

Notice of 2020 Annual General Meeting



This document is important and requires your immediate attention.

If you are in doubt as to what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or transferred all of your registered holding of ordinary shares in the Company, please forward this document, together with any accompanying documents, as soon as possible to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding, you should retain this document and its enclosures.

Your attention is drawn to the letter from the Chairman in this document, which sets out the special arrangements in place for the meeting in light of the COVID-19 pandemic. To participate in the meeting, you are strongly encouraged to complete and submit the form of proxy in accordance with the instructions printed on the enclosed form or by visiting www.investorcentre.co.uk/eproxy. To be valid, the form of proxy must be received by the Company's registrar, Computershare Investor Services, by no later than 11:00 am BST on Monday 21 September 2020. Further details can be found in the notes to the Notice of Annual General Meeting set out on pages 6 and 7.

Letter from the Chairman

60 Gresham Street
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19 August 2020

Dear Shareholder

On behalf of the Board of Alpha Financial Markets Consulting plc ("Board"), I am pleased to confirm that our 2020 Annual General Meeting ("AGM") will take place at 60 Gresham Street, London EC2V 7BB on [Wednesday 23 September 2020 at 11:00 am BST](#). The formal Notice of Annual General Meeting with details of the proposed resolutions is set out on pages 4 to 5 of this document. Explanatory notes to the business to be considered are set out on pages 7 to 8 of this document.

Due to the ongoing COVID-19 pandemic, and the associated restrictions put in place by the UK Government, it is not currently possible to hold the AGM in the way we had originally planned. [The Board therefore intends to run the AGM as a closed meeting and shareholders will not be able to attend in person](#). We trust you understand that this decision is driven by the need to protect shareholders, employees and the Board. We will continue to monitor the restrictions in place and, if circumstances and government guidance changes before the AGM, in particular to relax the restrictions on the movement and gathering of people, the Board will consider if it is appropriate and safe to open up the AGM for attendance by shareholders. Any changes to the arrangements will be communicated before the date of the AGM on the Company's website at investors.alphafmc.com and, if appropriate, announced through a Regulatory Information Service.

If it remains necessary for the AGM to be a closed meeting, you can be assured that we will take the necessary steps to satisfy all the legal requirements for holding our AGM. A quorum will be achieved through the attendance of two Director and/or employee shareholders.

Overview of the financial year

The Group has achieved annual revenue growth of 17.0% on the previous financial year to £90.9m. I am also pleased to report the Group's highest ever adjusted EBITDA of £20.2m (FY 19: £16.5m).

Alpha has continued to achieve excellent progress against its strategic operational objectives, including the successful acquisition and integration of two businesses, Axxsys and Obsidian, a further increase in the number of clients that it has supported from 279 to 381, the expansion of its service offering with the launch of a new business practice in Pension & Retail Investments, and the continued growth of its director and wider consulting teams. These are just some of the highlights of the financial year ended 31 March 2020, and the enclosed Annual Report & Accounts 2020 provides much more information about Alpha's performance, its business model, corporate governance, employee culture and strategy.

Board and Board committee changes

We welcomed Jill May to the Board on 1 July 2020 as an independent Non-Executive Director and she will be standing for election for the first time at the AGM. Jill's biography can be found on page 7 of this document.

On her appointment, Jill joined the Audit and Risk, Remuneration and Nomination Committees.

As announced today, Nick Kent has decided to step down from the Board, nearly three years from the Company's AIM admission. Nick founded Alpha in 2003, managing the business through a significant chapter of growth and expansion, and has been a Non-Executive Director since 2013. The Board would like to thank Nick for his important contributions to Alpha's success and as a Non-Executive Director, and is pleased that he has agreed to continue to support the Board as an adviser. Nick's resignation will take effect from 1 September 2020 and therefore he will not be standing for re-election at the AGM.

The membership of the Board committees is now as follows:

Audit and Risk Committee

Penny Judd (Chair), Ken Fry and Jill May

Remuneration Committee

Ken Fry (Interim Chair), Penny Judd and Jill May

It is intended that Jill May will be appointed Chair of the Remuneration Committee after an appropriate period of induction.

Nomination Committee

Ken Fry (Chair), Penny Judd and Jill May

Action to be taken

The AGM provides an opportunity for shareholders to vote on important resolutions, details of which are contained in the Notice of Annual General Meeting on pages 4 to 5. The Board recognises the importance of the AGM to shareholders and is therefore keen to ensure that you are able to exercise your right to vote, notwithstanding the restrictions in place during the COVID-19 pandemic. If you wish to vote at the AGM, the Board strongly encourages you to [appoint the Chairman of the meeting as proxy for all votes and give your instructions on how you wish the Chairman to vote](#) on the proposed resolutions ahead of the AGM. As a result of the current government restrictions, if a shareholder appoints someone else as their proxy, that proxy will not be able to attend the meeting and the shareholder's vote will not be cast.

You can submit your form of proxy by completing the enclosed form or by visiting www.investorcentre.co.uk/eproxy. Your form of proxy must be received by our Registrar, Computershare Investor Services, by **no later than 11:00 am BST on Monday 21 September 2020**. Please refer to the notes to the Notice of Annual General Meeting for more information regarding proxy voting. We encourage any shareholders intending to return forms of proxy through the postal service to do so as soon as possible to allow for any delays to or suspensions of postal services in the United Kingdom as a result of measures implemented by the UK Government.

Shareholder questions

If you have any questions for the Board relating to the business of the meeting, you can send them by email to company.secretary@alphafmc.com by 11:00 am BST on Monday 21 September 2020. Key themes arising from questions received will be answered by the Board where appropriate and published on our website (investors.alphafmc.com) as soon as practicable after the AGM for a period of 30 days.

Recommendation

The Board unanimously considers that the proposed resolutions set out in the Notice of Annual General Meeting are in the best interests of the Company and shareholders as a whole and recommends shareholders to vote in favour of them, as the members of the Board who hold shares intend to do in respect of their own shareholdings.

Helping to reduce the environmental impact of communications

As part of our journey to minimise our impact on the environment, we have enclosed details of how you can help by choosing to receive your shareholder communications in electronic form.

The Board would like to take this opportunity to thank you, our shareholders, for your continuing support and we hope you and your families remain in good health.

Yours sincerely



Ken Fry
Chairman

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting (“AGM”, the “meeting”) of Alpha Financial Markets Consulting plc (company number 09965297) (“Company”) will be held at 60 Gresham Street, London EC2V 7BB on Wednesday 23 September 2020 at 11:00 am BST for the following purposes:

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

Report and accounts

1. To receive the Company’s annual accounts for the year ended 31 March 2020 together with the Directors’ Report and Auditor’s Report on those accounts.

Directors

2. To elect Ms Jill May as a Director of the Company.
3. To re-elect Mr Ken Fry as a Director of the Company.
4. To re-elect Mr Euan Fraser as a Director of the Company.

Auditor

5. To reappoint KPMG LLP as the Company’s auditor to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company.

Remuneration of auditor

6. To authorise the Directors to determine the remuneration of the Company’s auditor.

Directors’ authority to allot shares

7. That, pursuant to section 551 of the Companies Act 2006 (the “Act”), the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot Relevant Securities (as defined below):

(a) comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount of £52,769.00 (including within such limit any shares issued or rights granted under paragraph (b) below) in connection with an offer or issue by way of rights:

- (i) to holders of ordinary shares in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them; and
- (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever; and

(b) in any other case, up to an aggregate nominal amount of £26,384.50,

provided that (unless previously revoked, varied or renewed) these authorities shall expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the AGM of the Company to be held in 2021, save that, in each case, the Company may make an offer or agreement before the authority expires, which would or might require Relevant Securities to be allotted after the authority expires, and the Directors may allot Relevant Securities pursuant to any such offer or agreement as if the authority had not expired.

In this resolution, “Relevant Securities” means shares in the Company or rights to subscribe for or to convert any security into shares in the Company; a reference to the allotment of Relevant Securities includes the grant of such a right; and a reference to the nominal amount of a Relevant Security should be taken to be, in the case of a right to subscribe for or convert any security into shares in the Company, the nominal amount of the shares that may be allotted pursuant to such right.

These authorities are in substitution for all existing authorities under section 551 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect).

To consider and, if thought fit, to pass the following resolutions as special resolutions:

Disapplication of pre-emption rights

8. That, subject to the passing of resolution 7, pursuant to sections 570 and 573 of the Act, the Directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorities granted by resolution 7 as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

- (a) equity securities (as defined in section 560 of the Act) in connection with an offer or issue by way of rights:
 - (i) to holders of ordinary shares in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever; and

- (b) the allotment of equity securities pursuant to the authority granted by paragraph (b) of resolution 7 up to an aggregate nominal amount of £3,957.67,

and (unless previously revoked, varied or renewed) these authorities shall expire at such time as the general authority conferred on the Directors by resolution 7 above expires, save that the Company may make an offer or agreement before the power conferred by this resolution expires, which would or might require equity securities to be allotted for cash after this power expires, and the Directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired.

9. That, subject to the passing of resolution 7 and in addition to the power contained in resolution 8, pursuant to sections 570 and 573 of the Act, the Directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorities granted by resolution 7 as if section 561 of the Act did not apply to any such allotment, provided that this power shall be:

- (a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £3,957.67; and
- (b) 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 that the Directors 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 the notice of this meeting,

and (unless previously revoked, varied or renewed) these authorities shall expire at such time as the general authority conferred on the Directors by resolution 7 above expires, save that the Company may make an offer or agreement before the power conferred by this resolution expires, which would or might require equity securities to be allotted for cash after this power expires, and the Directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired.

Authority to purchase own shares

10. That, the Directors be and are generally and unconditionally empowered to make market purchases (as defined in section 693(4) of the Act) of its ordinary shares provided that in doing so it:

- (a) purchases no more than 10,553,801 ordinary shares in aggregate;
- (b) pays not less than £0.00075 (excluding expenses) per ordinary share; and
- (c) pays a price per share that is not more (excluding expenses) per ordinary share than the higher of: (i) 5% above the average of the middle market quotations for the ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately before the day on which it purchases that share; and (ii) the price stipulated by Article 3(2) of Delegated Regulation (EU) 2016/1052 of 8 March 2016 relating to the conditions applicable to buy-back programmes and stabilisation measures,

and (unless previously revoked, varied or renewed) these authorities shall expire at such time as the general authority conferred on the Directors by resolution 7 above expires, save that the Company may, if it agrees to purchase ordinary shares under this authority before it expires, complete the purchase wholly or partly after this authority expires.

By order of the Board.

Prism Cosec Limited
Company Secretary
 19 August 2020

Registered office
 60 Gresham Street
 London EC2V 7BB

Registered in England and Wales No. 09965297

Notes to the Notice of Annual General Meeting

The following notes explain your general rights as a shareholder and your right to vote at the AGM or to appoint someone else to vote on your behalf. Given the restrictions in place during the COVID-19 pandemic, shareholders are encouraged to submit their form of proxy to ensure that their votes are registered and the Board of Directors of the Company (the “Board”) strongly recommends that shareholders appoint the Chairman of the meeting as proxy for all votes. Please note that if a shareholder appoints someone else as their proxy, that proxy will not be able to attend the meeting and the shareholder’s vote will not be cast.

Entitlement to attend and vote

1. Due to the ongoing COVID-19 pandemic, and the associated measures put in place by the UK Government, the AGM will be run as a closed meeting and shareholders will not be permitted to attend in person. All of the notes to this Notice of Annual General Meeting and, in particular, any reference to attendance at the AGM, whether by a shareholder, its proxy or its corporate representative, shall be construed accordingly.
2. The right to vote at the AGM is determined by reference to the register of members. Only those shareholders registered in the register of members of the Company at close of trading on Monday 21 September 2020 (or, if the AGM is adjourned, 48 hours before the time of any adjourned meeting, excluding any part of a day that is not a business day) shall be entitled to vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to vote (and the number of votes they may cast) at the AGM.

Proxies

3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to vote on their behalf at the AGM. Under the current circumstances, shareholders are encouraged to submit their form of proxy to ensure that their votes are registered at this AGM and the Board strongly recommends shareholders appoint the Chairman of the meeting as proxy for all votes. Please note that appointing a proxy who cannot attend the AGM will effectively void your vote.

A proxy may only be appointed in accordance with the procedures set out in notes 4 and 5 and the notes to the form of proxy.

In normal circumstances, the appointment of a proxy would not preclude a shareholder from attending and voting in person at the meeting. However, as noted above at note 1, shareholders will not be permitted to attend this AGM in person due to the ongoing restrictions relating to the COVID-19 pandemic.

4. You can appoint your proxy by completing the enclosed form of proxy or online by visiting www.investorcentre.co.uk/eproxy. When appointing more than one proxy, complete a separate form of proxy in relation to each appointment. Additional forms of proxy may be obtained by contacting the Company’s registrar, Computershare Investor Services PLC, on +44 (0)370 707 1547; or the form of proxy may be photocopied. State clearly on each form of proxy the number of shares in relation to which the proxy is appointed. To be valid, a form of proxy must be received online, by post or (during normal business hours only) by hand at the offices of the Company’s registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, no later than 11:00 am BST on Monday 21 September 2020 (or, if the AGM is adjourned, no later than 48 hours before

the time of any adjourned meeting, excluding any part of a day that is not a business day).

5. CREST members who wish to appoint a proxy or proxies for the AGM (or any adjournment of it) through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company’s registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, no later than 11:00 am on Monday 21 September 2020 (or, if the AGM is adjourned, no later than 48 hours before the time of any adjourned meeting, excluding any part of a day that is not a business day). 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 Company’s registrar 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.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her 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 a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

6. A shareholder that is a corporation may authorise one or more persons to act as its representative(s) at the AGM. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares. Under the current circumstances, corporate shareholders are strongly encouraged to complete and return a form of proxy appointing the Chairman of the meeting to act as its representative at the AGM.

Voting on a poll

7. All resolutions contained in the Notice of Annual General Meeting will be put to a vote on a poll. This will result in a more accurate reflection of the views of shareholders by ensuring that every vote is recognised, including the votes of shareholders who are not permitted to attend this closed meeting in person due to the ongoing COVID-19 pandemic but who have appointed a proxy for the AGM. On a poll, each shareholder has one vote for every ordinary share held.

Explanatory Notes to the Notice of Annual General Meeting

Resolutions 1 to 7 are ordinary resolutions; resolutions 8 to 10 are special resolutions. To be passed, ordinary resolutions require more than 50% of the votes cast to be in favour of the resolution whilst special resolutions require at least 75% of the votes cast to be in favour of the resolution.

In the following notes, references to the “current issued share capital” of the Company are to the 105,538,019 ordinary shares of £0.00075 each in the capital of the Company in issue as at the close of business on 29 July 2020 (being the latest practicable date prior to the publication of this document) of which none are held in treasury and 4,688,458 are held by the Company’s employee benefit trust (“EBT”).

Resolution 1: To receive the financial statements and Directors’ and Auditor’s Reports

The Act requires the directors of a public company to lay before the company in general meeting copies of the directors’ reports, the independent auditor’s report and the audited financial statements of the company in respect of each financial year. In accordance with best practice, this resolution deals with the receipt of the accounts of the Company and the reports of the Directors and auditor of the Company for the period ended 31 March 2020.

Resolutions 2, 3 and 4: Election and re-election of Directors

Under the Company’s articles of association, Directors that have been appointed by the Board since the last AGM are obliged to retire and offer themselves for election. Furthermore, the remaining Directors are obliged to offer themselves for re-election every three years. Accordingly, resolution 2 seeks approval for the election of Jill May, who was appointed as an independent Non-Executive Director on 1 July 2020, and resolutions 3 and 4 seek approval for the re-election of Ken Fry and Euan Fraser.

Biographical information for Jill May is provided below. Biographical information for the other Directors is provided on page 73 of the Annual Report and Accounts 2020. As explained in the Letter from the Chairman, since the Annual Report and Accounts were signed in June, Nick Kent, Non-Executive Director, has decided to step down from the Board and will not therefore offer himself for re-election.

The Board has no hesitation in recommending the election and re-election of these Directors to shareholders. In making these recommendations, the Board confirms that it has given careful consideration to the Board’s balance of skills, knowledge and experience and is satisfied that each of the Directors putting themselves forward for election or re-election has sufficient time to discharge their duties effectively, taking into account their other commitments.

Jill May – Biography

Jill has over 20 years’ experience in investment banking, with her executive career spent working in corporate finance for SG Warburg & Co. Ltd from 1985 to 1995, and senior positions in Group Strategy at UBS, where she was a Managing Director from 2001 to 2012. She was a Panel Member from 2013 to 2018 and a Non-Executive Director from 2013 to 2016 of the Competition and Markets Authority (CMA), and a Non-Executive Director of the Institute of Chartered Accountants in England and Wales (ICAEW) from 2015 to 2019.

She is currently an External Member of the Prudential Regulation Committee at the Bank of England. Her current listed company experience includes her roles as Non-Executive Director of Standard Life Investments Property Income Trust Limited, JP Morgan Claverhouse Investment Trust plc and Ruffer Investment Company Limited.

Board committee membership changes

On appointment, Jill joined the Audit and Risk, Remuneration and Nomination Committees.

The membership of the Board committees is now as follows:

Audit and Risk Committee

Penny Judd (Chair), Ken Fry and Jill May

Remuneration Committee

Ken Fry (Interim Chair), Penny Judd and Jill May

It is intended that Jill May will be appointed Chair of the Remuneration Committee after an appropriate period of induction.

Nomination Committee

Ken Fry (Chair), Penny Judd and Jill May

Resolutions 5 and 6: Reappointment and remuneration of auditor

The Company is required to appoint or reappoint an auditor at each AGM, to hold office until the next such meeting at which accounts are presented. On the recommendation of the Audit and Risk committee, the Board is proposing to shareholders the reappointment of Company's existing auditor, KPMG LLP, as the Company's auditor for the financial year commencing on 1 April 2020. Resolution 5, therefore, proposes KPMG LLP's reappointment as auditor to hold office until the Company's next general meeting at which its accounts are laid before shareholders. Resolution 6 proposes that the Board be authorised to determine the auditor's remuneration.

Resolution 7: Authority to allot relevant securities

The Company requires the flexibility to allot shares from time to time. Under the Act, the Directors require authority to allot shares from the Company's shareholders (save in respect of shares issued pursuant to employee share schemes).

The Directors' existing authority to allot Relevant Securities (including ordinary shares and/or rights to subscribe for or convert into ordinary shares), which was granted (pursuant to section 551 of the Act) by ordinary resolution at last year's AGM, will expire at the end of this year's AGM. Accordingly, resolution 7 would renew this authority (until the next AGM or unless such authority is revoked or renewed prior to such time) by authorising the Directors (pursuant to section 551 of the Act) to allot Relevant Securities up to an aggregate nominal amount equal to approximately one third of the current issued share capital of the Company (or approximately two-thirds of the current issued share capital in connection with a rights issue or other pro rata issue to the shareholders). The Directors consider these powers desirable due to the flexibility they give. The Directors currently have no plans to allot Relevant Securities, but the Directors believe it is in the interests of the Company for the Directors to be granted this authority, to enable the Directors to take advantage of appropriate opportunities that may arise in the future.

Resolutions 8 and 9: Disapplication of statutory pre-emption rights

Resolution 8 seeks to disapply the pre-emption rights provisions of section 561 of the Act in respect of the allotment of equity securities for cash pursuant to rights issues and other pre-emptive issues, and in respect of other issues of equity securities for cash up to an aggregate nominal value that equates to approximately 5 per cent of the current issued share capital of the Company.

Under resolution 9, it is proposed that the Directors be authorised to disapply statutory pre-emption rights in respect of an additional 5 per cent of the current issued share capital of the Company. In accordance with the Pre-Emption Group's Statement of Principles on Disapplying Pre-Emption Rights published in March 2015, the Directors confirm that this authority will be used only in connection with an acquisition or specified capital investment that is announced contemporaneously with the issue, or that has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

If resolutions 8 and 9 are passed, these powers will expire at the same time as the authority referred to in resolution 7.

The Directors consider these powers desirable due to the flexibility they give. The Directors have no present intention of issuing any equity securities for cash pursuant to the disapplication proposed under resolutions 8 and 9.

Resolution 10: Authority to purchase Company's own shares

If passed, this resolution will grant the Company authority for a period of up to 15 months after the date of passing of the resolution to buy its own shares in the market. The resolution limits the number of shares that may be purchased to 10 per cent of the current issued share capital of the Company. The price per ordinary share that the Company may pay is set at a minimum amount (excluding expenses) of £0.00075 per ordinary share and a maximum amount (excluding expenses) of the higher of: (i) 5 per cent over the average of the previous five business days' middle market prices; and (ii) the price stipulated by Article 3(2) of Delegated Regulation (EU) 2016/1052 of 8 March 2016 relating to the conditions applicable to buy-back programmes and stabilisation measures (being the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out). This authority will only be exercised if market conditions make it advantageous to do so.

The Directors are of the opinion that it would be advantageous for the Company to have the flexibility to purchase its own shares should such action be deemed appropriate by the Directors. The Directors have no present intention of exercising the authority to purchase the Company's ordinary shares but will keep the matter under review, taking into account the financial resources of the Company, the Company's share price, future investment opportunities and the overall position of the Company. The authority will be exercised only if the Directors believe that to do so would result in an increase in earnings per share and would be in the interests of shareholders generally. Shares purchased would either be cancelled and the number of shares in issue reduced accordingly or held as treasury shares.

Recommendation

The Directors believe that the adoption of all the resolutions to be put to the AGM is in the best interests of the Company and its shareholders. The Directors unanimously recommend that you vote in favour of all the resolutions to be proposed at the AGM, as those of them who hold shares intend to do in respect of their own beneficial shareholdings for which they control voting rights, which in aggregate amount to a total of 2,573,310 ordinary shares, representing approximately 2.40 per cent of the existing issued share capital of the Company as at the close of business on 29 July 2020 (being the latest practicable date prior to the publication of this document).