N+1 Singer and if any of the above times or dates should change, the revised times and/or dates will be notified by an announcement on a regulatory information service. All times are UK times.

DIRECTORS AND ADVISERS

Directors	<p>Brendan Hynes, <i>Non-Executive Chairman</i> Chris How, <i>Chief Executive Officer</i> Mark Warren, <i>Group Finance Director</i> Jane Fletcher, <i>Group Sales & Marketing Director</i> Franklin Berrebi, <i>Non-Executive Director</i> Roger McDowell, <i>Non-Executive Director</i> Edward Beale, <i>Non-Executive Director</i></p> <p>all of:</p> <p>Swallowfield House Station Road Wellington Somerset TA21 8NL</p>
Company Secretary	Mark Warren
Nominated Adviser and Broker	Nplus1 Singer Advisory LLP One Bartholomew Lane London EC2N 2AX
Legal Advisers to the Company	Ashfords LLP Ashford House Grenadier Road Exeter EX1 3LH
Legal Advisers to the Nominated Adviser	fieldfisher Riverbank House 2 Swan Lane London EC4R 3TT
Registrars	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE

DEFINITIONS

The following definitions apply throughout this Document unless the context otherwise requires:

“Acquisition Agreement”	the conditional agreement dated 3 June 2016 and entered into between (1) the Company and (2) Michelle Doolan, Joanne Sinclair and others pursuant to which the Company will acquire the entire issued share capital of Brand Architekts;
“Acquisition”	the conditional acquisition of the entire issued share capital of Brand Architekts by the Company pursuant to the terms of the Acquisition Agreement;
“Act”	the Companies Act 2006 (as amended);
“Admission”	the admission of the Placing Shares to trading on AIM following completion of the Placing;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies and guidance notes published by the London Stock Exchange from time to time;
“Brand Architekts”	The Brand Architekts Limited, a company incorporated and registered in England and Wales under the Companies Act 1985 with registered number 06315241;
“certificated form” or “in certificated form”	an ordinary share recorded on a company’s share register as being held in certificated form (namely, not in CREST);
“Company” or “Swallowfield”	Swallowfield plc, a company incorporated and registered in England and Wales under the Companies Act 1985 with registered number 01975376;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended);
“Directors” or “Board”	the directors of the Company whose names are set out on page 4 of this Document, or any duly authorised committee thereof;
“Document”	this document;
“EBITDA”	earnings before interest, taxation, depreciation and amortisation;
“Enlarged Share Capital”	the issued share capital of the Company immediately following Admission comprising the Existing Ordinary Shares and the Placing Shares;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing Ordinary Shares”	the 11,306,416 Ordinary Shares in issue at the date of this Document, all of which are admitted to trading on AIM and being the entire issued ordinary share capital of the Company;
“Form of Proxy”	the form of proxy for use in connection with the General Meeting which accompanies this Document;
“FCA”	the Financial Conduct Authority;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);

“General Meeting”	the general meeting of the Company to be held at the offices of N+1 Singer, One Bartholomew Lane, London EC2N 2AX at 2:30 p.m. on 27 June 2016, notice of which is set out at the end of this Document;
“Group”	the Company, its subsidiaries and its subsidiary undertakings;
“London Stock Exchange”	London Stock Exchange plc;
“Nominated Adviser” or “N+1 Singer”	Nplus1 Singer Advisory LLP, the Company’s nominated adviser and broker;
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this Document;
“Ordinary Shares”	the ordinary shares of 5 pence each in the capital of the Company;
“Placing”	the conditional placing of the Placing Shares by N+1 Singer, as agent on behalf of the Company, pursuant to the Placing Agreement, further details of which are set out in this Document;
“Placing Agreement”	the conditional agreement dated 6 June 2016 made between N+1 Singer and the Company in relation to the Placing;
“Placing Price”	155 pence per Placing Share;
“Placing Shares”	the 5,558,985 new Ordinary Shares to be issued pursuant to the Placing;
“Prospectus Rules”	the prospectus rules made by the FCA pursuant to section 73A of the FSMA;
“Resolutions”	the resolutions set out in the Notice of General Meeting;
“Shareholders”	holders of the Existing Ordinary Shares;
“UK”	the United Kingdom of Great Britain and Northern Ireland; and
“uncertificated” or “in uncertificated form”	an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.

LETTER FROM THE CHAIRMAN OF SWALLOWFIELD PLC

Swallowfield plc

(incorporated in England and Wales with registered number 01975376)

Directors:

Brendan Hynes (*Non-Executive Chairman*)
Chris How (*Chief Executive Officer*)
Mark Warren (*Group Finance Director*)
Jane Fletcher (*Group Sales & Marketing Director*)
Franklin Berrebi (*Non-Executive Director*)
Roger McDowell (*Non-Executive Director*)
Edward Beale (*Non-Executive Director*)

Registered Office:

Swallowfield House
Station Road
Wellington
Somerset
TA21 8NL

6 June 2016

Dear Shareholder,

Proposed Placing of 5,558,985 new Ordinary Shares at a price of 155 pence per Ordinary Share

and

Notice of General Meeting

1. Introduction

On 6 June 2016 Swallowfield announced a conditional placing by N+1 Singer, acting as the Company's nominated adviser and broker, to raise £8.6 million from the issue and allotment by the Company of 5,558,985 new Ordinary Shares at the Placing Price of 155 pence each.

The Placing Shares have been conditionally placed with institutional and other investors, subject, inter alia, to both the passing of the Resolutions at the General Meeting which are being proposed to grant the Directors the necessary authority and power to allot the Placing Shares for cash on a non-pre-emptive basis, and Admission.

The purpose of this Document is to provide you with information about the background to and the reasons for the Placing and the Acquisition, to explain why the Board considers the Placing and the Acquisition to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting.

Background to and reasons for the Placing

The net proceeds of the Placing will be used, alongside a new debt facility, to fund the Acquisition. The Placing Price represents a premium to the mid-market closing price on 1 June 2016 (being the last date prior to the finalisation of the Placing) and a small discount to the volume-weighted average price over the previous 5 days.

The Directors believe that there is currently an opportunity to raise funds from a small number of institutional and other investors rather than by offering all Shareholders the opportunity to acquire further shares and that this opportunity may not be present in the near future given the current uncertain market conditions. The Directors believe that the additional cost and delay incurred in connection with any such offer would not have been in the best interests of the Company.

The Placing, which has been arranged by N+1 Singer pursuant to the terms of the Placing Agreement, is also conditional upon, inter alia, Admission and has not been underwritten by N+1 Singer.

2. Overview of Brand Architekts and strategic rationale for the proposed Acquisition

Since 2013 Swallowfield has been successfully delivering on its strategy to build a sustainable, higher margin business. Sales have grown and profitability, earnings per share and shareholder value have increased significantly through a combination of both organic growth and successful acquisitions, most notably the acquisition of the Real Shaving Company in 2015. The Directors believe that through the synergistic acquisition of Brand Architekts there is currently an opportunity to significantly accelerate the 'owned brands' strategic pillar of Swallowfield's strategy.

Brand Architekts owns and manages a strong and growing portfolio of mid-premium beauty and personal care brands. The majority of sales of these brands are through major UK high street retailers, many of which are already existing customers of Swallowfield. Further sales are made through export, notably in North America, Australia, the Nordics and Turkey.

Brand Architekts's key brands include Dirty Works, Kind Natured, Argan, Happy Naturals, DrSalts, Super Facialist and Senspa and together these accounted for approximately 78 per cent. of Brand Architekts's sales in the last financial year to 31 January 2016. Brand Architekts currently outsources its production with suppliers in the UK and China.

The Directors believe that the Acquisition, which is conditional upon Shareholder approval of the Resolutions and Admission, provides Swallowfield with a transformational opportunity to bring critical mass to its 'owned brand' portfolio. At the same time, the Acquisition will also add a proven, experienced London-based brand management team which will serve as an important platform for both future organic growth and M&A activity.

For the financial year to 31 January 2016 Brand Architekts generated net sales of £10.7m (after adjustment for promotional activity), achieved a 35 per cent. contribution margin, £2.0m EBITDA and £2.0m of profit before tax. This continued the strong growth momentum that Brand Architekts had achieved over the previous two financial years during which time Brand Architekts achieved a CAGR for EBITDA of 47 per cent. from FY14 to FY16. The Directors anticipate that this growth momentum can be further enhanced by the support of Swallowfield's existing established resources, including its international footprint, digital marketing, online sales, product development and supply chain. The Acquisition will immediately be earnings accretive to Swallowfield.

In the medium term, the Directors consider that the Acquisition will provide further opportunities for accelerated growth. Brand Architekts has an existing pipeline of new products and the Directors anticipate that further new products will also be driven from Swallowfield's already established areas of expertise. At the same time, there is scope for both UK and international distribution growth, particularly through Swallowfield's existing international sales offices. An important additional benefit is that Swallowfield will be able to sell its current owned brands through Brand Architekts' distributor network thereby generating additional revenues for Swallowfield's existing stable of owned brands. Finally, the Directors anticipate that the Acquisition will generate benefits through economies of scale in areas such as logistic costs, sourcing synergies (particularly in China), finance and administration/customer service functions as well as giving Swallowfield's owned brand portfolio critical mass when buying public relations, media and display exposure.

The Directors view the Acquisition as the next step on Swallowfield's path to becoming a leading international beauty and personal care business with one core capability platform driving two value streams, namely the core contract manufacturing business and the 'owned brands' business.

3. Acquisition terms and new debt facility

The total consideration for the Acquisition is £11.0m, including stock and normalised working capital of approximately £2.7m. This is structured as an initial payment of £9.15m (subject to working capital adjustment at completion) and an earn out payment of £1.85m (subject to adjustment) on the first anniversary of completion dependent upon Brand Architekts achieving a maximum contribution margin (on a consistent basis) of £4.187m during the 12 months from completion.

The Company will use the net proceeds of the Placing together with a modest extension of its invoice discounting and term loan facilities with HSBC Bank plc in order to fund the consideration payable in respect of the Acquisition. The acquisition of Brand Architekts is conditional, inter alia, on the Resolutions being passed and Admission taking place.

Brand Architekts is being acquired from Michelle Doolan and Joanne Sinclair, who each own 49.02 per cent. of the company, as well as various other minority shareholders, and both Michelle Doolan and Joanne Sinclair are entering into consultancy agreements for a period of two years following completion of the Acquisition.

4. Current trading and outlook

The Company announced its interim results for the period to 9 January 2016 on 1 March 2016. The Company reported revenues of £27.5 million (2014: £26.0 million) and an adjusted operating profit of £0.64 million significantly ahead of the prior year (2014: £0.16 million) driven by the core business and Swallowfield's owned brands. The Real Shaving Company brand acquired in May 2015 was fully integrated in the period demonstrating the ability of the Board to make successful acquisitions. Further investments were made to support the Company's owned brands in line with the strategy.

Following a strong first half and with less than a month remaining until the end of the Company's financial year, the Board is pleased to confirm that the Company continues to trade in line with market expectations for the year as a whole.

The core contract manufacturing business is benefitting from the progress made with its product category prioritisation focus. The Company's drive and build categories continue to show robust growth in both sales and contribution margin. This performance has been further aided by a steady stream of innovative new products that have been launched throughout the year.

Swallowfield's owned brands continue to make good progress with further retail and on-line stockists added and the development of new marketing collaborations such as Bagsy with the fashion designer Savannah Miller and The Real Shaving Company with Somerset Cricket T20 Blast.

5. Details of the Placing

The Company proposes to raise approximately £8.0 million (net of expenses) through the issue of the Placing Shares at 155 pence per Ordinary Share, which represents a premium to the mid-market closing price on 1 June 2016 (being the last date prior to the finalisation of the Placing) and a small discount to the volume-weighted average price over the previous 5 days. Having considered the price at which the Ordinary Shares are currently traded, and other market factors, the Directors have resolved that the Placing Price is appropriate. The Placing Shares will represent 33 per cent. of the Company's issued ordinary share capital immediately following Admission. The Placing is conditional, inter alia, the passing of the Resolutions at the General Meeting and Admission.

Pursuant to the terms of the Placing Agreement, N+1 Singer, as agent for the Company, has conditionally agreed to use its reasonable endeavours to place the Placing Shares with certain institutional and other investors. The Placing Agreement is conditional upon, inter alia, the Acquisition becoming unconditional, the Resolutions being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 28 June 2016 (or such later time and/or date as the Company and N+1 Singer may agree, but in any event by no later than 8.00 a.m. on 15 July 2016). The Placing Agreement contains provisions entitling N+1 Singer to terminate the Placing Agreement at any time prior to Admission in certain circumstances. If this right is exercised the Placing will not proceed. The Placing has not been underwritten by N+1 Singer.

The Company has agreed to pay certain fees and commissions to N+1 Singer in respect of the Placing.

Application will be made for Admission and it is expected that Admission will become effective and that dealings in the Placing Shares will commence at 8.00 a.m. on 28 June 2016.

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 declared following Admission.

6. Director dealing and related party transaction

Certain of the directors of the Company are participating in the Placing at the Placing Price as described below:

	<i>Amount subscribed (£)</i>	<i>Number of Placing Shares</i>	<i>Number of shares post Admission</i>	<i>Percentage of Enlarged Share Capital post Admission</i>
Brendan Hynes	38,750.00	24,914	74,914	0.44%
Chris How	46,500.00	29,977	89,977	0.53%
Mark Warren	17,050.00	10,930	33,030	0.20%
Jane Fletcher*	18,600.00	12,374*	37,374*	0.22%
Roger McDowell	423,150.00	273,189	344,189	2.0%

* 6,452 of the shares being subscribed for by Jane Fletcher are through her SIPP operated by Alliance Trust.

Western Selection plc, of which Edward Beale is a Director, are participating in the Placing as described below.

The conditional agreements entered into by the above Directors to subscribe for Placing Shares are classified as related party transactions for the purposes of the AIM Rules. Franklin Berrebi, an independent director for the purposes of the Placing, having consulted with the Company's nominated adviser, N+1 Singer, considers that the terms of the related party transactions are fair and reasonable insofar as the Company's shareholders are concerned.

7. Significant shareholders and related party transaction

Insofar as has been notified to the Company, the following persons hold, as at the date of this Document, and are expected to hold immediately following Admission, directly or indirectly, 3 per cent. or more of the Enlarged Share Capital:

	<i>Amount subscribed (£)</i>	<i>Number of Placing Shares</i>	<i>Number of shares post Admission</i>	<i>Percentage of Enlarged Share Capital post Admission</i>
Western Selection plc	202,819.05	130,851	2,000,000	11.86%

The participation in the Placing by Western Selection plc, a substantial shareholder in the Company, constitutes a related party transaction for the purposes of the AIM Rules. The independent directors, Brendan Hynes, Chris How, Mark Warren, Jane Fletcher, Franklin Berrebi and Roger McDowell, having consulted with the Company's nominated adviser, N+1 Singer, considers that the terms of the related party transaction are fair and reasonable insofar as shareholders are concerned.

8. Notice of General Meeting

The Company currently does not have sufficient authorities in place under section 551 and section 570 of the Act to allot Ordinary Shares pursuant to the Placing, Acquisition and to disapply pre-emption rights in respect of such allotments. Accordingly, the Directors are seeking authority at the General Meeting to allot Ordinary Shares on a non pre-emptive basis to implement the Placing.

Notice of the General Meeting is set out at the end of this Document. The General Meeting will be held at the offices of N+1 Singer, One Bartholomew Lane London EC2N 2AX at 2:30 p.m. on 27 June 2016.

Resolution 1

Ordinary resolution to grant the Directors authority pursuant to section 551 of the Act to allot Ordinary Shares up to a nominal value of £460,112 representing the Placing Shares plus an amount sufficient to enable the Company to issue all outstanding options and an amount equivalent to approximately 20 per cent. of the Enlarged Share Capital. This is in line with investor guidelines.

Resolution 2

Special resolution to disapply pre-emption rights pursuant to section 570 of the Act. This Resolution allows the Directors to allot shares on a non pre-emptive basis, limited to:

- (a) the issue and allotment of the Placing Shares;
- (b) allotments pursuant to offers of shares to existing Shareholders in proportion to their existing holdings subject only to exclusions to deal with fractional entitlements and legal or practical problems in connection with overseas territories;
- (c) the allotment of equity securities pursuant to the terms of any share schemes for Directors and employees of the Group; and
- (d) a nominal value of £85,453 representing an amount sufficient to enable the Company to issue all outstanding options and an amount equivalent to approximately 10 per cent. of the Enlarged Share Capital.

Resolution 1 will be proposed as an ordinary resolution and requires the approval of a simple majority of Shareholders voting at the General Meeting, either in person or by proxy. Resolutions 2 will be proposed as a special resolution and require the approval of a majority of not less than 75 per cent. of the Shareholders at the General Meeting, either in person or by proxy. All authorities in respect of the issue and allotment of new Ordinary Shares contained in the Notice of GM are in substitution for those authorities approved at the Company's last Annual General Meeting (to the extent unused).

9. Action to be taken

A Form of Proxy for use at the General Meeting accompanies this Document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, as soon as possible, but in any event so as to be received by no later than 2:30 p.m. on 23 June 2016. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

10. Recommendation

Your Board believes the Placing and Acquisition to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend you to vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do in respect of their holdings, amounting, in aggregate, to 228,100 Ordinary Shares, representing 2.02 per cent. of the existing issued share capital of the Company.

Yours sincerely

Brendan Hynes
Non-Executive Chairman

Swallowfield plc
(the “Company”)

(Incorporated in England and Wales with registered number 01975376)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of N+1 Singer, One Bartholomew Lane London EC2N 2AX at 2:30 p.m. on 27 June 2016 for the purpose of considering and, if thought fit, passing the following resolutions, resolution number 1 as an Ordinary Resolution and resolution number 2 as a Special Resolution:

ORDINARY RESOLUTION

1. THAT the Directors of the Company be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “Act”), in substitution for any such authority granted at the Annual General Meeting of the Company held on 12 November 2015 (“2015 AGM”) to the extent unused, to issue and allot ordinary shares of 5 pence each in the Capital of the Company (“Ordinary Shares”) or grant rights to subscribe for or to convert any security into shares in the Company (“Rights”) up to a maximum nominal amount of £460,112 to such persons at such times and on such terms as they think proper, provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may make an offer or agreement before the expiry of this authority which would or might require Ordinary Shares to be allotted or Rights to be granted after such expiry and the Directors may allot Ordinary Shares or grant Rights pursuant to any such offer or agreement as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTION

2. THAT, subject to and conditional upon the passing of resolution 1 above, in accordance with Section 570 of the Act and in substitution for any existing authorities granted at the 2015 AGM, the Directors be and are hereby generally empowered to allot for cash or otherwise equity securities (as defined in Section 560 of the Act) of the Company pursuant to the authority conferred by resolution 1 as if section 561 of the Act did not apply to such allotment provided that this power shall be limited to:
 - (a) the allotment of 5,558,985 Ordinary Shares in connection with a Placing as described in the circular to shareholders dated 6 June 2016;
 - (b) the allotment of equity securities in connection with any other offer (whether by way of rights issue, open offer or otherwise) to holders of Ordinary Shares in the capital of the Company in proportion (as nearly as may be) to their existing holdings of such shares, subject only to any exclusions or other arrangements which the Directors may deem necessary or expedient to deal with fractional entitlements, legal or practical problems arising in any overseas territory or the requirements of any regulatory body or stock exchange in any territory;
 - (c) the allotment of equity securities pursuant to the terms of any share schemes for Directors and employees of the Company or any of its subsidiaries; and
 - (d) the allotment otherwise than pursuant to subparagraphs (a) to (c) (inclusive) above of equity securities not exceeding in aggregate the nominal amount of £85,453,

and shall operate in substitution for and to the exclusion of the authority granted at the 2015 AGM (to the extent unused), and provided that this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted for cash after such expiry and the Directors may allot equity securities for cash pursuant to any such offer or agreement as if the power conferred by this resolution had not expired.

Registered Office:
Swallowfield House
Station Road
Wellington
Somerset
TA21 8NL

By Order of the Board
Mark Warren

Company Secretary

Dated: 6 June 2016

Notes:

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A form of proxy which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact Computershare Investor Services PLC on +44 (0870) 707 1017.
2. To be valid any form of proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 2:30 p.m., on 23 June 2016.
3. The return of a completed form of proxy, other such instrument or any CREST Proxy Instruction (as described in Note 6 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
4. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register at 2:30 p.m. on 23 June 2016 (or, in the event of any adjournment, 48 hours before the adjourned meeting (excluding any part of a day that is not a Business Day)). Changes to the Register after the relevant deadline shall be disregarded in determining the rights of any person 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 a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
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 instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by 2:30 p.m. on 23 June 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. 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.

