



redcentric

NOTICE OF ANNUAL GENERAL MEETING 2019

Year ended 31 March 2019

Redcentric plc

Registered and incorporated in England
and Wales with company number 08397584

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 offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF on Monday 2 September 2019 at midday for the following purposes:

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 2019 together with the directors’ report and the auditors’ report on those annual accounts.

Re-appointment of director

2. To re-appoint Chris Rigg as a director of the Company.

Re-appointment of auditors

3. 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 2020 at which accounts are laid before the Company.

Auditors’ remuneration

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

Dividend

5. To declare a final dividend of 1.0p per ordinary share in respect of the financial year ended 31 March 2019.

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions, of which resolutions 6 and 7 will be proposed as ordinary resolutions and resolutions 8 to 10 will be proposed as special resolutions:

Directors’ fees

6. To:
 - a. approve, adopt and ratify the decisions of the current and former directors of the Company to pay fees to directors in the amounts set out in the Company’s annual report and accounts for each of the financial years from and including the financial year ended 31 March 2016 up to and including the financial year ended 31 March 2019, and the fees which are payable in the financial year ending 31 March 2020, notwithstanding that the amounts of such fees exceeded or may have exceeded the limit set out in the Company’s articles of association (the “**Articles**”); and
 - b. increase the limit on the aggregate sum that may be paid per year as directors’ fees under article 93 of the Articles from £150,000 to £300,000.

Directors’ authority to allot shares

7. 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 £49,712, 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

8. THAT, conditional on the passing of resolution 7, 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 7, 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 7a above) of equity securities or sale of treasury shares up to an aggregate nominal amount of £7,457.

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

9. THAT, conditional on the passing of resolution 7, and in addition to any authority granted under 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 7, 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 £7,457; 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

10. 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 7,456,765;
- 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 days 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
2 August 2019

Registered Office:
Central House
Beckwith Knowle
Harrogate
HG3 1UG

EXPLANATORY NOTES

1. To be entitled to attend and 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 29 August 2019. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the AGM.
2. Shareholders, or their proxies, intending to attend the AGM in person are requested, if possible, to arrive at the AGM venue at least 20 minutes prior to the commencement of the AGM at midday (UK time) on Monday 2 September 2019 so that their shareholding may be checked against the Company’s Register of Members and attendances recorded.
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. 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. A proxy need not be a shareholder of the Company.
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 without attending in person or (in the case of a corporation) through its duly appointed representative must appoint a proxy to do so. 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), on Tel: 0871 664 0391. Calls cost 12p per minute plus your phone company’s access charge. If you are outside the United Kingdom, please call +44 371 664 0391. 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 Link Asset Services by no later than midday on 29 August 2019.

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 11 below) will not prevent a shareholder from attending the AGM and voting in person if he/she wishes to do so.
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/EUI). 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 29 August 2019. 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 system 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.
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 29 July 2019 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 149,135,316 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 29 July 2019 are 149,135,316.

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 of the Company or the good order of the Meeting that the question be answered.
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 time of the AGM and may also be inspected at the AGM venue, as specified in this notice, from at least 15 minutes prior to the AGM until the conclusion of the AGM:
- Copies of the service contracts of the executive director 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/about-us/investors.

EXPLANATORY NOTES ON CERTAIN BUSINESS OF THE AGM

1. Resolution 2 – Re-appointment of director

This resolution proposes the re-appointment of Chris Rigg as a director of the Company. The Company's articles of association (“**Articles**”) require any director who has been appointed by the board of directors after the last annual general meeting to retire at the next annual general meeting following his or her appointment. Chris Rigg was appointed by the board of directors since the last annual general meeting of the Company and accordingly he will retire from office at the AGM and stand for re-appointment by the shareholders.

2. Resolution 5 – Dividend

The directors of the Company are recommending a final dividend of 1.0p per ordinary share in respect of the financial year ended 31 March 2019. If the final dividend is approved by shareholders, it will be paid on 6 September 2019 to the holders of ordinary shares on the register of members at the close of business on 5 July 2019.

3. Resolution 6 – Directors’ fees

Under the Company's Articles, the aggregate fees payable to directors (excluding any salary, remuneration or other amount payable to a director in accordance with the Articles) per year is £150,000, or such other limit as the Company in general meeting shall from time to time determine. Whilst details of the fees paid to directors in each financial year have been disclosed in the Company's annual report and accounts in each year, the Company has not formally determined in general meeting a revised limit on the aggregate fees payable to directors under the Articles. In each financial year from and including the financial year ended 31 March 2016 up to and including the financial year ended 31 March 2019, and in the current financial year ending 31 March 2020, the aggregate amount of fees paid or payable to directors has exceeded the current £150,000 limit set out in the Articles, as detailed below. There has, therefore, in relation to each of those financial years, been a technical breach of the limit set under the Articles.

Annual Report and Accounts	Aggregate directors’ fees paid £000 (Amount paid in excess of limit in Articles) £000
Financial year ended 31 March 2020	£200 (£50)
Financial year ended 31 March 2019	£190 (£40)
Financial year ended 31 March 2018	£213 (£63)
Financial year ended 31 March 2017	£173 (£23)
Financial year ended 31 March 2016	£288 (£138)

The purpose of resolution 6 is to address this issue by formally increasing the aggregate limit on the fees that may be paid to directors from £150,000 to £300,000, which will allow the Company some headroom to accommodate any future increases in the aggregate amount of fees payable to the directors whether due to further appointments of directors or otherwise.

Resolution 6 also formally ratifies, adopts and approves the decisions of the current and former directors of the Company in approving the fees paid and payable to directors in each financial year from and including the financial year ended 31 March 2016 up to and including the current financial year, notwithstanding that the aggregate amount of such fees exceeded or exceeds the current limit set out in the Articles.

In accordance with section 239 of the Companies Act 2006 (the “**Act**”), the votes of any shareholders who were directors in office at the time when the decisions to approve payments to directors in excess of the limit in the Articles were approved, and of any shareholders having a relevant connection with any of them, in favour of resolution 6 will be disregarded in determining whether resolution 6 is passed.

4. Resolution 7 – 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 £49,712 (which represents approximately one third of the issued ordinary share capital of the Company as at 29 July 2019, being the latest practicable date prior to the publication of this notice). There are no treasury shares in issue in the Company as at the date 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.

5. Resolution 8 – 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 £7,457, representing approximately five per cent. of the nominal value of the issued ordinary share capital of the Company as at 29 July 2019, 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 Official List of the UK Listing 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 8 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 8 is necessary to retain flexibility, although they do not have any intention at the present time of exercising such power.

6. Resolution 9 – 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, so long as certain criteria are met. Subject to the passing of resolution 7, resolution 9 seeks to grant a new authority (in addition to the authority referred to above in relation to resolution 8) 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 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.

7. Resolution 10 – 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 7,456,765 of its ordinary shares, representing five per cent of the Company’s issued ordinary share capital (excluding treasury shares) as at 29 July 2019, 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 2020 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 29 July 2019, the total number of options to subscribe for ordinary shares in the Company amounted to 3,491,887 and the Company had a total of 350,000 outstanding share warrants in issue. This represented 2.58 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 2.71 per cent of the issued ordinary share capital (excluding treasury shares) as at 29 July 2019.

HARROGATE (HEAD OFFICE)

Central House
Beckwith Knowle
Harrogate HG3 1UG

LONDON

Lifeline House
80 Clifton Street
London EC2A 4HB

CAMBRIDGE

Newton House
Cambridge Business Park
Cowley Road
Cambridge CB4 0WZ

HYDE

Unit B, SK14 Industrial Park
Broadway
Hyde
SK14 4QF

READING

3-5 Worton Drive
Reading
RG2 0TG

INDIA

606-611, 6th Floor
Manjeera Trinity Corporate
JNTU – Hitech City Road
Kukatpally, Hyderabad – 72

0800 983 2522

sayhello@redcentricplc.com

www.redcentricplc.com

redcentric



ISO 9001
Quality
Management

FS 603185

ISO 14001
Environmental
Management

EMS 673052

ISO/IEC
20000-1
Information
Technology Service
Management

ITMS 606453

ISO 22301
Business
Continuity
Management

BCHS 603194

ISO/IEC
27001
Information Security
Management

IS 603187