

Notice of Annual General Meeting

This notice of meeting is important and requires your immediate attention.

If you are in any doubt as to any aspect of the proposals referred to in this notice of meeting or as to the action you should take, you should seek your own advice from a stockbroker, bank manager, solicitor, tax adviser, accountant or other independent professional adviser.

If you have recently sold or otherwise transferred all of your ordinary shares in PayPoint Plc, please pass this notice of meeting, together with the accompanying documents, to the purchaser or transferee, or to the person who arranged the sale or transfer, so that they can pass these documents to the person who now holds the shares as soon as possible.

PayPoint Plc's annual general meeting ('AGM') is set to be held at PayPoint's registered office address. We remain committed to engaging with our shareholders so please do send any questions you may have for the Board, relating to the business of the meeting, to our Company Secretary at CompanySecretary@paypoint.com by Tuesday 5 September 2023 at 12.00 noon.

Meantime, we encourage you to submit your proxy votes to the Company's registrars, Equiniti, as early as possible. Further information on how you can submit your proxy votes can be found on page 188. The deadline for submitting proxy votes is 12.00 noon on Tuesday 5 September 2023.

Notice is hereby given that the 2023 Annual General Meeting of PayPoint Plc (the 'Company') will be held at the Company's head office, 1 The Boulevard, Shire Park, Welwyn Garden City, Hertfordshire AL7 1EL on Thursday 7 September 2023 at 12.00 noon. You will be asked to consider and pass the following resolutions. Resolutions 1 to 14 (inclusive) will be proposed as ordinary resolutions, and Resolutions 15 to 18 (inclusive) will be proposed as special resolutions.

Routine business

1. Directors' Report and Accounts

To receive the accounts for the financial year ended 31 March 2023 together with the Directors' report and the auditors' report on those accounts.

2. Directors' Remuneration Policy

To approve the Directors' Remuneration Policy, set out on pages 104 to 123 of the annual report 2023, to take effect from 7 September 2023.

3. Directors' Remuneration Report

To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) for the financial year ended 31 March 2023 as set out on pages 104 to 123 of the annual report 2023.

4. Declaration of final dividend

To declare a final dividend of 9.3 pence per ordinary share of the Company for the year ended 31 March 2023.

5. Re-election of Director – Rosie Shapland

To re-elect Rosie Shapland as a Director.

6. Re-election of Director – Gill Barr

To re-elect Gill Barr as a Director.

7. Re-election of Director – Giles Kerr

To re-elect Giles Kerr as a Director.

8. Re-election of Director – Rakesh Sharma

To re-elect Rakesh Sharma as a Director.

9. Re-election of Director – Nick Wiles

To re-elect Nick Wiles as a Director.

10. Re-election of Director – Ben Wishart

To re-elect Ben Wishart as a Director.

11. Election of Director- Guy Parsons

To elect Guy Parsons as a Director who, having been appointed since the last AGM of the Company, offers himself for election in accordance with the Company's Articles of Association.

12. Appointment of Auditor

To confirm the appointment of Pricewaterhouse Coopers LLP as auditor of the Company until the conclusion of the next AGM of the Company at which the accounts are laid.

13. Auditor's remuneration

To authorise the Directors to determine the auditor's remuneration.

Special business**14. Directors' authority to allot shares**

That the Board be generally and unconditionally authorised under section 551 of the Companies Act 2006 to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:

- (A) up to a nominal amount of £72,576.09 (such amount to be reduced by any allotments or grants made under paragraph (B) below in excess of such sum); and
- (B) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a nominal amount of £145,152.19 (such amount to be reduced by any allotments or grants made under paragraph (A) above) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such authorities to apply until the close of business on 7 December 2024 or, if earlier, the AGM in 2024 but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

15. Disapplication of pre-emption rights

That if Resolution 14 is passed, the Board be authorised to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be limited:

- (A) the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (B) of Resolution 14, by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities, as required by the rights of those securities or, as the Board otherwise considers necessary;
- (B) to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (A) above) up to a nominal amount of £21,772.83 representing approximately 10 per cent of the aggregate nominal amount of the share capital of the Company (excluding treasury shares) as at 10 July 2023; and

- (C) to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (A) or paragraph (B) above) up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph (B) above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice,

such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 7 December 2024 but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

16. Additional disapplication of pre-emption rights

That if Resolution 14 granting the authority to allot shares is passed, the Board be authorised in addition to any authority granted under Resolution 15 (first disapplication resolution) to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be:

- (A) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £21,772.83 representing approximately 10 per cent of the aggregate nominal amount of the share capital of the Company (excluding treasury shares) as at 10 July 2023 such authority to be used only for the purposes of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the Board of the Company determines to be either an acquisition or a specified capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice; and
- (B) limited to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (A) above) up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph (A) above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice,

such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 7 December 2024 but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Notice of Annual General Meeting continued

17. Company's authority to purchase its own shares

That the Company be authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 1/3 pence each, provided that:

- (A) the maximum number of ordinary shares hereby authorised to be purchased is 7,257,609;
- (B) the minimum price which may be paid for an ordinary share is 5 pence and the maximum price which may be paid for an ordinary share is the highest of:
- (i) an amount equal to 5% above the average market value of an ordinary share for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out at the relevant time, in each case, exclusive of expenses;

such authority to apply to apply until the close of business on 7 December 2024 or, if earlier, the AGM in 2024 but in each case so that during this period the Company may enter into a contract to purchase ordinary shares which would, or might be, completed or executed wholly or partly after the authority ends and the Company may purchase ordinary shares pursuant to any such contract as if the authority had not ended.

18. Calling of general meetings on 14 days' notice.

That any general meeting of the Company that is not an AGM may be called on not less than 14 clear days' notice.

Recommendation

With respect to Resolutions 5 to 11(inclusive), the Chairman confirms that, based on the performance evaluation undertaken during the period, each of the retiring Directors' performance continues to be effective and to demonstrate commitment to the role. The Board has considered this and recommends that each Director who wishes to serve again be proposed for election/re-election. This opinion is based on an assessment of each Director's relevant knowledge and experience and the conclusion that, in each case, their informed opinions are of significant value and contribute greatly to Board discussions. Biographies of the Directors including their areas of expertise relevant to their role as a Director are given on pages 82 to 83 of the 2023 annual report.

The Directors believe that the proposals described in this Notice of Meeting are in the best interests of the Company and its shareholders as a whole and recommend shareholders to support them by voting in favour of all the resolutions, as they intend to in respect of their own beneficial shareholders.

By order of the Board

Brian McLelland
Company Secretary
27 July 2023

Registered office:

1 The Boulevard
Shire Park
Welwyn Garden City
Hertfordshire AL7 1EL
United Kingdom

Registered in England and Wales
Company No. 03581541

Notes to the Notice of Annual General Meeting

1. Shareholders should submit their proxy vote not less than 48 hours before the time of the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. To appoint a proxy or proxies shareholders must: (a) submit a proxy appointment electronically at www.sharevote.co.uk; or (b) complete a Form of Proxy, sign it and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA; or (c) complete a CREST Proxy Instruction (as set out in paragraph 5 below), in each case so that it is received no later than 12.00 noon on 5 September 2023. To appoint more than one proxy, you will need to complete a separate Form of Proxy in relation to each appointment. A Form of Proxy for use in connection with the AGM is enclosed with this document. Full details of the procedure to submit a proxy electronically are given on the website www.sharevote.co.uk. To use this service, you will need your Voting ID, Task ID and Shareholder Reference Number printed on the Form of Proxy. If you do not have a Form of Proxy and believe that you should, please contact the Company's registrars, Equiniti Limited, on +44 (0)371 384 2030 (please use the country code when calling from outside the UK) or at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. Lines are open from 8.30am to 5.30pm, Monday to Friday (except public holidays in England and Wales).
2. A member entitled to attend, speak and vote at the AGM may appoint a proxy (who need not be a member of the Company) to exercise all or any of his or her rights to attend and to speak and vote on his or her behalf. A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. To appoint more than one proxy please contact the Company's registrar using the details provided above. CREST members should utilise the CREST electronic proxy appointment service in accordance with the procedures set out below, and in each case must be received by the Company not less than 48 hours before the time of the meeting. You must inform the Company's registrar in writing of any termination of the authorities of a proxy.
3. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
4. The statement of the rights of shareholders to appoint a proxy in paragraphs one and two above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company. Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) on matters relating to their investments in the Company.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment thereof 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. In order for a proxy appointment, or instruction, made by means of CREST to be valid, the appropriate CREST message (a CREST proxy instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('EUI') specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in the notice of AGM. 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 issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is therefore 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.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 noon on 5 September 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
6. 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. If you hold your shares through a Nominee and wish to attend the meeting please bring the relevant entitlement to attend documentation.
7. To be entitled to attend and vote at the AGM or any adjournment thereof (and also for the purpose of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by 6:30pm on 5 September 2023 (or by close of business on the date being two days before any adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Notes to the Notice of Annual General Meeting continued

8. Biographical details of the Directors of the Company are shown on pages 82-83 of the 2023 annual report.
9. Each member attending the meeting has the right to ask questions relating to the business being dealt with at the meeting which, in accordance with section 319A of the Companies Act 2006 and subject to some exceptions, the Company must cause such questions to be answered. However, no such answer need be given if:
 - (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - (b) the answer has already been given on a website in the form of an answer to a question; or
 - (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
10. Information relating to the meeting which the Company is required by section 311A of the Companies Act 2006 to publish on a website in advance of the meeting may be viewed at www.paypoint.com. A member may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the meeting other than as expressly stated in it.
11. It is possible that, pursuant to members' requests made in accordance with section 527 of the Companies Act 2006, the Company will be required to publish on a website a statement in accordance with section 528 of that Act setting out any matter that the members concerned propose to raise at the meeting relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company cannot require the members concerned to pay its expenses in complying with those sections. The Company must forward any such statement to its auditor by the time it makes the statement available on the website. The business which may be dealt with at the meeting includes any such statement.
12. The issued share capital of the Company as at 10 July 2023, the latest practicable date before publication of this notice, was 72,576,094 ordinary shares of 0.03 pence each, carrying one vote each. The Company holds no treasury shares. The total number of voting rights in the Company on 10 July 2023 is 72,576,094.
13. The Directors' service agreements, Directors' letters of appointment and Directors' deeds of indemnity are available for inspection at the registered office of the Company. Email: CompanySecretary@paypoint.com during normal business hours on any weekday (excluding public holidays). Copies of these documents will also be available at the place of the AGM from 15 minutes before the meeting until it ends.

Explanatory notes to certain of the resolutions to be proposed at the Annual General Meeting

Resolution 1: To receive the Directors' report and accounts

The Board asks that shareholders receive the Strategic Report, Directors' Report and the financial statements for the year ended 31 March 2023, together with the report of the auditor.

Resolution 2: Directors' Remuneration Policy

There are two remuneration resolutions this year. The first is to seek approval for our future Directors Remuneration Policy, which is intended to take effect from 7 September 2023. Our existing policy was approved at the 2020 AGM and a new policy must be put forward for approval by shareholders at least every three years. This resolution will be a binding vote and the Directors can only receive remuneration if it is within the approved Remuneration Policy. If Resolution 2 is not passed, our existing Directors' Remuneration Policy, approved at the 2020 AGM will continue in effect until a new policy is approved by shareholders.

Shareholders are asked to approve the Directors' Remuneration Policy that appears on pages 106-109 of the 2023 annual report. A summary of the changes made in the proposed 2023 policy is set out below:

1) Restricted Share Awards ('RSAs')

Under the current RSA Policy, RSAs granted to Executive Directors vest over three years (50% of awards), four years (25% of awards) and five years (25% of awards) subject to an assessment of the discretionary underpin. Once RSAs have vested, a holding period applies such that any resulting shares, other than those sold to pay employee taxes, may not be sold until at least five years from the grant date.

However, in future the Committee wishes to simplify the vesting such that RSAs granted to Executive Directors after the 2023 AGM will vest after three years from grant (subject to satisfaction of the underpin) with a two-year post vesting holding period. No changes will be made to existing awards.

Such a change simplifies the approach going forward, significantly reducing the administration surrounding multiple vesting dates across multiple awards and will align with the approach to granting RSAs below Board level. In addition, as evidenced during the recent search for our incoming Finance Director, a three-year vesting with a two-year holding period will more closely align PayPoint's approach to evolving RSA market practice.

2) Pension Policy

The maximum value of pension provision in the current Policy for current Executive Directors is 15% of salary. However, noting that the Chief Executive has received, and any new Finance Director will receive, a workforce-aligned pension provision from appointment, the 15% of salary Policy maximum will be replaced by a requirement to offer workforce aligned pension provision (which is currently 5% of salary) to Executive Directors.

3) Annual Bonus

Annual bonus potential for Executive Directors will continue to be capped at 106% of salary (noting that this is below the 150% of salary permitted under the Policy). Reflecting the below market annual bonus maximum for Executive Directors, and as per past practice and as aligned to practice below Board, on-target bonus potential will continue to operate at 80% of the maximum.

However, noting that the on-target bonus is higher than typical, and maximum potential is lower than market, the new Policy states that should bonus potential be increased from 106% of salary to a more market-aligned 150% of salary in the future (and as permitted under the current Policy), the on-target bonus potential will be reduced to 50% of maximum in line with market norms. Appropriate shareholder consultation would be carried out should Executive Director bonus potential be increased up to the Policy maximum going forward.

4) Introduction of ESG Performance Metrics

A widening of potential performance metrics in respect of both the annual bonus and the RSA underpin to explicitly permit the operation of ESG-based targets going forward to the extent that this is considered appropriate.

Resolution 3: Directors' Remuneration Report

Shareholders are asked to approve the Directors' Remuneration Report that appears on pages 104-123 of the 2023 annual report. This vote is advisory, and the Directors' entitlement to remuneration is not conditional on it.

Resolution 4: Declaration of final dividend

Shareholders are being asked to approve a final dividend of 9.3 pence per ordinary share for the year ended 31 March 2023. Subject to approval, the dividend will be paid on 22 September 2023 to the holders of ordinary shares whose names are recorded on the register of members at the close of business on 11 August 2023.

Resolutions 5-11: Directors

The Directors believe that the Board continues to maintain an appropriate balance of knowledge and skills and that all the Non-Executive Directors are independent in character and judgment. This follows a process of formal evaluation, which confirms that each Director makes an effective and valuable contribution to the Board and demonstrates commitment to the role (including making sufficient time available for Board and Committee meetings and other duties as required). In accordance with the UK Corporate Governance Code and in line with previous years, all Directors will again stand for election or re-election, as relevant, at the AGM this year. Biographies are available on pages 82-83 of the annual report. It is the Board's view that the Directors' biographies illustrate why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success.

Explanatory notes to certain of the resolutions to be proposed at the Annual General Meeting continued

Resolutions 12 and 13: Appointment and remuneration of auditor

The Company is required to appoint or reappoint an auditor at each general meeting at which accounts are presented to shareholders. Following the resignation of KPMG LLP as auditor, the Directors recommend Pricewaterhouse Coopers LLP be appointed as auditor for the financial year ending 31 March 2024. Resolution 13 grants authority to the Company to determine the auditor's remuneration.

Resolution 14: Directors' authority to allot shares

Paragraph (A) of this resolution would give the Directors the authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £72,576.09 (representing 24,192,031 ordinary shares of 0.03 pence each). This amount represents approximately one-third of the issued ordinary share capital of the Company as at 10 July 2023, the latest practicable date prior to publication of this notice. In line with guidance issued by the Investment Association, paragraph (B) of this resolution would give the Directors authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to £145,152.19 (representing 48,384,062 ordinary shares of 0.03 pence each), as reduced by the nominal amount of any shares issued under paragraph (A) of this resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital of the Company as at 10 July 2023, being the latest practicable date prior to publication of this notice. The authorities sought under paragraphs (A) and (B) of this resolution will expire at the close of business on 7 December 2024 or, if earlier, the AGM in 2024. The Directors have no present intention to exercise either of the authorities sought under this resolution, other than to allot ordinary shares as following the exercise of options and awards under the Company's share schemes. However, if they do exercise the authorities, the Directors intend to follow Investment Association recommendations concerning their use. As at the date of this Notice, the Company does not hold any shares in treasury.

Resolutions 15 and 16: Authority to disapply pre-emption rights

Resolutions 15 and 16 are proposed as special resolutions. If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are first offered to shareholders in proportion to their existing holdings.

In accordance with the Pre-emption Group's Statement of Principles 2022 on Disapplying Pre-emption Rights (Statement of Principles 2022), the Directors are seeking authority to disapply pre-emption rights in two separate resolutions:

- the first, Resolution 15, seeks authority for the Directors to disapply pre-emption rights and issue shares in connection with rights issues, or otherwise to issue shares for cash, including the sale on a non-pre-emptive basis of any shares the Company holds in treasury for cash, up to an aggregate nominal amount representing 10% of the Company's issued share capital, together with authority for a further disapplication of pre-emption rights up to an aggregate nominal amount representing 2% of issued share capital, to be used only for the purposes of a follow-on offer (see further below); and
- the second, Resolution 16 seeks authority for the Directors to disapply pre-emption rights and allot new shares and other equity securities up pursuant to the allotment authority given by Resolution 14 or sell treasury shares for cash up to an aggregate nominal amount representing an additional 10% of the Company's issued share capital but only in connection with transactions which the Directors determine to be either an acquisition or special capital investment as defined by the Statement of Principles 2022, with authority for a further disapplication of pre-emption rights up to an agreed nominal amount representing 2% of the issued share capital to be used only for the purposes of a follow-on offer.

If the Directors wish to allot new shares or other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are first offered to shareholders in the proportion to their existing holdings. However as at previous annual general meetings, and in line with the Statement of Principles 2022, Resolution 15 authorises the Directors to allot equity securities for cash without first offering them to existing shareholders in proportion to their existing holdings. In certain circumstances it may be in the best interests of the Company to allot shares (or to grant rights over shares) for cash or to sell treasury shares for cash without first offering them to existing shareholders in proportion to their holdings. However, the authority granted by Resolution 15 would be limited to allotments of shares for cash or sales of treasury shares for cash:

- by way of a rights issue (subject to certain exclusions); or by way of an open offer or other offer of securities (not being a rights issue) in favour of existing shareholders in proportion to their shareholdings (subject to certain exclusions);
- up to an aggregate nominal amount of £21,772.83 (representing 7,257,609 shares); or
- otherwise up to an aggregate nominal amount of £4,354.57 (representing 1,451,522 shares for the purposes only of a follow-on offer as described in the Statement of Principles 2022).

The aggregate nominal amounts above represent approximately 10% and 2% respectively of the issued ordinary share capital in the Company as at 10 July 2023, being the latest practicable date prior to the publication of this Notice.

Resolution 16 gives the Directors authority to allot shares (or to sell any shares which the Company may purchase and elect to hold as treasury shares) for cash without first offering them to existing shareholders in proportion to their existing shareholdings up to:

- an additional 10% of issued share capital in connection with an acquisition or specified capital investment; or
- up to an additional 2% of issued share capital for the purposes only of a follow-on offer as described in the Statement of Principles 2022. This is also in line with the Statement of Principles 2022.

The Directors confirm that they will only allot shares representing an additional 10% of the issued share capital of the Company for cash pursuant to the authority referred to in Resolution 16, where the allotment is in connection with an acquisition or specified capital investment (as defined in the Statement of Principles 2022) which is announced contemporaneously with the allotment, or which has taken place in the preceding 12-month period and is disclosed in the announcement of the allotment.

The authority sought by the Directors in both Resolution 15 and Resolution 16 extends the authority to allot shares representing up to a further 2% of issued share capital in each case for the purposes of a follow-on offer. The Statement of Principles 2022 provides for this as a possible means of enabling smaller and retail shareholders in the Company to participate in a non-pre-emptive equity issue when it may not be possible (for timing or other reasons) for them to participate in a particular placing being undertaken. The Statement of Principles 2022 sets out the expected features of any such follow-on offer, including in relation to qualifying shareholders, monetary caps on the amount qualifying shareholders can subscribe and the issue price of the shares.

The aggregate nominal amount to be allotted under Resolutions 15 and 16 combined represents 24% of the issued share capital of the Company as at 10 July 2023, being the latest practicable date prior to the publication of this Notice.

In respect of Resolutions 15 and 16, the Directors confirm their intention to follow the provisions of the Statement of Principles 2022, wherever practicable, and to consult with major shareholders (to the extent reasonably practicable and permitted by law) in advance of the Directors exercising their authority under either Resolution 15 or 16 to issue shares, except in connection with routine allotments under employee share schemes.

The Directors have no present intention of exercising either of the authorities granted by Resolution 15 or 16 but they consider their grants to be appropriate in order to preserve maximum flexibility in the future.

Both authorities will expire on the earlier of either the conclusion of the next annual general meeting of the Company or the close of business on 7 December 2024.

Resolution 17: Authority to make market purchases of ordinary shares

Resolution 17 is another special resolution and renews the Directors' authority granted by the shareholders at previous AGMs to make market purchases of up to 10% of the Company's issued ordinary shares (excluding any treasury shares). The Company may make purchases of its own shares if, having taken account of all major factors such as the effect on earnings and net asset value per share, gearing levels and alternative investment opportunities, such purchases are considered to be in the Company's and shareholders' best interests while maintaining an efficient capital structure.

If the Company purchases any of its ordinary shares pursuant to Resolution 17, the Company may cancel these shares or hold them in treasury. Such decision will be made by the Directors at the time of purchase. The minimum price, exclusive of expenses, which may be paid for an ordinary share is 5 pence. The maximum price, exclusive of expenses, which may be paid for an ordinary share is the highest of: (i) an amount equal to 5% above the average market value for an ordinary share for the five business days immediately preceding the date of the purchase; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out at the relevant time. At last year's annual general meeting, the Company was given authority to make market purchases of up to 6,895,790 shares. No shares have been purchased by the Company in the market since then. Options to subscribe for a total of 699,433 shares, being 0.96% of the issued ordinary share capital, were outstanding at 10 July 2023 (being the latest practicable date prior to the publication of this notice). If the existing authority given at the 2022 AGM and the authority being sought under Resolution 17 were to be fully used, these would represent 10.96% of the Company's issued ordinary share capital at that date. The Directors do not have any current plans to exercise the authority to be granted pursuant to Resolution 17. The Directors will exercise this authority only when to do so would be in the best interests of the Company, and of its shareholders generally. The authority will expire at the earlier of 7 December 2024 and the conclusion of the AGM of the Company held in 2024.

Resolution 18: Authority to allow any general meeting of the Company that is not an annual general meeting to be called on not less than 14 clear days' notice

The minimum notice period for general meetings of listed companies is 21 days, but companies may reduce this period to 14 days (other than for annual general meetings) provided that:

- (a) the Company offers a facility for shareholders to vote by electronic means. This condition is met if the Company has a facility enabling all shareholders to appoint a proxy by means of a website; and
- (b) on an annual basis, a shareholders' resolution approving the reduction of the minimum notice period from 21 days to 14 days is passed.

The Board is therefore proposing this resolution as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company other than an annual general meeting. The approval of this resolution will be effective until the end of the 2024 annual general meeting of the Company, when it is intended that the approval will be renewed. The Board intends that the shorter notice period will only be used in limited exceptional circumstances which are time-sensitive, rather than as a matter of routine, and only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole. The Directors do not have any current intention to exercise this authority but consider it appropriate to ensure that the Company has the necessary flexibility to respond to all eventualities.