

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, 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.**

**If you have sold or otherwise transferred all of your shares in Greggs plc, please send this document, together with the accompanying documents, 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 delivery to the purchaser or transferee.**



(Registered in England and Wales with registered number 502851)

**Registered office:**

Greggs plc  
Quorum Business Park  
Newcastle upon Tyne  
NE12 8BU

8th April 2022

Dear Shareholder,

**ANNUAL GENERAL MEETING (AGM)**

I enclose a formal notice of our Annual General Meeting, which is to be held at The Grand Hotel (formerly known as Marriott Gosforth Park Hotel), High Gosforth Park, Newcastle upon Tyne, NE3 5HN on Tuesday 17th May 2022 at 11:30 a.m.

**Format of the meeting due to the Covid-19 pandemic**

We are pleased to confirm that, at the date of posting this Notice, we expect that all Covid-19 restrictions will have been lifted, so we look forward to welcoming shareholders to the meeting for the first time since May 2019. We will provide refreshments as well as lunch following the meeting.

In the event that there is a change in either Government guidance, or regulation in relation to the impact of Covid-19, we will issue an announcement via a Regulatory News Service.

**Shareholder engagement**

We recognise that the AGM is an important meeting for shareholders in the annual calendar and your continued engagement and participation is important to us.

**How to ask questions**

If you would like to submit a question for consideration, please email it to [Greggsquestions@greggs.co.uk](mailto:Greggsquestions@greggs.co.uk) to be received by 5.00pm on 6th May 2022. We will answer as many as we can on the day, and any unanswered questions will receive a written reply.

The presentation will be made available on the company's website following the AGM.

**Resolutions to be determined by poll**

As is now established practice, all resolutions will be determined by poll vote, in accordance with best practice. On a poll, every shareholder has one vote for every share held.

**Election and re-election of Directors**

As you will know, our Chief Executive, Roger Whiteside, is stepping down from the Board following the close of the AGM, and I will be taking the opportunity to thank him for the service he has given and the excellent shape in which he leaves the Company. Consequently, Roger will not offer himself for re-election as a Director.

Otherwise, and in accordance with the UK Corporate Governance Code, all of the Directors will, in turn, resign as a Director and offer themselves for election or re-election. Your Board is delighted to support in particular the elections of Roisin Currie as an Executive Director and Chief Executive, and Mohamed Elsarky as an Independent Non-Executive Director.

I am pleased to confirm that, following evaluation and recommendation from the Nominations Committee, we are satisfied that each of the Directors seeking election or re-election at the meeting continue to make a valuable contribution to our discussions, has the best interests of the Company at heart, performs effectively and demonstrates commitment to the role, including commitment of time for Board and Committee meetings and any other required duties.

**Forms of proxy**

A proxy form is enclosed for you to complete (according to the instructions printed on it) and send to the Company's Registrars, Link Group, PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL to be received by 11:30 a.m. on 13th May 2022. CREST Members can cast their votes using CREST electronic proxy voting (further details of which are set out in note 9 on page 5 of this document).

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 <https://proxymity.io/> Your proxy must be lodged by 11.30 a.m. on 13th May 2022 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.

**Recommendation**

Your Directors believe that all the resolutions in the enclosed Notice of Annual General Meeting are in the best interests of the Company and are most likely to promote the success of the Company for the benefit of its shareholders as a whole. Accordingly, they unanimously recommend that you vote in favour of each resolution, as they intend to do in respect of their own shareholdings in the Company.

Yours faithfully,

**Ian Durant**  
Chair

## **GREGGS plc (Registered in England and Wales with registered number 502851)**

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Greggs plc (“**the Company**”) will be held at The Grand Hotel (formerly known as Marriott Gosforth Park Hotel), High Gosforth Park, Newcastle upon Tyne, NE3 5HN on Tuesday **17th May 2022 at 11:30 a.m.** for the following purposes:

#### **Ordinary Business**

1. To receive the accounts for the fifty two weeks ended 1st January 2022 together with the reports of the Directors and of the Auditor thereon.
2. To re-appoint RSM UK Audit LLP as auditor to the Company.
3. To authorise the Directors to determine the remuneration of the auditor of the Company.
4. To declare a final dividend for the financial year ended 1st January 2022 of 42p per ordinary share of 2p in the capital of the Company, to be paid on 8th June 2022 to Members whose names appear on the register of members in respect of such shares at the close of business on 13th May 2022.
5. To re-elect Mr I Durant as a Director.
6. To elect Ms R Currie as a Director.
7. To re-elect Mr R Hutton as a Director.
8. To re-elect Dr H Ganczakowski as a Director.
9. To re-elect Ms S Turner as a Director.
10. To re-elect Mrs. K Ferry as a Director.
11. To elect Mr M Elsarky as a Director.
12. To approve the Directors’ Remuneration report as set out on pages 84 to 106 of the Annual Report & Accounts for the financial year ended 1st January 2022.

To transact any other ordinary business of the Company.

#### **Special Business**

As special business, to consider and, if thought fit, pass the following resolutions, which will be proposed as to resolution 13 as an Ordinary Resolution and as to resolutions 14, 15, 16 and 17 as Special Resolutions:

13. THAT the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the “**2006 Act**”) to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company (“**Rights**”) up to an aggregate nominal amount of £674,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 16 August 2023 or, if earlier, the date of the next Annual General Meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the 2006 Act to allot shares or grant Rights but without prejudice to any allotment of shares or grant of Rights already made, offered or agreed to be made pursuant to such authorities.

14. THAT, subject to the passing of resolution 13 set out in the notice of this meeting, the Directors be given the general power in accordance with section 570 of the Companies Act 2006 (the “**2006 Act**”) to allot equity securities (as defined by section 560 of the 2006 Act) for cash, either pursuant to the authority conferred by resolution 13 set out in the notice of this meeting or by way of a sale of treasury shares, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities and the sale of treasury shares:
  1. in connection with an offer by way of a rights issue:
    - (a) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - (b) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  2. (otherwise than pursuant to paragraph 1 above) up to an aggregate nominal amount of £101,000.

The power granted by this resolution will expire on 16th August 2023 or, if earlier, the conclusion of the Company's next Annual General Meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if either section 89(1) of the Companies Act 1985 or section 561(1) of the 2006 Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

15. That, subject to the passing of Resolution 13 above and in addition to any authority granted under Resolution 14 above, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash pursuant to the authority given by Resolution 13 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, such authority to be:
1. limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £101,000; and
  2. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of Directors of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next Annual General Meeting of the Company or at the close of business on 16th August 2023, whichever is the earlier, but so that the Company may, before such expiry, 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 given by this resolution has expired and the Directors may allot equity securities and sell treasury shares under any such offer or agreement as if the authority had not expired.

16. That the Company be generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006 ("2006 Act"), to make market purchases (as defined in section 693(4) of the 2006 Act) of ordinary shares in the capital of the Company ("Ordinary Shares") up to an aggregate nominal amount of £202,000 on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:
- (a) the amount paid for each Ordinary Share (exclusive of expenses) shall not be more than five per cent above the average of the middle market quotation for an Ordinary Share as derived from the Daily Official List of London Stock Exchange plc for the five business days before the date on which the contract for the purchase is made and, in any event, not less than the nominal value of each Ordinary Share; and
  - (b) the authority herein contained shall expire at the conclusion of the next Annual General Meeting of the Company or on 16th August 2023, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred had not expired.
17. That a general meeting of the Company, other than an Annual General Meeting, may be called on not less than 14 clear days' notice, provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company.

Dated: 8th April 2022

By Order of the Board

Registered Office:  
Greggs plc  
Greggs House  
Quorum Business Park  
Newcastle upon Tyne  
NE12 8BU

**Jonathan D Jowett**  
Company Secretary

## Notes:

### Appointment of Proxies

1. If you are a member of the Company at the time set out in note 11 below, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the AGM and you should have received a proxy form with this notice of meeting. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's Registrars, Link Group on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00-17:30 Monday to Friday excluding public holidays in England and Wales. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the "Nominated persons" section below.
3. A proxy does not need to be a member of the Company but must attend the AGM to represent you. Details of how to appoint the Chair of the AGM or another person as your proxy using the proxy form are set out in the notes on that proxy form. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chair) and give your instructions directly to them.
4. You may appoint more than one proxy, provided that each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you may photocopy the enclosed proxy form.
5. Appointment of a proxy does not preclude you from attending the AGM and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.
6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the AGM or any adjournment thereof.

### Appointment of proxy using hard copy proxy form

7. To appoint a proxy using the proxy form, the form must be:
  - completed and signed;
  - sent or delivered to the Company's Registrars, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL; and
  - received by the Company's Registrars no later than 11:30 a.m. on 13th May 2022.

In the case of a member which is a company, the proxy form must be executed under its Common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

### Electronic appointment of proxies

8. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically by visiting [www.greggshares.co.uk](http://www.greggshares.co.uk). You will require your user name and password in order to log in and vote. If you have forgotten your username or password, you can request a reminder via the shareholder portal. If you haven't previously registered to use the portal, you will require your investor code ("IVC") which can be found on your proxy form. For an electronic proxy appointment to be valid, your appointment must be received by the Company's Registrars, Link Group no later than 11:30 a.m. on 13th May 2022

### Appointment of proxies through CREST

9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). 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 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 must be transmitted so as to be received by the issuer's agent (ID RAIO) by the latest time for receipt of proxy appointments specified in note 8 above. 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.

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 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.

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.

#### **Appointment of proxies through Proximity**

10. If you are an institutional investor you may be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to <https://proximity.io/> Your proxy must be lodged by 11.30 a.m. on 13th May 2022 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proximity'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.

#### **Appointment of proxy by joint members**

11. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

#### **Entitlement to attend and vote**

12. Only those members registered on the Company's register of members at close of business on 13th May 2022, and present in person at the AGM shall be entitled to vote at the meeting.

#### **Website giving information in relation to the Annual General Meeting**

13. Information regarding the AGM, including the information required by section 311A of the Companies Act 2006, is available from <https://corporate.greggs.co.uk>.

#### **Corporate representatives**

14. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

#### **Issued shares and total voting rights**

15. As at 25th March 2022 being the last practicable date prior to the publication of this notice, the Company's issued share capital comprised 101,901,130 ordinary shares of 2p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 25th March 2022 being the last practicable date prior to the publication of this notice is 101,901,130.

The website referred to in note 13 includes information on the number of shares and voting rights.

#### **Questions at the Meeting**

16. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at the AGM unless:
- answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
  - the answer has already been given on a website in the form of an answer to a question; or
  - it is undesirable, in the interests of the Company or the good order of the meeting, that the question be answered.

**Should you wish to have a question considered at the AGM, please submit it to [Greggsquestions.co.uk](https://greggsquestions.co.uk) to be received by 5.00 p.m. on 6th May 2022.**

#### **Website publication of audit concerns**

17. Pursuant to Chapter 5 of Part 16 of the Companies Act 2006 (sections 527 to 531), where requested by a members or members meeting the qualification criteria set out at note 17 below, the Company must publish on its website, a statement setting out any matter that such member(s) propose to raise at the AGM relating to 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 meeting.

Where the Company is required to publish such a statement on its website:

- it may not require the member(s) making the request to pay any expenses incurred by the Company in complying with the request;
- it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website; and
- the statement may be dealt with as part of the business of the meeting.

The request:

- may be in hard copy form or in electronic form (see note 19 below);
- either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported;
- must be authenticated by the person or persons making it (see note 19 below); and
- be received by the Company at least one week before the meeting.

### Members' qualification criteria

18. In order to be able to exercise the members' right to require the Company to publish audit concerns (see note 17), the relevant request must be made by:
- a member or members having a right to vote at the AGM and holding at least 5% of total voting rights of the Company; or
  - at least 100 members having a right to vote at the AGM and holding, on average, at least £100 of paid up share capital.

For information on voting rights, including the total number of voting rights, see note 15 above and the website referred to in note 13.

### Submission of hard copy and electronic requests and authentication requirements

19. Where a member or members wishes to request the Company to publish audit concerns (see note 17), such request must be made in accordance with one of the following ways:
- in the case of a request made in hard copy form, such request must be signed by a shareholder(s), state such shareholder(s) full name(s) and address and sent to the Company Secretary at Greggs plc, Greggs House, Quorum Business Park, Newcastle upon Tyne, NE12 8BU.
  - in the case of a request made in electronic form, such request must state such shareholder(s) full name(s) and address and be sent to [investorrelations@greggs.co.uk](mailto:investorrelations@greggs.co.uk).

### Nominated persons

20. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights ("**Nominated Person**") you may have a right under an agreement between you and the member ("**Relevant Member**") of the Company who has nominated you to have information rights, to be appointed or to have someone else appointed as a proxy for the AGM.

If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.

Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

### Biographical details

21. Biographical details and Committee memberships of each Director who is being proposed for re-election by members are set out in the Annual Report and Accounts posted to members at the same time as this circular and available on the Company's website at <https://corporate.greggs.co.uk>.

### Documents on display

22. The following documents will be available for inspection subject to coronavirus restrictions and by prior appointment, at the Company's registered office from the date of this notice until the time of the AGM and at the meeting venue itself for at least 15 minutes prior to the meeting until the end of the meeting:
- copies of the service contracts of Executive Directors of the Company;
  - copies of the letters of appointment of the Non-Executive Directors of the Company;
  - copies of the deeds of indemnity for Executive and Non-Executive Directors of the Company; and
  - a copy of the articles of association of the Company.

If you wish to inspect those documents, please make an appointment by emailing the Company Secretary at [jonathan.jowett@greggs.co.uk](mailto:jonathan.jowett@greggs.co.uk).

### Communication

23. Except as provided above, members who have general queries about the AGM should contact the Company Secretary at Greggs plc, Greggs House, Quorum Business Park, Newcastle upon Tyne, NE12 8BU, on 0191 281 7721 or via email to [Jonathan.jowett@greggs.co.uk](mailto:Jonathan.jowett@greggs.co.uk) (no other methods of communication will be accepted).

You may not use any electronic address provided either:

- in this notice of AGM; or
- any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

## Explanatory Notes:

### Ordinary Business

Section 439 of the Companies Act 2006 requires quoted companies, at each general meeting at which statutory accounts are to be laid, to propose an ordinary resolution approving the Directors' Remuneration report for the year. Resolution 12 will be proposed as an ordinary resolution for this purpose.

### Special Business

The Companies Act 2006 provides that Directors shall only allot new shares with the authority of shareholders in general meeting. Resolution 13 will be proposed as an Ordinary Resolution for the renewal of the Directors' general authority to allot shares up to an aggregate nominal amount of £679,000, representing approximately one third of the current issued share capital of the Company.

The Directors have no present intention of exercising this authority and the authority will, unless renewed, varied or revoked by the Company, expire on 16th August 2023, or, if earlier the date of the next AGM of the Company.

The Companies Act 2006 also provides that any allotment of new shares for cash must be made pro rata to individual shareholders' holdings, unless such provisions are disapplied under section 570 of the Companies Act 2006. Resolution 14 will be proposed as a Special Resolution for the renewal of the Directors' authority to allot equity securities for cash, without first offering them to shareholders pro rata to their holdings. This authority facilitates issues made by way of rights to shareholders which are not strictly in accordance with section 561(1) of the Companies Act 2006, and authorises other allotments of up to a maximum aggregate nominal amount of £101,000, representing approximately 5 per cent of the current issued share capital of the Company. This authority also allows the Directors, within the same aggregate limit, to sell for cash shares that may be held by the Company in treasury (the Company does not currently hold any such shares). The Directors have no present intention of exercising this authority and in line with best practice, the Company has not issued more than 7.5% of its issued share capital for cash on a non-pro rata basis over the last three years.

The Pre-Emption Group's Statement of Principles also support the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash where these represent no more than an additional 5 per cent of issued ordinary share capital (exclusive of treasury shares), and are used only in connection with an acquisition or specified capital investment. The Pre-Emption Group's Statement of Principles defines "specified capital investment" as meaning one or more specific capital investment related uses for the proceeds of an issue of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, the purpose of Resolution 15 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 13, or sell treasury shares, for cash up to a further nominal amount of £101,000, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. This amount is equivalent to approximately 5 per cent of the total issued ordinary share capital of the Company. Resolution 15 has been drafted in line with the template resolutions published by the Pre-Emption Group in May 2016.

In relation to Resolutions 15 the Directors consider that it is in the best interests of the Company and its shareholders generally that the Company should have the flexibility conferred by the above authorities. This is in line with corporate governance guidelines. However, the Directors have no present intention of exercising this authority.

Resolution 16 will be proposed as a Special Resolution for the renewal of the Company's authority to purchase its own shares in the market up to an aggregate nominal amount of £202,000, representing approximately 10 per cent of the issued share capital of the Company. The price payable shall not be more than 5 per cent above the average price of the middle market quotation as derived from the Daily Official List of London Stock Exchange plc for the Ordinary Shares for the five business days before the purchase is made and in any event not less than the nominal value of each Ordinary Share. It is the Directors' intention only to exercise the authority to purchase the Company's shares where it would increase the earnings per share of those Ordinary Shares that are not re-purchased. The Company intends either to cancel such shares or to hold them in treasury. This power will only be used if the Directors consider that to do so would be in the best interests of shareholders generally. The total number of warrants and options to subscribe for equity shares that are currently outstanding is 1,949,963, which represents approximately 1.9% of the current issued share capital of the Company. If the full authority to buyback shares (i.e. the existing authority and that being sought under Resolution 16 is used this would represent approximately 2.1% of the current issued share capital of the Company.

Resolution 17 will be proposed as a Special Resolution to allow the Company to continue to hold general meetings on 14 clear days' notice. The Company is currently able to call general meetings other than AGMs on 14 clear days' notice in accordance with its Articles of Association. However, the Companies (Shareholders' Rights) Regulations 2009 (the "**Regulations**"), which came into force on 3rd August 2009, increased the required notice period for all general meetings to 21 days, which overrides the authority provided for in the Articles of Association. The Company is able to reserve the authority to call general meetings (other than the AGM) on 14 clear days' notice, provided shareholders have approved this by passing a resolution annually at each AGM and the Company has met the requirements for electronic voting under the Regulations. The Company does not intend to call general meetings on 14 clear days' notice as a matter of routine but would like to retain the flexibility to do so where the Directors believe that it is in the best interests of the Company, for example, where the Directors believe there is a financial or operational advantage which outweighs the benefit to shareholders of a longer notice period.