

This notice of annual general meeting (the "Notice") is important and requires your immediate attention. If you are in any doubt as to the contents of this Notice and/or the action you should take, you are recommended to seek personal financial advice from your bank manager, stockbroker, 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 the Company, please pass this Notice and all accompanying documents to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected so that they can pass these documents to the person who now holds the shares.

## **7digital Group plc**

### **Notice of Annual General Meeting**

Notice is hereby given that the Annual General Meeting (the "**AGM**") of 7digital Group plc (the "**Company**") will be held at the offices of Arden Partners PLC, 125 Old Broad Street, London EC2N 1AR on 1 August 2019 at 10.00 a.m. for the following purposes:

#### **Ordinary Business**

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

##### **Report and accounts**

1. To receive the audited annual accounts of the Company for the year ended 31 December 2018, together with the directors' reports and the auditors' report on those annual accounts.

##### **Election and re-election of directors**

2. To elect John Aalbers as a director, who was appointed as a director of the Company after the last annual general meeting.
3. To elect Julia Hubbard as a director, who was appointed as a director of the Company after the last annual general meeting.
4. To re-elect Anne De Kerckhove as a director, who retires by rotation.
5. To re-elect Mark Foster as a director, who retires by rotation.

##### **Re-appointment of auditors**

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

##### **Auditors' remuneration**

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

#### **Special Business**

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

##### **Directors' authority to allot shares**

8. That, in addition to any equivalent authorities and powers granted to the directors prior to the passing of this resolution, the directors be and they are generally and unconditionally

authorised pursuant to section 551 of the Companies Act 2006 (the "**Act**") to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being "**relevant securities**") up to an aggregate nominal amount of £621,137.75 provided that, unless previously revoked, varied or extended, this authority shall expire on the date falling 18 months after the date of the passing of this resolution or the next annual general meeting of the Company (whichever is earlier), except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

#### **Disapplication of pre-emption rights**

9. That, conditional upon the passing of resolution 8 above, in addition to any equivalent authorities and powers granted to the directors prior to the passing of this resolution, the directors be and they are empowered to allot equity securities (as defined in section 560 of the Act) of the Company wholly for cash pursuant to the authority of the directors under section 551 of the Act conferred by resolution 8 above (in accordance with section 570(1) of the Act) and/or by way of a sale of treasury shares (in accordance with section 573 of the Act), in each case as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to:

- (a) the allotment of equity securities in connection with an offer of, or invitation to apply for, equity securities:
  - (i) in favour of holders of ordinary shares in the capital of the Company, where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as practicable) to the respective number of ordinary shares in the capital of the Company held by them; and
  - (ii) to holders of any other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

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

- (b) the allotment, otherwise than pursuant to sub-paragraph (a) above, of equity securities up to an aggregate nominal value equal to £621,137.75, and

unless previously revoked, varied or extended, this power shall expire on the date falling 18 months after the date of the passing of this resolution or the next annual general meeting of the Company (whichever is earlier) except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired.

*Dated: 9 July 2019*

*Registered office:*

*69 Wilson Street, London, EC2A 2BB*

*By order of the Board*

*Julia Hubbard  
Company Secretary*

## **Explanatory Notes:**

Resolutions 1 to 8 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. Resolution 9 is proposed as a special resolution. This means that for this resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolutions 8 and 9 are considered special business as set out in Article 48 of the Company's articles of association.

### ***Resolution 1 (annual report and accounts)***

The directors of the Company must present to the meeting the audited annual accounts and the directors' and auditors' report for the financial period ended 31 December 2017.

### ***Resolutions 2 to 5 (inclusive) (election and re-election of directors)***

Each of John Aalbers and Julia Hubbard have been appointed as directors since the last annual general meeting of the Company and are, accordingly, offering themselves for election at the AGM. All of the other directors of the Company are standing for re-election in accordance with industry best practice and investor guidance.

### ***Resolutions 6 and 7 (appointment and remuneration of auditors)***

The Company must appoint auditors at each general meeting at which accounts are presented to shareholders to hold office until the conclusion of the next such meeting. Resolution 6 seeks shareholder approval to reappoint BDO LLP of 50 Baker Street, London W1U 7EU as the Company's auditors.

In accordance with normal practice, resolution 7 seeks authority for the Company's directors to fix their remuneration.

### ***Resolutions 8 and 9 (authority to allot shares and disapply pre-emption rights)***

On 7 June 2019, the Company published a circular to Shareholders (the "**Circular**") in connection with, amongst other things, the proposed Subscription and Debt for Equity Swap. Unless the context provides otherwise, capitalised terms used in the Circular shall have the same meanings in this Notice.

At the General Meeting, all of the Resolutions, except for Resolution 7, were duly passed and the Subscription and Debt for Equity Swap were completed on 26 June 2019.

**However, as stated in the Circular, in the event that the Company is unable to raise Additional Funds of at least £4.5 million by 31 July 2019 then, based on the projected cash flows of the Group, the Company would be unable to pay its creditors and it is highly likely the Company would need to be placed in administration. Any such administration would be likely to result in little or no value for Shareholders.**

Based upon the closing middle market price of an Ordinary Share of 0.16 pence on 5 July 2019 (being the latest practicable date prior to the publication of this Notice), it is now likely that any equity fundraising to raise the Additional Funds would need to be conducted at a price lower than 0.2 pence per share, being the issue price at which the Subscription was conducted. As such, the Consortium would be permitted to subscribe for Further Subscription Shares on the basis set out in the Circular and in accordance with the terms of the Subscription Agreement.

To this end, the Company therefore needs to seek new Shareholder authorities in order to be able to allot and issue sufficient new Ordinary Shares on a non pre-emptive basis for cash to raise the Additional Funds. The Company is currently in discussions with the Consortium in relation to the structuring of the proposed equity fundraising.

Resolution 8 is an ordinary resolution to authorise the Directors to issue and allot new Ordinary Shares or to grant rights to subscribe for or convert any security into new Ordinary Shares up to an aggregate nominal amount of £621,137.75, being equal to 6,211,377,546 new Ordinary Shares (representing approximately 448 per cent. of the nominal value of the Company's issued ordinary share capital).

Resolution 9, which is conditional on the passing of resolution 8 is a special resolution to authorise the Directors to allot equity securities for cash other than in accordance with statutory pre-emption rights. The relevant circumstances are either where the allotment takes place in connection with a rights issue or other pre-emptive issue or the allotment is limited to a maximum nominal amount of £621,137.75, representing approximately 448 per cent. of the nominal value of the Company's issued ordinary share capital.

The authorities granted pursuant to resolutions 8 and 9 would give the Directors, amongst other things, the ability to raise the Additional Funds at a price not less than 0.1 pence per share and to issue the requisite number of Further Subscription Shares.

**In the event that resolution 8 and/or 9 is not passed then the Company would be unable to raise the Additional Funds and would highly likely need to be placed into administration.**

#### ***Directors' recommendation***

**The Directors consider that all the resolutions to be proposed at the AGM are in the best interests of the Company and its members as a whole. The directors unanimously recommend that you vote in favour of all the proposed resolutions, as they intend to do in respect of their own beneficial holdings.**

#### **Notice of Meeting Notes:**

The following notes explain your general rights as a shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of trading on 30 July 2019. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
2. Shareholders, or their proxies, intending to attend the Meeting in person are requested, if possible, to arrive at the Meeting venue at least 20 minutes prior to the commencement of the Meeting at 10.00 a.m. (UK time) on 1 August 2019 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. You can vote either:
  - by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions;
  - if you need help with voting online, please contact our registrar, Link Asset Services (previously called Capita), on 0371 664 0391 if calling from the UK, or +44 (0) 371 664 0391 if calling from outside of the UK, or email Link at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk).
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Asset Services at 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by 10.00 a.m. on 30 July 2019

7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by Link Asset Services before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in note 11 below) will not prevent a shareholder from attending the Meeting and voting in person if he/she wishes to do so.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 10.00 a.m. on 30 July 2019. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.
13. As at 8 July 2019 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 1,386,670,834 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 8 July 2019 are 1,386,670,834.
15. Any shareholder attending the Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.
16. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day from the date of this Notice until the time of the Meeting and may also be inspected at the Meeting venue, as specified in this Notice, from 10.00 a.m. on the day of the Meeting until the conclusion of the Meeting:  
  
copies of the Directors' letters of appointment or service contracts.
17. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.  
A copy of this Notice can be found on the Company's website at [www.7digital.com/investors](http://www.7digital.com/investors)