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If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

**The Ordinary Shares are admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.**

This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the FCA or any other competent authority. It is emphasised that no application is being made for admission of the Ordinary Shares to the Official List of the United Kingdom Listing Authority.

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# Bigblu Broadband plc

*(Incorporated and registered in England and Wales with registered number 09223439)*

## Proposed disposal of QCL Holdings Limited and Notice of General Meeting

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**This document should be read as a whole. However, your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 of this document and which contains, amongst other things, the Directors' unanimous recommendation that you vote in favour of the Resolution to be proposed at the General Meeting.**

finnCap Ltd ("finnCap"), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser to the Company in connection with matters set out in this document and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of finnCap or for advising any other person in respect of the matters set out in this document or any transaction, matter or arrangement referred to in this document. finnCap's responsibilities as the Company's nominated adviser and broker are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document.

Torch Partners IB Limited ("Torch"), which is an appointed representative of Torch Partners Corporate Finance Limited which is authorised and regulated by the Financial Conduct Authority, is acting as financial adviser to the Company in connection with matters set out in this document and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Torch or for advising any other person in respect of the matters set out in this document or any transaction, matter or arrangement referred to in this document.

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**Notice of the General Meeting of Bigblu Broadband plc, to be held at The Old Rectory, 72 St. Marychurch Street, London SE16 4HZ at 10.00 a.m. on 12 May 2021, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, by not later than 10.00 a.m. on 10 May 2021 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish. Shareholders are however referred to paragraph 9 (Arrangements for the General Meeting) set out in the chairman's letter contained in Part 1 of this document.**

Shareholders who hold their Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Share Registrars Limited (ID 7RA36) by no later than 10.00 a.m. on 10 May 2021 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). The appointment of a proxy using the CREST Proxy Voting Service will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish. Shareholders are however referred to paragraph 9 (Arrangements for the General Meeting) set out in the chairman's letter contained in Part 1 of this document.

Due to the COVID-19 pandemic, Shareholders are requested not to attend the General Meeting. Information regarding the arrangements for the General Meeting due to the COVID-19 pandemic and what Shareholders should do in order to vote at the General Meeting are set out in paragraph 8 and 9 of the chairman's letter contained in Part 1 of this document.

A copy of this document will be made available from the Company's website, [www.bbb-plc.com](http://www.bbb-plc.com). Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this document.

## **IMPORTANT NOTICE**

### **Cautionary note regarding forward-looking statements**

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Existing Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Existing Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Existing Group’s and the Continuing Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

### **Notice to overseas persons**

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

### **Presentation of financial information**

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom.

### **Interpretation**

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading “Definitions”.

All times referred to in this document and the Form of Proxy are, unless otherwise stated, references to London time.

All references to legislation in this document and the Form of Proxy are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2021

Publication of this document	23 April
Latest time and date for receipt of Forms of Proxy and CREST voting instructions	10.00 a.m. on 10 May
General Meeting	10.00 a.m. on 12 May
Expected completion date of the Transaction	By 30 June

*Note:*

Each of the above times and/or dates is subject to change at the absolute discretion of the Company and finnCap. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.

## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Michael Tobin, <i>Non-Executive Chairman</i> Andrew Walwyn, <i>Chief Executive Officer</i> Frank Waters, <i>Chief Financial Officer</i> Paul Howard, <i>Non-Executive Director</i> Christopher Mills, <i>Non-Executive Director</i> Philip Moses, <i>Non-Executive Director</i>
<b>Company Secretary</b>	Ben Harber Shakespeare Martineau LLP 60 Gracechurch Street London EC3V 0HR
<b>Nominated Adviser and Broker</b>	finnCap Ltd 1 Bartholomew Close London EC1A 7BL
<b>Financial Adviser to the Company</b>	Torch Partners IB Limited 33 Cavendish Square London W1G 0PW
<b>Legal Adviser to the Company</b>	Shepherd and Wedderburn LLP Condor House 10 St. Paul's Churchyard London EC4M 8AL
<b>Registrars</b>	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR

## DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

<b>"Act"</b>	the Companies Act 2006 (as amended);
<b>"AIM"</b>	the AIM market operated by the London Stock Exchange;
<b>"AIM Rules"</b>	the AIM Rules for Companies and guidance notes published by the London Stock Exchange from time to time;
<b>"B Loan Notes"</b>	Loan notes issued by Midco to Paul Howard for cash and to sellers other than the holders of Growth Shares in exchange for Bidco Loan Notes;
<b>"Bidco"</b>	QCL Bidco Limited, a company incorporated and registered in England and Wales with registered number 13349416;
<b>"Bidco Loan Notes"</b>	the 4.5% unsecured Loan Notes 2051 of Bidco issued in partial satisfaction of the consideration payable for the shares in Quickline to be sold under the Transaction;
<b>"Business Day"</b>	a day on which dealings in domestic securities may take place on the London Stock Exchange;
<b>"Certificated form" or "in Certificated form"</b>	an Ordinary Share recorded on a company's share register as being held in certificated form (namely, not in CREST);
<b>"Company" or "Bigblu Broadband"</b>	Bigblu Broadband plc, a company incorporated and registered in England and Wales with registered number 09223439;
<b>"Completion"</b>	completion of the sale of the entire issued and to be issued share capital of Quickline in accordance with the Share Sale Agreement;
<b>"Continuing Group"</b>	the Company and its subsidiary undertakings following Completion;
<b>"CREST "</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations);
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (S.I. 2001 No.3755) (as amended);
<b>"Directors" or "Board"</b>	the directors of the Company;
<b>"DCMS"</b>	the Department for Digital, Culture, Media and Sport;
<b>"Euroclear"</b>	Euroclear UK & Ireland Limited, the operator of CREST;
<b>"Existing Group"</b>	the Company and its subsidiary undertakings as at the date of this announcement (including, without limitation, Quickline and its subsidiary undertakings);
<b>"FCA"</b>	the Financial Conduct Authority;
<b>"finnCap"</b>	finnCap Ltd, the Company's nominated adviser and broker;
<b>"Form of Proxy"</b>	the form of proxy for use in connection with the General Meeting which accompanies the Circular;
<b>"FSMA "</b>	the Financial Services and Markets Act 2000 (as amended);
<b>"FTTP"</b>	fibre to the premises;
<b>"FWA "</b>	fixed wireless access;
<b>"General Meeting"</b>	the general meeting of the Company to be held at The Old Rectory, 72 St. Marychurch Street, London SE16 4HZ at 10.00 a.m. on 12 May 2021, notice of which will be set out at the end of the Circular;
<b>"Growth Shares"</b>	G1 Shares in the capital of Quickline held by certain managers of Quickline (including Steven Jagger and Paul Howard);

<b>“Harwood Parties”</b>	North Atlantic Value GP 4 Limited, and Harwood Capital Nominees Limited;
<b>“Investor”</b>	NCP UK Fibre Aggregator Partnership, a Canadian general partnership controlled by Northleaf;
<b>“Loan Notes”</b>	any and all of the Bidco Loan Notes, B Loan Notes and Midco Loan notes;
<b>"London Stock Exchange"</b>	London Stock Exchange plc;
<b>“Midco”</b>	QCL Midco Limited, a company incorporated and registered in England and Wales with registered number 13346904;
<b>“Midco Loan Notes”</b>	the Rollover Loan notes issued by Midco capable of conversion into shares in Topco;
<b>"Northleaf"</b>	Northleaf Capital Partners (Canada) Ltd., acting on behalf of infrastructure investment vehicles managed by it or its affiliates;
<b>"Notice of General Meeting"</b>	the notice convening the General Meeting which will be set out at the end of the Circular;
<b>"Ordinary Shares"</b>	the ordinary shares of 15 pence each in the capital of the Company;
<b>"Prospectus Rules"</b>	the prospectus rules made by the FCA pursuant to section 73A of the FSMA;
<b>"Quickline"</b>	QCL Holdings Limited, a company incorporated and registered in England and Wales with registered number 11734097 and its subsidiary undertakings;
<b>"Register"</b>	the register of members of the Company maintained by Share Registrars Limited;
<b>"Resolution"</b>	the ordinary resolution set out in the Notice of General Meeting;
<b>"Share Sale Agreement "</b>	the conditional share sale agreement dated 22 April 2021 between the Company, North Atlantic Value GP 4 Limited, Harwood Capital Nominees Limited, Paul Howard, Steven Jagger and Bidco;
<b>"Shareholders"</b>	holders of Ordinary Shares;
<b>“Shareholder Agreement”</b>	the shareholder and subscription agreement to be entered into by, <i>inter alia</i> , the parties to the Share Sale Agreement and the Investor;
<b>"SME"</b>	small and medium-sized enterprises;
<b>"Superfast Broadband"</b>	a broadband connection with a download speed of 24Mb or above;
<b>“Topco”</b>	QCL Topco Limited, a company incorporated and registered in England and Wales with registered number 13344204;
<b>“Topco Shares”</b>	Ordinary shares of £0.10 issued in Topco;
<b>"Torch"</b>	Torch Partners IB Limited, Bigblu Broadband's financial adviser;
<b>“Transaction”</b>	the proposed disposal by the Company of its shareholding in Quickline pursuant to the Share Sale Agreement;
<b>"UK" or "United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>"uncertificated form" or "in uncertificated form"</b>	an Ordinary Share recorded on a company's share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.



## PART 1

### LETTER FROM THE CHAIRMAN OF BIGBLU BROADBAND PLC

# Bigblu Broadband plc

*(Incorporated in England and Wales with registered number 09223439)*

*Directors:*

Michael Tobin, *Non-Executive Chairman*

Andrew Walwyn, *Chief Executive Officer*

Frank Waters, *Chief Financial Officer*

Paul Howard, *Non-Executive Director*

Christopher Mills, *Non-Executive Director*

Philip Moses, *Non-Executive Director*

*Registered Office:*

Broadband House

The Old Bakery

Victoria Road

Bicester

Oxfordshire

OX26 6PB

23 April 2021

### **Proposed disposal of QCL Holdings Limited and Notice of General Meeting**

*To holders of Ordinary Shares and, for information only, to holders of options over Ordinary Shares*

Dear Shareholder,

#### **1. Introduction**

The Board is pleased to announce today that it has conditionally agreed to the sale of Bigblu Broadband's shareholding in Quickline – the holding company for Quickline Communications Limited to Bidco, – a newly incorporated special purpose company established by Northleaf to acquire 100 per cent. of the fully diluted share capital of Quickline. Bidco is ultimately controlled by Topco, a newly incorporated special purpose company established by Northleaf for the purposes of acquiring Quickline.

Pursuant to the terms of the Transaction, Bigblu Broadband will receive a mix of cash and Bidco Loan Notes, with a headline equity value of up to £48.6 million (equivalent to approximately 84 pence per Bigblu Broadband share<sup>1</sup>, assuming the deferred contingent consideration is paid in full) in respect of Bigblu Broadband's current shareholding in Quickline, payable as follows:

- an initial cash payment of £31.1 million payable on Completion;
- £5.6 million that will (subject to the mechanisms set out in paragraph 3 and part 2 below) be satisfied in Loan Notes that have a right to convert 40% of such Loan Notes into Topco Shares representing approximately 8.0 per cent. of the fully diluted share capital in Topco at Completion; and
- deferred contingent consideration of up to £10.1 million in cash plus up to £1.8 million of additional Loan Notes that will (subject to the mechanisms set out in paragraph 3 and part 2 below) have a right to convert 40% of such Loan Notes into Topco Shares. This deferred contingent consideration will be payable subject to certain performance conditions being met by no later than 31 March 2022, or in certain circumstances, 31 May 2022.

Under the terms of the Transaction, the maximum headline equity value ascribed by Northleaf for 100 per cent. of Quickline's fully diluted issued share capital is approximately £92.1 million (assuming all of the deferred contingent consideration becomes payable).

Upon Completion, Bigblu Broadband's remaining operations will consist of its Australasian operations in Australia and New Zealand (SkyMesh Pty Ltd) and the Nordics (Bigblu Norge AS)

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<sup>1</sup> based on the total maximum consideration that could be received by Bigblu Broadband (including the full deferred contingent consideration) of £48.6 million and a total issued share capital of 57,589,857 ordinary shares as at 22 April 2021 (being the latest practicable date prior to the publication of this document).

businesses, (together, the "Continuing Group"). Bigblu Broadband will also (subject to the mechanisms set out in paragraph 3 and part 2 below) hold B Loan Notes in Midco and shares in Topco with an aggregate value of £5.6 million.

The Board believes that the Transaction provides Bigblu Broadband with the opportunity to crystallise an excellent return on the aggregate consideration paid by the Group for its shareholding in Quickline whilst also retaining a minority exposure to any potential upside in the ongoing Quickline business under Northleaf's ownership and the anticipated continuing investment in Quickline by Northleaf. Furthermore, the initial cash consideration payable to Bigblu Broadband on Completion will provide Bigblu Broadband with additional financial flexibility to support the opportunities in the Continuing Group whilst also enabling the Board of Bigblu Broadband to explore means of returning any surplus cash to Shareholders within Bigblu Broadband's current financial year.

The Transaction is of sufficient size relative to that of the Existing Group to constitute a disposal resulting in a fundamental change of business pursuant to Rule 15 of the AIM Rules and Completion is, therefore, conditional upon (amongst other things) the approval of Shareholders at a General Meeting of Bigblu Broadband.

Accordingly, your approval of the Transaction will be sought at a General Meeting of Bigblu Broadband to be held at The Old Rectory, 72 St. Marychurch Street, London SE16 4HZ at 10.00 a.m. on 12 May 2021.

The purpose of this Circular is to give you details of the Transaction, including the background to and reasons for it, to explain why the Directors consider it to be in the best interests of Bigblu Broadband and its Shareholders as a whole and to recommend that you vote in favour of the Resolution to be proposed at the General Meeting. The Directors have irrevocably undertaken to vote in favour of the Resolution in respect of the 3,687,658 Ordinary Shares in which they are beneficially interested, representing approximately 6.4 per cent. of the issued ordinary share capital of Bigblu Broadband. Additional undertakings and letters of intent in respect of 33,142,896 Ordinary Shares, representing a further 57.5 per cent. of the ordinary share capital have been obtained from certain other Shareholders as described in paragraph 7 ("Irrevocable undertakings and letters of intent").

## **2. Background to and reasons for the Transaction**

Quickline, a leading provider of fixed wireless broadband in the UK, was acquired in August 2017 for a total consideration of £8.4 million. At the time, the Board believed that the acquisition of Quickline was an important strategic fit as Bigblu Broadband sought to capitalise on the opportunity it believed existed to deliver improved broadband connectivity in rural areas of England.

Since this acquisition, Quickline has grown through deployment of fixed wireless and fibre infrastructure, including through securing government-backed subsidies (administered by Building Digital UK ("BDUK")) designed to support capital investment into rural and semi-rural broadband projects.

Since August 2020, Quickline has won four BDUK Superfast Programme tenders valued at approximately £30 million in aggregate to provide coverage to approximately 30,000 premises using both fibre and FWA technologies. Previously, Quickline was selected by the DCMS in February 2020 to lead a £6.0 million 5G project to boost rural connectivity in North Yorkshire. Finally, Quickline is already an approved supplier of Rural Gigabit Vouchers, which provide funding for up to £1,500 per residential premise and £3,500 per business premise for new gigabit-capable connections in rural areas, and is currently building via this programme.

Quickline's aim is to be the leading UK rural broadband infrastructure provider, delivering innovative, flexible and hybrid solutions that can address the millions of premises unlikely to be served commercially by full fibre networks for many years to come.

The Board consider that, under Bigblu Broadband's ownership, Quickline has created a strong value proposition through a combination of management experience and expertise in delivering attractive FWA, 5G and FTTP projects, with investment in the future infrastructure and capacity to be supported by BDUK Superfast grants won, Rural Gigabit Vouchers and the DCMS's announced new "Outside-in" subsidy scheme.

Whilst the Board believes that Quickline has a potentially strong future as a subsidiary of a listed company, the Board recognises that in order to fully capture the potential market opportunity, significant future investment will be required to enable it to fully deploy the FTTP and 5G fixed wireless infrastructure technologies across its chosen markets. As a result, the Board believes that Northleaf's offer, coupled with its plans to provide Quickline with the significant additional investment capital to support Quickline's strategy to pass 500,000 premises with its 5G and increasingly Fibre to the Premise ("FTTP") network, represents compelling value for the Company and its shareholders given the balance of future opportunities and potential risks facing the business.

The valuation achieved of Bigblu Broadband's shares in Quickline of up to £48.6 million (representing the aggregate of the initial cash payment of £31.1 million, deferred contingent cash consideration of up to £10.1 million and up to £7.4 million in B Loan Notes and Topco Shares (assuming the exercise of the put and call options summarised in paragraph 3 below) represents an excellent return of up to 5.8x on the consideration paid by the Group for its shareholding in Quickline. In the Board's view, the excellent return achieved on the Transaction reflects the value created by the strategic positioning of the Quickline business and is an attractive opportunity for Bigblu Broadband to realise not only an immediate cash return but also retain an ongoing interest in Topco.

The immediate cash proceeds due to Bigblu Broadband on Completion of £31.1 million from the Transaction will enable the Board of Bigblu Broadband to explore means of returning capital to shareholders. The cash will strengthen Bigblu Broadband's balance sheet enabling the Board to consider how best to enhance value from the Continuing Group and the Board has undertaken to review with its advisers the steps needed to enable a return of any surplus cash to shareholders, within the current financial year of the Company (subject to the financial requirements of the Group at the time and the requirements of the Act) if it is practical to do so.

### ***Information on Quickline***

Quickline comprises QCL Holdings Limited, and its wholly owned subsidiaries Quickline Communications Limited and Clannet Broadband Limited.

Quickline was acquired in August 2017 for a total consideration of £8.4 million. In August 2019, Bigblu Broadband announced an £8.0 million private placement equity funding into Quickline at a £15.0 million pre-money, debt-free, cash-free valuation basis with the funding to be used to significantly accelerate the roll-out of Quickline's FWA infrastructure.

Following the drawdown of the full £8.0 million equity funding for Quickline, Bigblu Broadband currently owns 56.9 per cent. of the issued shares in Quickline. As part of the August 2019 equity raise, a growth share scheme was put in place for the management team of Quickline, which entitles the holders of Growth Shares to 10 per cent. of the excess value realised in the event of a sale of Quickline or a liquidity event above a hurdle linked to the post-investment value of Quickline (being £21.8 million) plus the investors' capital preference (being 125 per cent. of capital invested). The growth share scheme will crystallise as a result of the Transaction announced today following which, Bigblu Broadband's equity interest in Quickline will be approximately 52.7 per cent.

For the year ended 30 November 2020, Quickline generated audited revenue of approximately £3.7 million, audited adjusted EBITDA of approximately £1.5 million, and had approximately 7,000 fixed wireless customers. As at 30 November 2020, the audited net assets of Quickline were approximately £6.1 million.

## **3. Principal terms of the Transaction**

### ***Transaction structure and total consideration***

Quickline has been valued at an equity value of up to £92.1 million for 100 per cent. of the entire issued and to be issued share capital of Quickline (assuming all of the deferred contingent consideration becomes payable) or £69.6 million (assuming no deferred contingent consideration is payable). The consideration is based on a "locked box" completion mechanism based on the audited November 2020 balance sheet.

Pursuant to the terms of the Share Sale Agreement, certain Quickline shareholders (being Steven Jagger, Paul Howard, Bigblu Broadband and funds managed on behalf of Harwood Capital) will receive, in exchange for, in aggregate, 20 per cent. of the value of Quickline (representing £18.4 million based on the maximum potential consideration of £92.1 million), Bidco Loan Notes capable

of being exchanged for B Loan Notes (60%) and Midco Loan Notes (40%), and then the Midco Loan Notes will be capable of being exchanged for Topco Shares.

The Loan Notes carry an interest rate of 4.5% and are redeemable on an exit event such as a sale or listing of Quickline.

The cash consideration of up to £73.7 million for 80 per cent. of the aggregate shares shall be paid out as £55.7 million in cash on Completion and deferred contingent cash consideration of up to £18.0 million subject to certain performance conditions being met by 31 March 2022, or in certain circumstances, 31 May 2022. Up to 50 per cent. of the deferred contingent consideration is linked to the number of premises passed by Quickline and the number of 5G FWA masts installed, with up to 50 per cent. being dependent on Quickline's continued success in delivering performance under ongoing and potential new contracts for broadband delivery. Further details of the deferred contingent consideration is set out in Part 2A of this document.

Steven Jagger (Founder and CTO of Quickline) will exchange his entire shareholding in Quickline (excluding any Growth Shares held by him which he will realise for cash) representing, in aggregate, approximately 6 per cent. of Quickline's fully diluted issued share capital, for Bidco Loan Notes, 60% of which will be exchangeable for B Loan Notes and 40% of which will be exchangeable for Midco Loan Notes which will then be exchangeable for Topco Shares. The remaining Quickline Shareholders other than Paul Howard and holders of Growth Shares (being Bigblu Broadband and funds managed on behalf of Harwood Capital) will each exchange approximately 15 per cent. of their respective shareholdings in Quickline, representing, in aggregate, approximately 13 per cent. of Bidco Loan Notes which will similarly be exchangeable for B Loan Notes and Midco Loan Notes, which in turn will be exchangeable for Topco Shares.

Paul Howard (the Quickline Chairman and a non-executive director of Bigblu Broadband) has elected to sell for cash all of his shareholding in Quickline, representing, in aggregate, approximately 1 per cent. of Quickline's fully diluted issued share capital, but is subject to an undertaking to reinvest such cash for B Loan Notes and Topco Shares.

Pursuant to the terms of the Share Sale Agreement, Bigblu Broadband has also agreed to pay Northleaf a break fee of £500,000 in the event that the condition relating to shareholder approval is not satisfied in circumstances where the Board of Bigblu Broadband changed or qualified its unanimous recommendation to Shareholders due to an alternative proposal having been received in respect of Quickline or in respect of the whole issued share capital of Bigblu Broadband.

#### *Transaction consideration due to Bigblu Broadband*

Prior to the Transaction, Bigblu Broadband owned approximately 56.9 per cent. of the issued shares in Quickline. As noted above, the Transaction, will crystallise the growth share plan to the management and staff of Quickline following which Bigblu Broadband will own approximately 52.7 per cent. of Quickline's fully diluted issued share capital.

Bigblu Broadband's proportionate shareholding in Quickline will be valued at up to £48.6 million, which will be satisfied by total cash proceeds of up to approximately £41.1 million (being the £31.1 cash to be paid on Completion and up to £10.1 million assuming the full deferred contingent cash consideration is paid) and Bidco Loan Notes of up to £7.4 million (being £5.6 million on Completion and up to £1.8 million assuming the full deferred contingent consideration is paid), 60% of which will be capable of exchange for B Loan Notes and 40% of which will be able to be exchanged for Midco Loan Notes and in turn exchanged for Topco Shares.

The deferred contingent consideration is payable subject to certain performance conditions being met by Quickline by no later than 31 March 2022, or in certain circumstances, 31 May 2022. In the event that no deferred contingent consideration is payable, the headline equity value due to Bigblu Broadband is approximately £36.7 million.

All Loan Notes will bear an interest rate of 4.5%. 60% of the Bidco Loan Notes are the subject of put and call options that if exercised will enable them to be converted into B Loan Notes, and 40% into Midco Loan Notes which are also the subject of put and call options that if exercised will enable them to be converted into Topco Shares with such shares representing for Bigblu Broadband approximately 8.0 per cent. of the Topco issued share capital following Completion. In the event that Bigblu Broadband does not participate in future capital funding rounds, its shareholding in Topco would be diluted.

Completion is conditional on (amongst other things) (i) the Resolution being passed by the requisite majority at the General Meeting (or any adjournment thereof), (ii) the written consent of 4 key Local Authority contract counterparties being obtained to the change of control which would result from the Transaction.

Completion is expected to occur by the end of June 2021. If the conditions referred to above have not been satisfied or waived (with the Investor's agreement) by the date falling 6 months after the date of the Share Sale Agreement ("Final Longstop Date") then the agreement shall terminate without further notice.

At Completion, the Investor shall enter into the Shareholder Agreement with Bigblu Broadband, the Harwood Parties, Steven Jagger and Paul Howard which will govern the relationship amongst them as shareholders and the future funding arrangements for Quickline. Further information on the terms of the Shareholder Agreement is set out in part 2B. Bigblu Broadband will, for so long as it and Harwood Parties hold together not less than 10% of the issued share capital of Quickline be entitled to appoint a director to the board of Quickline, and for so long as they together hold not less than 5% of the share capital of Quickline, to appoint an observer.

Further details of the Share Sale Agreement and Shareholder Agreement are set out in Part 2 of this Circular.

#### **4. Information on Northleaf**

Northleaf is a global private markets investment firm with approximately US\$15 billion in commitments under management on behalf investors, including public, corporate and multi-employer pension plans, university endowments, foundations, financial institutions, family offices and high net worth individuals.

Northleaf was formed in 2009 by the successful spin-out of TD Capital Private Equity Investors, the independent private equity investment arm of TD Bank Group. Northleaf's 150-person team, headquartered in Toronto with offices in Melbourne, Montréal, London, New York, Chicago and Menlo Park, is focused exclusively on sourcing, evaluating and managing private market investments globally. Northleaf currently manages more than 400 active private equity, private credit and infrastructure investments in 40 countries.

#### **5. Financial effects of the Transaction and use of the proceeds**

The Board will continue to evaluate opportunities to enhance shareholder value from the Continuing Group which may include the use of part of the net proceeds of the Transaction to pursue the opportunities that the Board believes are available to the Continuing Group. The net proceeds will also further strengthen the Group's net cash position. Quickline's cash and debt balances will remain within Quickline on Completion and the Continuing Group is expected to have cash and cash equivalents immediately after Completion of approximately £32.8 million.

Having assessed the investment and capital requirements of the Continuing Group, the Board intends to return any surplus capital to Shareholders within the current financial year of the Company (subject to the financial requirements of the Group at the time and the requirements of the Act) if practical to do so.

#### **6. Strategy for the Continuing Group**

Having significantly reduced debt and established a net cash positive position, Bigblu Broadband is continuing to generate operating cashflows from its Continuing Operations, whilst continuing to see growth in customer numbers, revenue and EBITDA over the comparable period in the previous financial year.

The Board has demonstrated its ability to maximise value and returns for shareholders following the sale of its UK and European satellite operations to Eutelsat SA (announced in July 2020 and completed in September 2020) and now the proposed sale of Quickline to Northleaf. Together, these two disposals have an aggregate maximum consideration of £87.9 million (assuming full payment of deferred contingent consideration) and a premium of approximately 124 per cent over the aggregate consideration paid for these assets. Looking forward, the Continuing Group will continue to focus on closing the digital divide and providing high-speed broadband solutions to rural areas where traditional fibre options are either unsuitable or uneconomic whilst the Board will also continue

to consider how best to maximise value and returns for shareholders from its remaining Australasian and Nordic assets.

### ***Australasia***

SkyMesh is a leading Australian satellite broadband service provider. It has over 45,000 customers in total and continues to grow rapidly, targeting c.10,000 new customers per annum through organic channels.

The Board has been exploring the opportunity to accelerate Bigblu Broadband's presence into the wider Australasia region, with New Zealand being the initial area of focus. It was therefore delighted to announce the agreement with Kacific Broadband which has provided SkyMesh with the opportunity to expand its reach into New Zealand.

The Board will continue to explore all of the options open to it to enhance the value of its interest in SkyMesh which could include a possible disposal of the asset, continuing organic growth complemented by acquisition opportunities or a possible IPO of the business in Australia.

### ***Nordics***

The Nordics business has been focused on growing the Norwegian Satellite market and there has been limited investment by the Group in improving the fixed wireless network over the last couple of years. There have been relatively high levels of customer churn in this region due, in part, in the view of the Directors, to relatively low broadband speeds where legacy infrastructure exists.

Following the Transaction, the Board will consider accelerating its current strategy of targeted investment to upgrade and extend the existing fixed wireless infrastructure. The Board will also continue to evaluate new opportunities to refine and enhance the Group's fixed wireless service proposition in the Nordic market. Recent new initiatives in this region include the launch of new product satellite offerings across the region offering speeds of 50Mbps and unlimited capacity.

The Directors consider that the Group's ability to offer FWA and satellite solutions in the Nordics means that there is potentially significant scope to expand its presence and reach in this region. The suite of competitive offerings and growing demand for working from home solutions means that the target market continues to increase in size. Market growth, alongside the operational investment outlined above, provide the Directors with confidence of stronger demand for its FWA solutions in Norway.

## **7. Irrevocable undertakings and letters of intent**

The Directors have given irrevocable undertakings to Bigblu Broadband and Bidco to vote in favour of the Resolution (and, where relevant, to procure that such action is taken by the relevant registered holders if that is not them), in respect of their entire beneficial holdings totaling, in aggregate, 3,687,658 Ordinary Shares, representing approximately 6.4 per cent. of Bigblu Broadband's issued share capital.

Harwood Capital has given irrevocable undertakings to Bigblu Broadband and Bidco to vote in favour of the Resolution (and, where relevant, to procure that such action is taken by the relevant registered holders if that is not them), in respect of its entire beneficial holding totaling, in aggregate, 16,010,500 Ordinary Shares, representing approximately 27.8 per cent. of Bigblu Broadband's issued share capital.

Bigblu Broadband and Bidco have also received irrevocable undertakings to vote in favour of the Resolution from each of Steven Jagger, Simon Clifton, Richard Griffiths and LF Gresham House UK Micro Cap fund in respect of, in aggregate, 28,598,452 Ordinary Shares representing, in aggregate, approximately 49.7 per cent. of Bigblu Broadband's issued share capital. Bigblu Broadband and Bidco have also received a letter of intent from BGF Investment Management Limited in respect of 4,544,444 Ordinary Shares representing approximately 7.9 per cent. of Bigblu Broadband's issued share capital.

In aggregate, therefore, Bigblu Broadband and Bidco have received irrevocable undertakings and a letter of intent to vote in favour of the Resolution in respect of, in aggregate, 36,830,554 Ordinary Shares representing approximately 64.0 per cent. of Bigblu Broadband's issued share capital.

## **8. The General Meeting**

You will find set out at the end of this Circular a notice convening the General Meeting to be held on 12 May 2021 at The Old Rectory, 72 St. Marychurch Street, London SE16 4HZ at 10.00 a.m., at which the Resolution will be proposed.

The Resolution, which will be proposed at the General Meeting as an ordinary resolution, is to approve the Transaction and to authorise the Directors to take all steps necessary or desirable to complete the Transaction.

In order for the Resolution to be passed a simple majority is required.

Shareholders should read the Notice of General Meeting at the end of the Circular for the full text of the Resolution and for further details about the General Meeting.

The attention of Shareholders is also drawn to the voting intentions of the Directors as set out in paragraph 8 of this Part I (“Irrevocable undertakings and letters of intent”) and paragraph 11 of this Part I (“Recommendation”).

## **9. Arrangements for the General Meeting**

The Board strongly urges Shareholders to comply with Government public health instructions in respect of the COVID-19 pandemic and social contact, public gatherings and non-essential travel. Please note that Bigblu Broadband currently intends to refuse entry to Shareholders who do attempt to attend the General Meeting in order to comply with those public health instructions. The health of the Shareholders, as well as its officers and employees, is of paramount importance. It is expected that the attendance by certain of the Directors in person at the General Meeting will be limited to satisfy the requirements of a quorum. The General Meeting will end immediately following the formal business required and there will be no corporate presentations, Q&A or refreshments. Social distancing measures will be in place and strict hygiene arrangements in force. Shareholders are therefore requested to participate in the General Meeting by proxy rather than attend the General Meeting in person.

The results of the General Meeting will be available on Bigblu Broadband's website shortly after the General Meeting has closed. The Board continues to follow advice issued by the Government with respect to the COVID-19 pandemic and will issue further guidance if necessary.

## **10. Action to be taken**

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to Bigblu Broadband's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, as soon as possible, but in any event so as to be received by no later than 10.00 a.m. on 10 May 2021 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

If you hold your Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Share Registrars Limited (ID 7RA36) by no later than 10.00 a.m. on 10 May 2021 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

The completion and return of a Form of Proxy or the use of the CREST Proxy Voting Service will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

## **11. Recommendation**

The Directors consider the Transaction to be in the best interests of Bigblu Broadband and its Shareholders as a whole and accordingly unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the General Meeting as they have irrevocably undertaken to do

so in respect of their beneficial holdings amounting, in aggregate, to 3,687,658 Ordinary Shares, representing approximately 6.4 per cent. of the issued ordinary share capital of Bigflu Broadband.

Yours faithfully,

Michael Tobin

Chairman



## PART 2

### Part 2 A: SUMMARY OF THE PRINCIPAL TERMS OF THE SHARE SALE AGREEMENT

#### 1. General

The Share Sale Agreement was entered into on 22 April 2021 between the existing shareholders of Quickline, including the Company, and Bidco.

Pursuant to the terms of the Share Sale Agreement, the shareholders of Quickline have conditionally agreed to sell, and Bidco has conditionally agreed to purchase the entire issued share capital of Quickline.

#### 2. Conditions

Completion is conditional on (amongst other things): (i) the Resolution being passed by the requisite majority at the General Meeting (or any adjournment thereof), and (ii) consent to the Transaction being obtained from each of the four Local Authorities who are parties to key infrastructure contracts with Quickline. Application has been made to each such Authority for approval in principle to the sale of Quickline.

If any of the conditions referred to above have not been satisfied or waived (with the Investor's agreement) by 5pm on the date which falls six months after the date of its execution (or such later date as the parties may agree), then the Share Sale Agreement shall automatically terminate.

Pursuant to the terms of the Share Sale Agreement, Bigblu Broadband has also agreed to pay Northleaf a break fee of £500,000 in the event that the condition relating to shareholder approval is not satisfied in circumstances where the Board of Bigblu Broadband changed or qualified its unanimous recommendation to Shareholders due to an alternative proposal having been received in respect of Quickline or in respect of the whole issued share capital of Bigblu Broadband.

#### 3. Pre-Completion obligations

At all times during the period from (and including) the date of the Share Sale Agreement up to (and including) the date of Completion or, if earlier, the termination of the Share Sale Agreement in accordance with its terms, the Company and the other existing shareholders of Quickline have agreed (amongst other things):

- a) to operate the business of Quickline in the ordinary and usual course, consistent with past practice, and with a view to preserving the value of its assets, goodwill and current business relationships and maintaining its trading and financial position, and in accordance with all applicable laws; and
- b) the giving of customary undertakings to Bidco in respect of certain matters relating to the conduct of Quickline, including the entry into of contracts, capital expenditure and borrowing by Quickline.

#### 4. Consideration

Pursuant to the terms of the Share Sale Agreement, the shareholders of Quickline have conditionally agreed to sell the entire issued share capital of Quickline to Bidco for a maximum aggregate consideration of up to £92.1 million, of which:

- a) initial consideration is payable to the Company on Completion, comprised of (i) £31.1 million in cash, and (ii) £5.6 million by the issue of Bidco Loan Notes; and
- (b) deferred contingent cash consideration of up to £10.1 million payable to the Company plus up to £1.8 million of additional Loan Notes, subject to certain performance criteria being met prior to 31 March 2022, or in certain circumstances, 31 May 2022, as set out in paragraph (d) below.
- (c) the Bidco Loan Notes will be subject to put and call options whereby 60% may be exchanged for B Loan Notes and 40% for Midco Loan Notes, and the Midco Loan Notes are subject to put and call options whereby they may be exchanged for Topco Shares; and

(d) the terms on which, (and the total amount of), deferred contingent consideration may be paid to all sellers are as follows:

- Up to £11.25 million is payable in cash and Bidco Loan Notes upon Quickline achieving (i) 60,000 Homes Passed by either FTTP or FWA and (ii) installation and operation of 100 5G masts, to the Buyer's reasonable satisfaction, by 31 March 2022, or in certain circumstances, 31 May 2022; and
- Up to £11.25 million payable in cash and Bidco Loan Notes based on the continued success in delivering performance under ongoing and potential new contracts for broadband delivery by 31 March 2022, or in certain circumstances, 31 May 2022.
- In each case with pro rata payment being made subject to minimum levels of performance in the period to 31 March 2022, or in certain circumstances, 31 May 2022, of which Bigblu Broadband's share would be as set out in paragraph (b) above.

## **5. Termination**

The Share Sale Agreement:

- a) will be terminated automatically if the Conditions have not been satisfied or (where applicable) waived by the date which falls six months after signing of the agreement (or such other date as the parties may agree); and
- b) may be terminated by Bidco in the event of a material breach of warranty or other material breach of the Share Sale Agreement by the existing shareholders of Quickline.

## **6. Warranties and indemnities**

The Share Sale Agreement contains warranties and a tax covenant by the Company, Paul Howard, Steven Jagger and Julie Middleton (the "**Warrantors**") to Bidco in terms which are customary for a transaction of this sort. Such warranties are given on the date of the Share Sale Agreement and repeated on Completion. Bidco has taken out Warranty and Indemnity Insurance providing cover against any such claims arising as a result of breach of the warranties or the tax covenant. The liability of the Warrantors is capped at £450,000 for all claims under the warranties (other than certain fundamental warranties) and the tax covenant and is subject to certain customary limitations.

There is a limited scope indemnity in relation to any costs or liabilities which may be incurred by Quickline in connection with deficiencies in documentation or absence of legal rights to site equipment on third party land. Such Indemnity is only in respect of costs and liabilities outside the ordinary course of Quickline's business in dealing with routine relocation, formalisation or amendment of any arrangements for siting of equipment (such as legal costs necessarily expended) and capped at an aggregate amount of £450,000, to be borne rateably by the Warrantors, with a time limit for claims of three years after Completion.

## **7. Restrictive Covenants**

The Share Sale Agreement contains customary restrictions for a limited period on the ability of the Company to compete in the territories covered by Quickline in respect of products or services which are competitive with those supplied by Quickline.

## **8. Governing law**

The Share Sale Agreement is governed by English law.

## **Part 2 B: PRINCIPAL TERMS OF THE SHAREHOLDER AGREEMENT**

1. The Shareholder Agreement contains provisions customary to regulate the conduct of the business after Completion, including the right for Bigblu Broadband and the Harwood Parties (for so long as they together hold not less than 10% of the issued share capital of Quickline) to appoint a Director to the Board, and for so long as they together hold not less than 5% of the issued share capital of Quickline) to appoint an observer.
2. The Shareholder Agreement provides for additional funding to be obtained by way of debt or further investment in Loan Notes and shares as required by Quickline. Any funding by way of equity and Loan Notes will be on a pre-emptive basis and in the same proportions in which Loan Notes and Topco Shares are held by the parties and at the same price at which issued at Completion.
3. The Topco Shares held by Bigblu Broadband and the Harwood Parties are subject to a 3 year lock in, and those held by Paul Howard and Steven Jagger, a 5 year lock in.
4. Bigblu Broadband and the Harwood parties may also transfer their Topco Shares freely between one another.
5. Bigblu Broadband and the Harwood Parties may after 3 years from Completion, together or separately offer their Topco Shares for sale to any third party subject to a right of first offer in favour of the Investor.
6. There are certain specified and customary reserved matters which require the approval of 85%, (or in certain instances 90%), of the holders of Topco Shares.
7. The Shareholder Agreement is governed by English law.

## NOTICE OF GENERAL MEETING

# Bigblu Broadband plc

(Incorporated and registered in England and Wales with registered number 09223439)

**NOTICE IS HEREBY GIVEN THAT** a general meeting of Bigblu Broadband plc (the “**Company**”) will be held at The Old Rectory, 72 St. Marychurch Street, London SE16 4HZ at 10.00 a.m. on 12 May 2021 to consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution:

### Ordinary Resolution

THAT the disposal (the “**Transaction**”) by the Company of its shares in the issued capital of QCL Holdings Limited (as defined in the circular to the Company’s shareholders dated 23 April 2021) on the terms and subject to the conditions set out in the share sale agreement dated 22 April 2021 (the “**Share Sale Agreement**”) between (1) the Company and (2) QCL Bidco Limited and (3) others, and related documentation to be entered into pursuant to the Share Sale Agreement, be and is hereby approved with such minor amendments as the directors of the Company (the “**Directors**”) may approve, and the Directors or any duly authorised committee of the Directors be and are hereby authorised to take all steps necessary or desirable to complete the Transaction.

Dated: 23 April 2021

*Registered Office:*  
Broadband House  
The Old Bakery  
Victoria Road  
Bicester  
Oxfordshire  
United Kingdom  
OX26 6PB

By order of the Board

Ben Harber  
*Company Secretary*

### Explanatory Notes:

#### Entitlement to attend and vote

1. Only those members registered on the Company’s register of members at:

- 10.00 a.m. on 10 May 2021; or,
- if this meeting is adjourned, the time and date that is 48 hours prior to the adjourned meeting,

shall be entitled to attend and vote at the meeting in accordance with Regulation 41 of the Uncertificated Securities Regulations 2001. 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 meeting.

#### Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to more than one share. To appoint more than one proxy please refer to the notes on the proxy form.
5. Shareholders are referred to paragraph 9 of the chairman’s letter set out in the circular to Shareholders accompanying this notice of general meeting. Shareholders are strongly recommended to appoint the chairman of the meeting as proxy (any other person appointed as proxy is unlikely to be allowed to enter the meeting and accordingly if you appoint a person other than the chairman of the meeting as your proxy your vote is unlikely to be counted).

### **Appointment of proxy using hard copy proxy form**

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
  - completed and signed;
  - sent or delivered to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR or scanned and sent by email to [voting@shareregistrars.uk.com](mailto:voting@shareregistrars.uk.com); and
  - received by Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR no later than 10.00 a.m. on 10 May 2021.
7. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

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

9. 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).

### **Changing proxy instructions**

10. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
11. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR.
12. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

### **Termination of proxy appointment**

13. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR.
14. In the case of a member which is a Company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.
15. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
16. The revocation notice must be received by Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR no later than 10.00 a.m. on 10 May 2021.
17. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
18. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated. Shareholders are however referred to paragraph 9 (Arrangements for the General Meeting) set out in the chairman's letter contained in Part 1 of the circular to Shareholders accompanying this notice of general meeting.

### **Submission of proxy electronically**

19. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider should refer to their CREST sponsor or voting service provider 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 relates to the appointment of a proxy, the revocation of a proxy appointment or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA36) by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to a proxy appointed through CREST should be communicated to the appointee by 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, to procure that his CREST sponsor or voting service provider take) 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.

#### **Corporate representative**

20. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share. Shareholders are however referred to paragraph 9 (Arrangements for the General Meeting) set out in the chairman's letter contained in Part 1 of the circular to Shareholders accompanying this notice of general meeting.