

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in PCI-PAL plc, you should pass this document, the accompanying form of proxy without delay to the stockbroker, bank or other person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

PCI-PAL PLC

(Incorporated in England and Wales, registered number 03869545)

NOTICE OF ANNUAL GENERAL MEETING

Notice of the 2020 Annual General Meeting of PCI-PAL plc (the “**Company**”) to be held at the Company’s offices at 7 Gamma Terrace, Ransomes Europark, Ipswich, Suffolk IP3 9FF at 11.00 a.m. (UK time) on 5 November 2020 is set out on pages 5 and 6 (inclusive) of this document.

As a result of the current COVID-19 pandemic and the legislative measures and associated guidance introduced by the UK Government in response, for the safety of our Shareholders, our employees, our advisers and the general public, the Annual General Meeting will be held as a closed meeting. Attendance by Shareholders at the Annual General Meeting in person will not be possible and Shareholders or their appointed proxies (other than the chairman of the Annual General Meeting) will not be permitted entry to the Annual General Meeting. Further information on the arrangements for the Annual General Meeting are set out elsewhere in this Circular.

Enclosed with this Circular is a Form of Proxy for use in respect of the Annual General Meeting. You are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it as soon as possible, and in any event, so as to arrive at the offices of the Company’s registrars, Link Asset Services at PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF so that it is received no later than 11.00 a.m. (UK time) on 3 November 2020. Alternatively, you may register your proxy appointment or voting directions electronically via the www.signalshares.com website not later than 11.00 a.m. (UK time) on 3 November 2020 (further information regarding the use of this facility is set out in the notes to the Notice of Annual General Meeting). If you hold your Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction so as to be received by the Company’s registrars, Link Asset Services, not later than 11.00 a.m. (UK time) on 3 November 2020.

PCI-PAL PLC

(Incorporated in England and Wales, registered number 03869545)

Directors:

Simon Wilson (*Chairman*)
James Barham (*Chief executive officer*)
William Good (*Chief financial officer*)
Geoffrey Forsyth (*Chief information security officer*)
Christopher Fielding (*Non-executive director*)
Jason Starr (*Non-executive director*)

Registered office:

7 Gamma Terrace
Ransomes Europark
Ipswich
Suffolk IP3 9FF

13 October 2020

To holders of ordinary shares of 1 pence each in the capital of PCI-PAL plc (the "**Company**")

Dear Shareholder

ANNUAL GENERAL MEETING

I am pleased to provide you with details of the Company's Annual General Meeting which will be held at the Company's offices at 7 Gamma Terrace, Ransomes Europark, Ipswich, Suffolk IP3 9FF at 11.00 a.m. (UK time) on 5 November 2020.

The 2020 Annual Report and Accounts of the Company has now been published. If you requested a hard copy, it is enclosed with this letter. If you have not requested a hard copy you may now access an electronic copy at <https://www.pcipal.com/en/knowledge-centre/corporate-news/>.

The business to be conducted at the Annual General Meeting is set out in the Notice of Annual General Meeting at pages 5 and 6 of this document. You will be asked to consider and vote on the resolutions set out in the Notice. An explanation of these resolutions is given in the Explanatory Notes to the Notice.

New share option plan

Since receipt of shareholder approval in October 2012, the Company has used the PCI-PAL plc Share Option Plan (the "**2012 Plan**") to grant options over its ordinary shares to executive directors and other selected employees.

As the 2012 Plan is now approaching the tenth anniversary of its original adoption date (after which no further grants can be made under its terms), the remuneration committee of the Board (the "**Remuneration Committee**") recently undertook a review to determine whether it remained the most appropriate form of incentivisation vehicle for the Company going forward.

The main conclusion from the above exercise was that the general structure of the 2012 Plan remains fit for purpose and represents an effective mechanism for ensuring a high degree of alignment between the interests of the Company's key executives and its shareholders.

In light of the above, Resolution 9 seeks the approval of shareholders to the adoption of a new scheme, the PCI-PAL plc Employees, Directors and Consultants Share Option Plan (the "**New EDAC Plan**"), which will largely be operated in a manner that is comparable to the 2012 Plan. In particular:

- the New EDAC Plan will allow selected participants to be granted options over the Company's ordinary shares;
- options will be subject to performance/vesting criteria and will generally have a life of 10 years from grant;
- any performance/vesting criteria will be set by the Remuneration Committee having regard to a range of factors, including the location of the individual;
- it is currently anticipated that options granted to participants outwith the US will normally vest on the third anniversary of grant but only if and to the extent that performance criteria relating to the growth in the

Company's share price are satisfied – further details of these types of conditions (which have previously been applied to options granted under the 2012 Plan) are set out in the 2020 Annual Report and Accounts; and

- it is also envisaged that options granted to US based participants will vest equally over a four year period in monthly tranches with the earliest exercise date being 12 months from the date of grant.

A number of changes have, however, been incorporated into the New EDAC Plan's rules in order to reflect developments in the Company's strategy and/or general market practice since 2012. For example:

- the New EDAC Plan will also allow options to be granted, at the discretion of the Remuneration Committee, to non-executive directors and/or individuals that provide advisory or consultancy services to the Company;
- the overall dilution limit that will apply under the New EDAC Plan has been set at 15 per cent. of share capital in any rolling 10 year period – this represents a reduction from the 20 per cent. limit that was enshrined within the rules of the 2012 Plan; and
- on a takeover of the Company, there will be no automatic vesting of options (as is the case under the 2012 Plan); instead, the Remuneration Committee will determine the extent to which previously unvested options may be exercised taking into account a range of factors (including the length of time that has expired since their date of grant, the particular circumstances of the transaction, the underlying performance of the Company and/or the overall interests of the Company's shareholders).

If the New EDAC Plan is approved by shareholders at the AGM, no further grants will be made under the 2012 Plan (although currently outstanding options under that arrangement will continue to subsist).

A summary of the principal terms of the New EDAC Plan is set out in the Appendix to this Circular.

Impact of Public Gathering Restrictions

In response to the current COVID-19 pandemic, the UK Government has introduced laws and associated guidance restricting the movement of people. The health and wellbeing of our Shareholders, employees, advisers and of the general public is of paramount importance to the Board, and the Company is committed to minimising the unnecessary movement of people at this time and observing all applicable measures mandated and recommended by the UK Government. This includes all applicable legal restrictions in the UK in force at the date of this document (the "**Public Gathering Restrictions**").

As a result, and in order that Shareholders and the Company are able to comply with the Public Gathering Restrictions, the Annual General Meeting will be held as a closed meeting. **Shareholders will not be permitted to attend and are instead strongly encouraged to submit Forms of Proxy in favour of the chairman of the Annual General Meeting to ensure their votes are counted.** Any Shareholder that does seek to attend the Annual General Meeting in person will be prevented from doing so on the grounds of public safety. The Company will ensure that a quorum of two Shareholders, expected to be members of the Board and/or the staff of the Company, is present and that the two Shareholders will be the only persons in attendance, complying with the Public Gathering Restrictions and, under the Company's articles of association, allowing conduct of the business contained in the notice of Annual General Meeting. The Annual General Meeting will be held purely to conduct that business and the voting results on the resolutions proposed will be announced and uploaded onto the Company's website promptly following the close of the Annual General Meeting. The Board recognises that this outcome is highly undesirable but, in the circumstances, it believes there is no alternative to ensure the health, safety and security of attendees and to allow the business of the Annual General Meeting to be conducted in accordance with the Public Gathering Restrictions.

The Company will continue to monitor the Public Gathering Restrictions. If circumstances change resulting in the lifting of measures preventing the movement or gathering of people before the date of the Annual General Meeting, it will consider whether it is appropriate to open up the Annual General Meeting for attendance by Shareholders. If this is the case, an update will be given on the Company's website at <https://www.pcpal.com/en/knowledge-centre/corporate-news/> and by way of announcement to the regulatory news service of London Stock Exchange plc. In any event, the Board remains committed to allowing Shareholders the opportunity to engage with the Board. If Shareholders have any questions for the Board in relation to the business of the meeting, these can be sent by email to shareholderenquiries@pcpal.com. Where it considers it appropriate, the Board will endeavour to answer the key themes of these questions on the Company's website as soon as practical.

In addition, as part of our increased focus on providing updates to all our shareholders, James Barham and William Good have recently presented a review of the performance of the Company for the year ended 30 June 2020, using the Investor Meet Company platform. The presentation was recorded and can be viewed for free at www.investormeetcompany.com once you have registered with the platform and linked to PCI-PAL plc.

Action to be taken

As stated above under the heading “Impact of Public Gathering Restrictions”, Shareholders will not be permitted to attend the Annual General Meeting in person. Accordingly, in order to ensure your votes are counted at the Annual General Meeting, you must submit your vote by proxy. Please also note that the appointment of a person other than the chairman of the Annual General Meeting as your proxy will not be valid, as that person will also not be permitted to attend the meeting in person.

Enclosed with this Circular is a Form of Proxy for use in respect of the Annual General Meeting. You are requested to complete, sign and return the Form of Proxy as soon as possible, and in any event, so as to arrive at the offices of the Company’s registrars, Link Asset Services at PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF, not later than 11.00 a.m. (UK time) on 3 November 2020 being 48 hours before the time appointed for the meeting. Alternatively, you may register your proxy appointment or voting directions electronically via the www.signalshares.com website not later than 11.00 a.m. (UK time) on 3 November 2020. Further information regarding the use of this facility is set out in the notes to the Notice of Annual General Meeting. If you hold your Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction so as to be received by the Company’s registrars, Link Asset Services, no later than 11.00 a.m. (UK time) on 3 November 2020.

If you have any queries in relation to the Form of Proxy you may call the Shareholder helpline on 0371 664 0300 if calling from the United Kingdom, or +44 (0) 371 664 0300 if calling from outside of the United Kingdom, or email Link at enquiries@linkgroup.co.uk. Calls will be charged at local rate. Calls outside the United Kingdom will be charged at the applicable international rate. The lines are open between 9.00 a.m. – 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.

Please note that the Shareholder helpline will not provide advice on the merits of the resolutions to be proposed at the Annual General Meeting, or give any personal, legal, financial or tax advice.

Recommendation

The Directors consider that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of all of the proposed resolutions, as they intend to do in respect of their own beneficial shareholdings.

Yours faithfully

Simon Wilson
Chairman

PCI-PAL PLC

(Incorporated in England and Wales, registered number 03869545)

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of PCI-PAL plc (the “**Company**”) will be held at the Company’s offices at 7 Gamma Terrace, Ransomes Europark, Ipswich, Suffolk IP3 9FF at 11.00 a.m. (UK time) on 5 November 2020 for the following purposes:

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

1. To receive and adopt the Company’s Accounts for the financial year ended 30 June 2020, together with the Directors’ report and the Auditor’s report on those Accounts.
2. To re-elect Jason Starr as a Director of the Company.
3. To re-elect Christopher Fielding as a Director of the Company.
4. To reappoint Grant Thornton UK LLP as Auditor of the Company.
5. To authorise the Directors to fix the Auditor’s remuneration.
6. That:
 - (A) the Directors be generally and unconditionally authorised to allot ordinary shares in the Company, or to grant rights to subscribe for or to convert any security into ordinary shares in the Company, up to a maximum nominal amount of £198,292.81;
 - (B) the authority given in this Resolution:
 - (1) is given pursuant to section 551 of the Companies Act 2006 (the “**Act**”) and shall be in substitution for all pre-existing authorities under that section; and
 - (2) unless renewed, revoked or varied in accordance with the Act, shall expire on the date falling 15 months after the passing of this Resolution, or, if earlier, at the end of the next annual general meeting of the Company to be held in 2021, save that the Company may before such expiry make an offer or agreement which would or might require the allotment of ordinary shares in the Company, or the grant of rights to subscribe for or to convert any security into ordinary shares in the Company, after such expiry.

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

7. That:
 - (A) subject to the passing of Resolution 6 set out in the notice of annual general meeting dated 13 October 2020 (the “**Allotment Authority**”), the Directors be given power pursuant to section 570 of the Companies Act 2006 (the “**Act**”) to allot equity securities (within the meaning of section 560(1) of the Act) for cash, pursuant to the Allotment Authority, and to sell treasury shares wholly for cash, as if section 561(1) of the Act did not apply to any such allotment or sale, provided that such power shall be limited to the allotment of equity securities or the sale of treasury shares:
 - (1) in connection with a Pre-Emptive Offer; or
 - (2) otherwise than in connection with a Pre-Emptive Offer, up to a maximum nominal amount of £59,487.84;
 - (B) for the purpose of this Resolution, “Pre-Emptive Offer” means an offer of equity securities to:
 - (1) holders of ordinary shares (other than the Company) on a fixed record date in proportion to their respective holdings of such ordinary shares; and
 - (2) other persons entitled to participate in such offer by virtue of, and in accordance with, the rights attaching to any other equity securities held by them;

in each case, subject to such exclusions or other arrangements as the Directors may deem necessary or appropriate in relation to fractional entitlements, legal, regulatory or practical problems under the laws or the requirements of any regulatory body or stock exchange of any territory or otherwise;

(C) the power given in this Resolution:

- (1) shall be in substitution for all pre-existing powers under section 570 of the Act; and
- (2) unless renewed in accordance with the Act, shall expire at the same time as the Allotment Authority, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry.

8. That the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (as amended) (the “**Act**”) to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 1 pence each (“**Ordinary Shares**”) on such terms and in such manner as the Directors of the Company may decide provided that:

- (A) the maximum number of Ordinary Shares that may be purchased by the Company pursuant to this authority is 3,000,000;
- (B) the minimum price that may be paid for any such Ordinary Share shall be the nominal value of that share (exclusive of expenses payable by the Company in connection with the purchase);
- (C) the maximum price that may be paid for any Ordinary Share purchased pursuant to this authority is an amount equal to the higher of (a) 105 per cent. of the average of the middle market prices shown in the quotations for the Company’s Ordinary Shares in the London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which that Ordinary Share is contracted to be purchased and (b) an amount equal to the higher of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from all London Stock Exchange trading systems (exclusive of expenses payable by the Company in connection with the purchase); and
- (D) this authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2021 or, if earlier, on the date falling 15 months after the passing of this Resolution, but the Company may make a contract to purchase Ordinary Shares under this authority before its expiry which will or may be completed wholly or partly after the expiry of this authority, and may complete such a purchase as if this authority had not expired.

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

9. That:

- (A) the PCI-PAL plc Employees, Directors and Consultants Share Option Plan (the “**New EDAC Plan**”), constituted by the rules produced to the meeting and signed by the Chairman for the purposes of identification (the principal terms of which are summarised in the appendix to the circular to shareholders accompanying this Notice) (the “**New EDAC Plan Rules**”) be and is approved and the Directors be and are authorised to adopt the New EDAC Plan Rules, subject to such modifications as the Directors may consider necessary or desirable to take account of the requirements of best practice, and to do all acts and things necessary or desirable to implement and operate the New EDAC Plan; and
- (B) the Directors be and are authorised to establish further plans based on the New EDAC Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the New EDAC Plan.

By Order of The Board

Registered Office:
7 Gamma Terrace
Ransomes Europark
Ipswich
Suffolk
England IP3 9FF

William Good
Company Secretary
13 October 2020

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

General

The notes on the following pages give an explanation of the resolutions to be proposed at the Annual General Meeting. Resolutions 1 to 6 and resolution 9 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 7 and 8 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1 – Annual Report and Accounts

The Directors must lay the Company's Accounts, the Directors' report and the Auditor's report before the shareholders in a general meeting. This is a legal requirement after the Directors have approved the Accounts and the Directors' report, and the Auditor has prepared its report.

Resolutions 2 and 3 – Re-election of Directors

In accordance with the Company's Articles of Association, each Director must seek re-election every 3 years. Jason Starr and Chris Fielding are required to retire this year. Being eligible, they each offer themselves for re-election.

Biographical details of the relevant Directors are set out on page 27 of the Annual Report and Accounts. Jason Starr and Christopher Fielding are non-executive Directors.

The Board considers that each of Jason Starr and Christopher Fielding continues to be an effective member of the board who provides a significant contribution to the Company and to the Board and unanimously recommends, in each case, his re-election.

Resolutions 4 and 5 – Reappointment and remuneration of Auditor

The Company is required to appoint an Auditor for each financial year of the Company. Resolution 4 proposes the re-appointment of Grant Thornton UK LLP as the Company's Auditor for the current financial year of the Company ending 30 June 2021. Resolution 5 seeks authority for the Directors to decide the Auditor's remuneration.

Resolution 6 – Renewal of authority to allot ordinary shares

The purpose of this Resolution is to renew the Directors' power to allot ordinary shares. Section 551 of the Companies Act 2006 provides that the Directors may not allot new ordinary shares (other than for employee share schemes) without shareholder approval. The Resolution proposes that a similar authority be granted in substitution of the existing authority to allot securities up to a maximum amount of £198,292.81, representing approximately 33 per cent. of the Company's total issued ordinary share capital (excluding treasury shares) as at 12 October 2020, being the latest practicable date prior to publication of this Notice.

The Directors have no present intention of exercising this authority. The authority will expire at the end of the 2021 annual general meeting or, if earlier, on the date falling 15 months after the passing of the Resolution 6, unless previously cancelled or varied by the Company in general meeting. It is the intention of the Directors to renew this authority annually at each annual general meeting.

As at 12 October 2020, being the latest practicable date prior to publication of this Notice, the Company held 167,229 ordinary shares in treasury.

Resolution 7 – Disapplication of pre-emption rights

Section 561(1) of the Companies Act 2006 provides that if the Directors wish to allot any equity securities, or sell any treasury shares (if it holds any), for cash, it must first offer them to existing shareholders in proportion to their existing shareholdings. Section 561 does not apply in connection with an employees' share scheme (within the meaning of the Companies Act 2006). The purpose of this Resolution is to allow the Directors to allot equity securities or sell any treasury shares for cash as if section 561(1) of the Companies Act 2006 does not apply, in connection with rights issues, open offers and other pre-emption offers pursuant to the authority granted by Resolution 6 and otherwise up to a total amount of £59,487.84 representing approximately 10 per cent. of the Company's total issued ordinary share capital as at 12 October 2020, being the latest practicable date prior to publication of this Notice.

The authority will expire at the end of the 2021 annual general meeting or, if earlier, on the date falling 15 months after the date upon which Resolution 7 is passed, unless previously cancelled or varied by the Company in general meeting. It is the intention of the Directors to renew this authority annually at each annual general meeting.

Resolution 8 – Market purchase of own shares by the Company

Authority for the Company to make market purchases of its own shares was granted at the 2019 annual general meeting. This Resolution seeks to renew that authority in case circumstances arise in which the Directors consider that it is desirable to reduce the issued share capital of the Company by purchases in the market.

The authority given by this Resolution will be exercised only if the Directors are satisfied that any purchase will result in an increase in earnings per share of the ordinary share capital in issue after the purchase and, accordingly, that the purchase is in the interests of shareholders generally. The Directors will also give due consideration to the Group's interest cover, gearing and its general financial position. The Directors do not intend at present to use this power but wish to retain the flexibility to do so in the future. Any shares repurchased may either be cancelled or held by the Company as treasury shares.

The maximum number of Ordinary Shares which may be purchased under the proposed authority will be 3,000,000, representing approximately 5 per cent. of the issued share capital of the Company as at 12 October 2020, being the latest practicable date prior to publication of this Notice. The price paid for Ordinary Shares will not be less than the nominal value of the shares nor more than 5 per cent. above the average of the middle market quotations of the Company's Ordinary Shares as derived from the London Stock Exchange Daily Official List for the 5 business days preceding the day on which the Ordinary Shares are purchased.

As at 12 October 2020, being the latest practicable date prior to publication of this Notice, the total number of outstanding warrants and options to subscribe for shares was 5,211,667, representing 8.79 per cent. of the total issued Ordinary Share capital of the Company (excluding treasury shares) at that date. That percentage will increase to 15 per cent. if the authority being sought is exercised in full.

The authority will expire at the end of the 2021 annual general meeting or, if earlier, on the date falling 15 months after the date on which Resolution 8 is passed, unless previously cancelled or varied by the Company in general meeting. It is the intention of the Directors to renew this authority annually at each AGM.

Resolution 9 – Approval of the Rules of the New EDAC Plan

Resolution 9 seeks the approval of shareholders to the adoption of a new share option plan, the principal terms of which are summarised in the Appendix to the Circular accompanying this Notice.

SHAREHOLDER NOTES

Appointment of proxy

Please note that, in accordance with the laws and associated guidance introduced by the UK Government in response to the current COVID-19 pandemic, shareholders or their appointed proxies (unless the proxy is the chairman of the Annual General Meeting) will not be allowed to attend the Annual General Meeting. All of the notes to this notice of Annual General Meeting and, in particular, any reference to attendance at the Annual General Meeting, whether by a shareholder, its proxy or its corporate representative, shall be construed accordingly. Any shareholder who is entitled to vote at the Annual General Meeting is entitled to appoint one or more proxies (who must be the chairman of the Annual General Meeting (unless the Company otherwise agrees in advance)) to attend the Annual General Meeting and speak and vote instead of the shareholder. While normally the appointment of a proxy would not preclude a shareholder from attending and voting in person at the Annual General Meeting, as noted above in the current circumstances you will not be allowed to attend the meeting. In order for a proxy form to be valid, it must be completed and signed and returned (along with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or other authority) to the Company's registrars, Link Asset Services at 34 Beckenham Road, Beckenham, Kent, BR3 4TU so they receive it no later than 11.00 a.m. (UK time) on 3 November 2020 (or, if the meeting is adjourned, the time that is 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).

A shareholder wishing to appoint multiple proxies should contact the Shareholder Helpline on 0371 664 0300 to obtain additional proxy forms. It will be necessary for the shareholder to indicate on each separate proxy form the number of shares in relation to which each proxy is authorised to act. Please note however that, as stated in the preceding paragraph, for a shareholder's proxy appointment to be valid for the Annual General Meeting, it must appoint the chairman of the meeting as that shareholder's proxy (unless the Company otherwise agrees in advance).

In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the Company's relevant register of members for certificated or uncertificated shares of the Company (as the case may be) in respect of the joint holding.

In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation. A corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Electronic appointment of proxy

As an alternative to completing a hard-copy proxy form, shareholders can appoint a proxy online at www.signalshares.com. For an electronic proxy appointment to be valid, the Registrars must receive the proxy appointment no later than 11.00 a.m. (UK time) on 3 November 2020 (or, if the meeting is adjourned, the time that is 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).

Appointment of proxy using CREST

CREST members may appoint a proxy through CREST by using the procedures described in the CREST Manual (available via www.euroclear.com/CREST). 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. All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy must be transmitted so that they are received by Link Asset Services (ID RA10) by 11.00 a.m. (UK time) on 3 November 2020 (or, if the meeting is adjourned, the time that is 48 hours (excluding non-working days) before the time fixed for the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp 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. 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 message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST proxy instructions. It is therefore the responsibility of the CREST member concerned to take (or procure the taking of) 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.

Changing proxy instructions

To change your proxy instructions simply submit a new proxy appointment using one of the methods set out above. Note that the cut-off time 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.

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 Shareholder Helpline on 0371 664 0300 to obtain another proxy form.

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 appointments

The appointment under the form of proxy may be terminated by the member prior to the commencement of the meeting (or any adjournment of the meeting). To be valid, the notice of termination of the authority of the person appointed to act as proxy must be deposited at the offices of the Company's registrar, Link Asset Services, The Registry 34 Beckenham Road, Beckenham, Kent BR3 4TU, at least 48 hours (excluding any non-working days) before the time fixed for the holding of the meeting or any adjournment thereof (as the case may be).

Record date

To be entitled to vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at close of trading on 3 November 2020 (or, in the event of any adjournment, at close of trading on the date which is two days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the meeting.

Website

A copy of this Notice, and any other information required by section 311A of the Companies Act 2006, can be found at <https://www.pcipal.com/en/investors/>.

Other matters

A shareholder may not use any electronic address provided either in this Notice or any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

Documents available for inspection

Subject to the Public Gathering Restrictions, copies of the following documents may be inspected at the registered office of the Company during normal business hours Monday to Friday (public holidays excepted) up to and including the day of the Annual General Meeting, and at the venue for the Annual General Meeting from half an hour before the time fixed for the Annual General Meeting until the end of the Annual General Meeting:

- the current Articles of Association of the Company;
- copies of the executive Directors' service contracts and non-executive Directors' letters of appointment;
- the draft rules of the New EDAC Plan.

Shareholder helpline

Shareholders who have general queries about the Annual General Meeting or need additional proxy forms should call our Shareholder Helpline on 0371 664 0300 if calling from the United Kingdom, or +44 (0) 371 664 0300 if calling from outside of the United Kingdom, or email Link at enquiries@linkgroup.co.uk. Calls will be charged at local rate. Calls outside the United Kingdom will be charged at the applicable international rate. The lines are open between 9.00 a.m. – 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.

Statement of capital and voting rights

As at 12 October 2020 (being the latest practicable date prior to publication of this Notice) the Company's issued ordinary share capital consisted of 59,487,845 ordinary shares of 1 pence each, carrying one vote each, of which 167,229 are held in treasury. Therefore, total voting rights in the Company as at 12 October 2020 were 59,320,616.

APPENDIX

Summary of the principal terms of the PCI-PAL plc Employees, Directors and Consultants Share Option Plan

The PCI-PAL plc Employees, Directors and Consultants Share Option Plan (the “EDAC Plan” or the “New Plan”) is a discretionary arrangement that will allow selected individuals to be granted options (“Options”) to acquire the Company’s ordinary shares (“Ordinary Shares”). Except as specified below, the EDAC Plan will be administered by the remuneration committee of the Board (the “Remuneration Committee” or the “Committee”).

The Rules of the New Plan will have two separate parts, each of which will comprise a separate scheme, namely:

- **Part A** – being an “employees’ share scheme” for the purposes of the Companies Act 2006 and pursuant to which Options can be granted to employees and executive directors of the Company and its subsidiaries (the “Group”); and
- **Part B** – which will allow Options to be granted to non-executive directors of the Company and other individuals who provide advisory or consultancy services to the Group.

Save as specified in the following summary of the principal terms of the EDAC Plan, the provisions of Parts A and B of the New Plan are identical in all material respects.

1. *Eligibility and administration*

Any employee or executive director of the Group will be eligible to be granted Options under Part A of the New Plan. Under Part B of the New Plan, Options can be granted to any non-executive director of the Company and any person who provides advisory or consultancy services to the Group.

The individuals to whom Options are granted under Part A and/or Part B of the New Plan, and the terms of those grants, will be determined at the discretion of the Committee (save in the case of an Option to be granted to a non-executive director, in which case the relevant decisions will be taken by the Board as a whole, excluding the individual in question).

2. *Grant of Options*

Options granted under Part A of the New Plan will be capable of being structured as either tax efficient enterprise management incentive (“EMI”) Options pursuant to the provisions of Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003 or as “Unapproved Options” (which do not attract any preferential tax treatment). All Options granted under Part B of the New Plan will be structured as Unapproved Options.

Options may be granted by the Committee at any time save where such grant would be in breach of any legal or regulatory requirements (including the Market Abuse Regulation, the AIM Rules and/or the Company’s internal dealing code).

No Options will be granted more than ten years after shareholder approval of the New Plan. No payment is required for the grant of an Option. Options are not pensionable.

3. *Options personal to the participants*

An Option granted under the New Plan will be personal to the participant and may not be transferred, assigned or charged in any way, except on death.

4. *Exercise price*

The price payable for each Ordinary Share on the exercise of an Option will be specified by the Committee at grant but will not be less than the nominal value of an Ordinary Share.

5. *Company and individual limits*

The value of Ordinary Shares over which Options are granted to any individual will be determined at the sole discretion of the Committee. However, the rules of the New Plan reflect the statutory limitations contained within the legislation governing EMI Options with the result that:

- at any time, the total market value (as at the relevant date of grant) of Ordinary Shares subject to all outstanding EMI Options (whether granted under the New Plan or otherwise) must not exceed £3,000,000 (or such other amount as may be specified in the relevant legislation);
- the total market value (as at the relevant date of grant) of Ordinary Shares subject to outstanding EMI Options held by any one individual cannot exceed £250,000 (or such other amount as may be specified in the relevant legislation); and
- once the above individual limit has been reached, the participant in question may not be granted any further EMI Options for a period of three years.

6. *Performance criteria*

The Remuneration Committee may make the exercise of an Option subject to the achievement of objective performance conditions.

The Remuneration Committee will have the power to vary or waive the terms of any performance criteria attaching to an outstanding Option, provided that any varied performance criteria is (in the reasonable opinion of the Committee):

- a fairer measure of performance than the original criteria; and
- no more difficult to satisfy than the original criteria were at the date of grant.

7. *Exercise and lapse of options*

Options will generally vest and become capable of exercise on such date or dates as the Committee may specify at the date of grant and then only if, and to the extent that, any applicable performance criteria have been satisfied.

Options will generally lapse on the day immediately preceding the tenth anniversary of the date of grant or sooner on the occurrence of certain corporate events or where the participant ceases to hold employment with, or provide services to, the Group (subject to certain exceptions, details of which are set out below).

Ordinary Shares will normally be transferred or allotted on the exercise of an Option within thirty days of the date of exercise.

8. *Source of Ordinary Shares and dilution limit*

Options granted under the New Plan may be satisfied either by the issue of new Ordinary Shares, the transfer of Ordinary Shares from treasury or the transfer of existing Ordinary Shares purchased in the market. Any Ordinary Shares that are allotted when an Option is exercised will rank equally with Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their allotment). Until a participant acquires any Ordinary Shares subject to an Option, he has no rights to those Ordinary Shares, including voting or dividend rights.

The number of new Ordinary Shares issued or remaining capable of being issued pursuant to awards granted under the New Plan and all the Company's other share schemes in any period of 10 years will not exceed 15 per cent. of the ordinary share capital of the Company in issue from time to time.

For the purpose of the above limit:

- any Ordinary Shares which are acquired by market purchase for the purposes of satisfying share scheme awards will not be counted;
- treasury shares will count as new issue Ordinary Shares unless institutional investors decide that they need not count; and
- no account will be taken of any Ordinary Shares where the right to acquire them was released or lapsed prior to vesting/exercise.

9. Cessation of employment or the provision of services

Part A of the New Plan

As a general rule, an Option granted under Part A of the New Plan will not be capable of being exercised after the date the participant ceases to be an employee of the Group and will lapse at the expiry of the period of three months from the date of such cessation.

If, however, a participant ceases to be an employee by reason of injury, ill health, disability, redundancy or his employing company or the business for which he works being sold out of the Group (i.e. a “good leaver”), then his Option will not lapse and may be exercised (subject to the satisfaction of any outstanding performance criteria) during the following period of twelve months (or such longer period as the Committee may specify).

If a participant is a good leaver before the earliest exercise date applicable to his Option then a time pro-rating reduction will normally be applied to the number of Ordinary Shares over which such Option may be exercised during the above period (although the Remuneration Committee can decide not to pro-rate an Option if it regards it as inappropriate to do so in the particular circumstances).

Where a participant ceases employment in circumstances which do not fall within the good leaver categories, the Committee has the discretion to allow him to retain and exercise his Option during such period as it may specify.

Finally, if a participant dies in service then his or her Option may be exercised during the following period of twelve months, but only to the extent that it had already vested prior to the date of death (or to such greater extent as the Remuneration Committee permits).

Part B of the New Plan

As a general rule, an Option granted under Part B of the New Plan will not be capable of being exercised after the date the participant ceases to be a non-executive director of the Company, or ceases to provide advisory or consultancy services to the Group.

The Committee will, however, retain the discretion to treat such a departing participant as a “good leaver” in which case his Option will not lapse and may be exercised (subject to the satisfaction of any outstanding performance criteria) during the following period of twelve months (or such longer period as the Committee may specify).

If a participant is a good leaver before the earliest exercise date applicable to his Option then a time pro-rating reduction will normally be applied to the number of Ordinary Shares over which such Option may be exercised (although the Remuneration Committee can decide not to pro-rate an Option if it regards it as inappropriate to do so in the particular circumstances).

Finally, if a participant dies in service then his or her Option may be exercised during the following period of twelve months, but only to the extent that it had already vested prior to the date of death (or to such greater extent as the Remuneration Committee permits).

10. Corporate events

In the event of a takeover or winding up of the Company, Options will be exercisable for a limited period of time (at the end of which they shall lapse). Where such an event occurs at a time when an Option has not yet vested and/or is subject to an outstanding performance criteria then the number of Ordinary Shares in respect of which it may thereafter be exercised shall be determined by the Committee having regard to such factors as it deems appropriate (which may include, amongst other things, the extent to which any performance criteria have been satisfied, the length of time that has expired since the date of grant of the Option in question, the particular circumstances of such transaction, the underlying performance of the Group and/or the overall interests of the Company’s shareholders).

In the event of an internal corporate reorganisation, Options may be replaced by equivalent rights over shares in a new holding company.

11. Variation of share capital

If there is any variation of the share capital of the Company (whether that variation is a capitalisation issue (other than a scrip dividend), rights issue, consolidation, subdivision or reduction of capital or otherwise), the number of Ordinary Shares comprised in Options and/or their exercise price may be adjusted by the Remuneration Committee.

12. Amendments to the New Plan

The Committee may, at any time, amend the provisions of the New Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that:

- make the terms on which Options may be granted materially more generous;
- increase any of the limits contained in the rules of the New Plan;
- expand the class of potential participants in the New Plan; or
- change, to the benefit of participants, the basis on which Options are adjusted in connection with a variation of share capital.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor amendment made to benefit the administration of the New Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Group.

13. Overseas jurisdictions

The Committee may develop and approve overseas jurisdiction variants to the New Plan under the terms of which Options may be granted in such a way as to satisfy or take advantage of securities and tax legislation in such jurisdictions. Any plan variants will otherwise be of similar structure and economic intent as the main New Plan and any Options granted pursuant to their terms will count towards the overall plan limits described above.

