



Notice of annual general meeting

2020

Year ended 31 March 2020
Redcentric plc
Registered and incorporated in England
and Wales with company number 08397584

redcentric

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Notice of annual general meeting

Notice is hereby given that the annual general meeting (the “**AGM**”) of Redcentric plc (the “**Company**”) will be held at the Company’s offices at Lifeline House, 80 Clifton Street, London EC2A 4HB on 16 September 2020 at midday.

In light of the COVID-19 pandemic and in line with the government guidance as at the date of this notice regarding social distancing and the prohibition of social gatherings, the board of directors of the Company (the “**Board**”) regrets that it has been necessary to alter the arrangement and format of the AGM this year in order to protect the health and well-being of shareholders and attendees. Shareholders will therefore not be able to attend the meeting and will be refused entry. The Company will make arrangements such that the legal requirements to hold the meeting can be satisfied through the attendance of a minimum number of people who are essential for the business of the AGM. The format of the meeting will be simply to propose and vote on the resolutions set out in this notice and the meeting will end immediately following the formal business of the AGM. Shareholders are therefore requested to vote on the resolutions in advance of the AGM by appointing a proxy and are strongly advised to appoint the chairman of the AGM as their proxy as set out below.

The results of the AGM will be available on the Company’s website shortly after the meeting has closed.

The Company will continue to monitor the impact of COVID-19, including how new government guidance may change current restrictions or implement further measures relating to the holding of general meetings during the affected period. If it becomes necessary or appropriate to revise the current arrangements, further information will be made available on the Company’s website and by RIS announcement.

The purpose of the AGM will be as follows:

Ordinary business

To consider and, if thought fit, pass the following resolutions, each of which will be proposed as an ordinary resolution:

Annual report and financial statements

1. To receive the Company’s audited accounts for the financial year ended 31 March 2020 together with the directors’ report and the auditors’ report on those annual accounts.

Re-appointment of directors

2. To re-appoint Ian Johnson as a director of the Company.
3. To re-appoint David Senior as a director of the Company.
4. To re-appoint Jonathan Kempster as a director of the Company.
5. To re-appoint Stephen Vaughan as a director of the Company.

Re-appointment of auditors

6. To re-appoint KPMG as auditors of the Company to hold office from the conclusion of the AGM until the conclusion of the next annual general meeting in 2021 at which accounts are laid before the Company.

Auditors’ remuneration

7. To authorise the directors of the Company to determine the remuneration of the auditors.

Special business

To consider and, if thought fit, pass the following resolutions, of which resolution 8 will be proposed as an ordinary resolution and resolutions 9 to 11 will be proposed as special resolutions:

Directors' authority to allot shares

8. THAT, in substitution for any equivalent authorities and powers granted to the directors prior to the passing of this resolution, the directors be and are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to exercise all powers of the Company to allot shares in the Company, and to grant rights to subscribe for or to convert any security into shares of the Company ("Allotment Rights") up to an aggregate nominal amount of £51,353, provided that, unless previously revoked, varied or extended, this authority shall expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company, except that the Company may, at any time before such expiry, make an offer or agreement which would or might require shares to be allotted or Allotment Rights to be granted after such expiry and the directors may allot shares or grant Allotment Rights in pursuance of such an offer or agreement as if this authority had not expired.

Directors' power to issue shares for cash

9. THAT, conditional on the passing of resolution 8, the directors be and they are empowered pursuant to section 570(1) of the Companies Act 2006 (the "Act") to allot equity securities (as defined in section 560 of the Act) of the Company wholly for cash pursuant to the authority conferred by resolution 8, and/or by way of a sale of treasury shares (by virtue of section 573 of the Act), in each case as if section 561(1) of the Act did not apply to any such allotment provided that the power conferred by this resolution shall be limited to:

a. the allotment of equity securities and the sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities:

i. to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be practicable) to their existing holdings; and

ii. to holders of any other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

subject, in each case, to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal, regulatory or practical problems arising under the laws or requirements of any overseas territory or by virtue of shares being represented by depositary receipts or the requirements of any regulatory body or stock exchange or any other matter whatsoever; and

b. the allotment (otherwise than pursuant to sub-paragraph 9a above) of equity securities or sale of treasury shares up to an aggregate nominal amount of £7,703.

Unless previously revoked, varied or extended, this power shall expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company, except that the Company may, at any time before such expiry, make an offer or agreement which would or might require equity securities to be allotted (and/or treasury shares to be sold) after such expiry and the directors may allot equity securities (and/or sell treasury shares) in pursuance of such an offer or agreement as if this power had not expired.

Directors' power to issue shares for cash in connection with an acquisition or specified capital investment

10. THAT, conditional on the passing of resolution 8, and in addition to any authority granted under resolution 9, the directors be and they are empowered pursuant to section 570(1) of the Companies Act 2006 (the "**Act**") to allot equity securities (as defined in section 560 of the Act) of the Company wholly for cash pursuant to the authority conferred by resolution 8, and/or by way of a sale of treasury shares (by virtue of section 573 of the Act), in each case as if section 561(1) of the Act did not apply to any such allotment provided that the power conferred by this resolution shall be:

- a. limited to the allotment of equity securities up to an aggregate nominal amount of £7,703 ; and
- b. used only for the purposes of financing (or refinancing, if the power is to be used within six months after the original transaction) a transaction which the directors of the Company determine 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.

Unless previously revoked, varied or extended, this power shall expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company, except that the Company may, at any time before such expiry, make an offer or agreement which would or might require equity securities to be allotted (and/or treasury shares to be sold) after such expiry and the directors may allot equity securities (and/or sell treasury shares) in pursuance of such an offer or agreement as if this power had not expired.

Authority to make market purchases of own shares

11. THAT, the Company be and is generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006 (the "**Act**") to make market purchases (within the meaning of section 693 of the Act) of ordinary shares of £0.1p each, provided that:

- a. the maximum aggregate number of ordinary shares that may be purchased under this authority is 7,702,916;
- b. the minimum price (excluding expenses) which may be paid for each ordinary share is its nominal value;
- c. the maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:
 - i. 105 per cent of the average market value of an ordinary share in the Company for the five business prior to the day the purchase is made; and
 - ii. the value of an ordinary share calculated on the basis of the higher of the price quoted for:
 - the last independent trade of; and
 - the highest current independent bid for, any number of the Company's ordinary shares on the trading venue where the purchase is carried out.
- d. The authority conferred by this resolution shall expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company save that the

Company may, before the expiry of the authority granted by this resolution, enter in to a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority and the Company may purchase shares pursuant to any such contract as if the authority had not expired.

By order of the Board

Harn Jagpal

Company Secretary

11 August 2020

Registered Office

Central House

Beckwith Knowle

Harrogate

HG3 1UG

Explanatory notes

1. To be entitled to vote at the AGM (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the register of members of the Company ("**Register of Members**") at close of trading on 14 September 2020. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the AGM.
 2. It is currently intended that the AGM will take place as a closed meeting and shareholders will not be able to attend the meeting.
 3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the AGM. Ordinarily, 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 ordinary share or ordinary shares held by that shareholder and ordinarily, a proxy need not be a shareholder of the Company. However, given the current restrictions on attendance, shareholders are encouraged to submit a proxy vote in advance of the meeting and are also strongly advised to appoint the chairman of the AGM as their proxy rather than a named person who will not be permitted to attend the meeting.
 4. 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).
 5. 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 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.
 6. Any member wishing to vote at the AGM should appoint a proxy. You can appoint a proxy by:
 - logging on to www.signalshares.com and following the instructions; or
 - requesting a hard copy form of proxy directly from the registrars, Link Asset Services (previously called Capita) ("**Registrars**"), on Tel: +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. A hard copy proxy form should be completed in accordance with the instructions that accompany it and the delivered (together with any power of attorney or other authority under which it is signed, or a certified copy of such item) to Link Asset Services at 34 Beckenham Road, Beckenham, Kent, BR3 4ZF; or
 - in the case of CREST members, utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
- Proxy appointments, whether submitted electronically or by post, must be received by the Registrars by no later than midday on 14 September 2020.
- Shareholders are strongly encouraged to submit a proxy vote in advance of the meeting and, given the current restrictions on attendance, to appoint the Chairman of the AGM as their proxy rather than a named person who will not be permitted to attend the meeting.

7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in note 10 below) would not usually prevent a shareholder from attending the AGM and voting in person if he/she wishes to do so but on this occasion, as detailed above, the AGM will take place as a closed meeting and shareholders will not be able to attend.
9. 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 of the AGM) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EU). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a 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.
10. 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 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 RA10) by no later than midday on 14 September 2020.
- For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application 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.
11. 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 message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. 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 (as amended).
12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.

13. As at 3 August 2020 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 154,880,743 ordinary shares, 822,427 of which are held in treasury and the remainder of which carry one vote each. Therefore, the total voting rights in the Company as at 3 August 2020 are 154,058,316.
14. Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (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 financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
15. Any shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the AGM 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 the Company or the good order of the meeting that the question be answered.
- In light of the request to not attend the AGM, the Board shall accept any questions relating to the business being dealt with at the AGM which are submitted by shareholders in advance to the Company and the Company shall publish the question and the response on the Company's website in advance of the AGM. Any such questions should be sent to the email address investorrelations@redcentricplc.com so as to be received by no later than 17:00 on 11 September 2020.
16. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day from the date of this notice until the conclusion of the AGM:
- copies of the service contracts of the executive directors of the Company; and
 - copies of letters of appointment of the non-executive directors of the Company.
17. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.
- A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at www.redcentricplc.com/investors/shareholder-documents/.

Explanatory notes on certain business of the AGM

1. Resolutions 2 to 5 – Re-appointment of directors

The Company's articles of association ("Articles") require any director who has been appointed by the Board after the last annual general meeting to retire at the next annual general meeting following his or her appointment. Ian Johnson and David Senior were both appointed by the Board since the last annual general meeting of the Company and accordingly they will retire from office at the AGM and stand for re-appointment by the shareholders. Resolutions 2 and 3 propose their re-appointment. The Articles also require that, at any annual general meeting of the Company, any director who has not been appointed or re-appointed at either of the two previous annual general meetings, shall retire. Accordingly, each of Jonathan Kempster and Stephen Vaughan are retiring and offering themselves for re-election. Resolutions 4 and 5 propose the re-appointment of these directors. Brief biographical details of each of these directors are set out on page 46 of the Annual Report.

2. Resolution 8 – Directors' authority to allot shares

This resolution grants the directors authority to allot shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the capital of the Company, up to an aggregate nominal value of £51,353 (which represents approximately one third of the issued ordinary share capital of the Company (excluding treasury shares) as at 3 August 2020, being the latest practicable date prior to the publication of this notice).

Unless revoked, varied or extended, this authority will expire at the conclusion of the next annual general meeting of the Company or the date falling 15 months from the passing of the resolution, whichever is the earlier.

3. Resolution 9 – Directors' power to issue shares for cash

This resolution authorises the directors in certain circumstances to allot equity securities for cash other than in accordance with the statutory pre-emption rights (which require a company to offer all allotments for cash first to existing shareholders in proportion to their holdings). The relevant circumstances are either where the allotment takes place in connection with a rights issue or the allotment is limited to a maximum nominal amount of £7,703, representing approximately five per cent. of the nominal value of the issued ordinary share capital of the Company (excluding treasury shares) as at 3 August 2020, being the latest practicable date prior to the publication of this notice.

In 2015, the Pre-Emption Group (which represents the Investment Association and the Pension and Lifetime Savings Association) published a revised statement of principles for the disapplication of pre-emption rights (the "Principles"). The Principles relate to issues of equity securities for cash other than on a pre-emptive basis by all companies (wherever incorporated) with shares admitted to the Premium Listing segment of the Financial Conduct Authority and to trading on the Main Market for listed securities of the London Stock Exchange. Certain other companies, including those with shares admitted to trading on AIM, are encouraged to adopt the Principles. The Principles provide that a general authority for the disapplication of pre-emption rights over approximately five per cent. of the Company's issued ordinary share capital should be treated as routine.

Unless revoked, varied or extended, this authority will expire at the conclusion of the next annual general meeting of the Company or 15 months after the passing of the resolution, whichever is the earlier.

Treasury shares regulations

The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (as amended) (“**Treasury Shares Regulations**”) give flexibility concerning what the Company can do with any of its ordinary shares that it may buy back. The Company may now hold such shares ‘in treasury’ and then sell them at a later date for cash rather than simply cancelling them. The Treasury Shares Regulations require such sales to be on a pre-emptive, pro-rata basis to existing shareholders unless shareholders agree by special resolution to dis-apply such pre-emption rights. Accordingly, in addition to giving the directors power to allot unissued ordinary shares on a non-pre-emptive basis, resolution 9 will also give directors power to sell ordinary shares held in treasury on a non-pre-emptive basis, subject always to the limitations noted above.

The directors consider that the power proposed to be granted by resolution 9 is necessary to retain flexibility, although they do not have any intention at the present time of exercising such power.

4. Resolution 10 – Directors’ power to issue shares for cash in connection with an acquisition or specified capital investment

The Principles further provide that the Company may seek to disapply pre-emption rights over the equivalent of approximately an additional five per cent. of the issued ordinary share capital of the Company (excluding treasury shares), so long as certain criteria are met. Subject to the passing of resolution 8, resolution 10 seeks to grant a new authority (in addition to the authority referred to above in relation to resolution 9) to authorise the directors to allot ordinary shares, or grant rights to subscribe for, or convert securities into, ordinary shares or sell treasury shares for cash (other than pursuant to an employee equity incentive share scheme) up to an aggregate nominal value of approximately five per cent. of the Company’s issued ordinary share capital (excluding treasury shares)

without application of pre-emption rights pursuant to section 561 of the Companies Act 2006, provided that the authority will only be used for the purpose of:

- a. an acquisition; or
- b. a specified capital investment in respect of which sufficient information regarding the effect of the investment on the Company, the assets that are the subject of the investment and (where appropriate) the profits attributable to those assets is made available to shareholders to enable them to reach an assessment of the potential return on the investment which is announced contemporaneously with the issue or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

Unless revoked, varied or extended, this authority will expire at the conclusion of the next annual general meeting of the Company or 15 months after the passing of the resolution, whichever is the earlier.

5. Resolution 11 – Authority to make market purchases of own shares

This resolution seeks authority for the Company to make market purchases of its own ordinary shares and is proposed as a special resolution. If passed, the resolution gives authority for the Company to purchase up to 7,702,916 of its ordinary shares, representing five per cent of the Company’s issued ordinary share capital (excluding treasury shares) as at 3 August 2020, being the latest practicable date prior to the publication of this notice.

The resolution specifies the minimum and maximum prices which may be paid for any ordinary shares purchased under this authority. The authority will expire on the earlier of the date falling 15 months after the passing of the resolution and the Company’s 2021 annual general meeting.

The directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally and will result in an increase in earnings per ordinary share.

The Company may either cancel any shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

On 17 September 2019, the Company announced that it had approved a share buyback programme of the Company's ordinary shares for an aggregate purchase price of up to £2 million (the "**Buyback Programme**"). The Buyback Programme formed part of the Group's broader strategy to deliver shareholder value. On 3 April 2020, as a result of the COVID-19 pandemic, the Company announced its decision to temporarily halt the Buyback Programme until such time as the outlook becomes more certain.

On 3 August 2020, the total number of options to subscribe for ordinary shares in the Company amounted to 3,690,808 and the Company had a total of 350,000 outstanding share warrants in issue. This represented 2.62 per cent of the Company's issued ordinary share capital (excluding treasury shares) on that date.

If this authority to purchase shares was exercised in full the options and warrants would represent 2.76 per cent of the issued ordinary share capital (excluding treasury shares) as at 3 August 2020.

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