

LOUNGERS

# Loungers plc

(the “Company”)

Registered in England and Wales with No.11910770

## Notice of Annual General Meeting

Notice of the Annual General Meeting (“AGM”) of Loungers plc  
to be held on Friday 16 October 2020 at 2.00 p.m.

**This document is important and requires your immediate attention**

If you are in any doubt as to the action you should take, please take advice immediately from an independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares, please send this document, together with the accompanying documents at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

# LOUNGERS

## Letter from the Chairman

16 September 2020

**Dear Shareholder,**

On behalf of the directors of Loungers plc (together the 'Directors'), it gives me great pleasure to inform you of the 2020 Annual General Meeting ('AGM') of Loungers plc (the 'Company') which will be held on Friday 16 October 2020 at 2.00 p.m. (London time).

### **Coronavirus (Covid-19) – Attendance and Voting**

In light of the UK Government's current guidance on public gatherings, and the regulations set out in Schedule 14 of the Corporate Insolvency and Governance Act, **the Board has concluded that shareholders cannot be permitted to attend the AGM in person this year**. The meeting will therefore be conducted as an electronic closed meeting, with the minimum quorum of two shareholders to be facilitated by the Directors, and will end immediately following the formal business. The format of the meeting will be purely functional to comply with the relevant legal requirements.

Instead of attending this year's AGM, shareholders are asked to exercise their votes by submitting their proxy electronically as soon as possible, and these must be received by no later than 2.00 p.m. on Wednesday 14 October 2020. **Shareholders who wish to appoint a proxy are recommended to appoint the Chairman of the meeting as their proxy**. As a result of the current Government restrictions, if a shareholder appoints someone else as their proxy, that proxy will not be able to attend the meeting in order to cast the shareholder's vote.

Your votes do matter. Proxy instructions are set out below. Shareholders are also invited to submit questions on any business to be dealt with at the AGM in advance of the meeting via email at [loungers@prismcosec.com](mailto:loungers@prismcosec.com) by no later than 2.00 p.m. on Wednesday 14 October 2020. We will aim to answer questions received in advance by publishing responses on thematic topics on our website, either prior to, or as soon as practicable after, the AGM.

The Board will continue to closely monitor developments in Covid-19 social distancing guidance. Should it become appropriate to revise the current arrangements for the AGM, any such changes will be notified through the website [www.loungers.co.uk](http://www.loungers.co.uk) and, where appropriate, by announcement by the Company to a Regulatory Information Service.

We would like to thank all shareholders for their co-operation and understanding.

### **Shareholder Communications**

The majority of shareholders choose to receive Annual Reports and Notices of meetings electronically. This has a number of advantages for the Company and its shareholders. It increases the speed of communication, saves you time and reduces print and distribution costs and our impact on the environment.

Company law requires that the Company asks shareholders to consent to the receipt of communications electronically and via a website\*. Please note that if you consent to website publication you will continue to be notified in writing and through the release of an announcement on the London Stock Exchange each time the Company places a statutory communication on the website. Annual Reports and other documents which are required to be sent to shareholders ('shareholder information') are published on our website at [www.loungers.co.uk/agm-meetings/](http://www.loungers.co.uk/agm-meetings/) If you consent, the website will be the way in which you access all future shareholder information.

Please note that you still have the right to request hard copies of shareholder information at no charge.

- If you would like to receive notifications by email, you can register your email address via the Share Portal [www.signalshares.com](http://www.signalshares.com) or write to FREEPOST SAS, 34 Beckenham Road, BR3 9ZA (no stamp or further address detail is required. Please write in BLOCK CAPITALS)
- If you would like to receive shareholder information by means of a website, there is nothing more you need to do. You will be notified by post when shareholder information has been placed on the website.
- If you would like to receive shareholder information in hard copy form, you can register your request via the Share Portal [www.signalshares.com](http://www.signalshares.com) or write to FREEPOST SAS, 34 Beckenham Road, BR3 9ZA (no stamp or further address detail is required. Please write in BLOCK CAPITALS)

Please note that if you hold your shares corporately or in a CREST account, you are not able to use the Share Portal to inform us of your preferred method of communication and should instead write to FREEPOST SAS, 34 Beckenham Road, BR3 9ZA (no stamp or further address detail is required. Please write in BLOCK CAPITALS).

**If we do not receive a reply from you within 28 days of the date of dispatch of this letter, you will be deemed to have consented to website publication of shareholder information and you will not receive hard copies of shareholder information in the post.**

\*The Company reserves the right to send hard copy documents to shareholders where, for example, overseas securities laws do not permit electronic communication or in other circumstances where the Company considers that electronic delivery may not be appropriate.

### **Action to be taken**

The formal Notice of AGM is set out on the following pages of this document, detailing the resolutions that the shareholders are being asked to vote on, along with explanatory notes of the business to be conducted at the AGM.

In line with our commitment to being a more environmentally friendly company, we will not be issuing hard copy forms of proxy for the AGM in the post. Instead, you may appoint a proxy online at [www.signalshares.com](http://www.signalshares.com). You will need your Investor Code which can be found on your share certificate. If you require assistance, or if you would like to request a paper proxy form, please contact our registrar, Link Asset Services, whose contact details are set out in this document. If your shares are held in CREST, you may vote electronically via CREST as detailed in the notes to the Notice of AGM on pages 10 and 11.

Please complete and submit a proxy appointment in accordance with the notes to the Notice of the AGM set out in this document. To be valid, the proxy appointment must be received no later than 2.00 p.m. on Wednesday 14 October 2020. If I am appointed as proxy, I will, of course, vote in accordance with any instructions given to me. If I am given discretion as to how to vote, I will vote in favour of each of the resolutions to be proposed at the AGM.

### **Recommendation**

The Directors believe that the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that shareholders vote in favour of all of the resolutions to be proposed at the AGM. The Directors who own Ordinary shares intend to vote in favour of the resolutions to be proposed.

Yours faithfully

**Alex Reilley**  
*Chairman*

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Loungers plc (the "Company") will be held on Friday 16 October 2020 at 2.00 p.m. (the "Meeting") to transact the following business.

To consider and, if thought fit, to pass the following resolutions. Resolutions 1 to 7 will be proposed as Ordinary Resolutions and Resolutions 8 to 10 as Special Resolutions.

### Ordinary Resolutions

1. To receive the Company's audited accounts together with the reports thereon of the Directors and auditors for the year ended 19 April 2020.
2. To approve the Directors' Remuneration Report for the year ended 19 April 2020.
3. To re-elect Alex Reilley as a Director of the Company.
4. To re-elect Nick Backhouse as a Director of the Company.
5. To re-appoint the auditors, PricewaterhouseCoopers LLP, as auditors of the Company until the conclusion of the next Annual General Meeting.
6. To authorise the Audit Committee to set the auditors' remuneration.
7. To generally and unconditionally authorise the Directors pursuant to and in accordance with Section 551 of the Companies Act 2006 (the "2006 Act") to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares in the Company:
  - (A) up to an aggregate nominal amount of £341,333; and
  - (B) comprising equity securities (as defined in Section 560(1) of the 2006 Act) up to a further aggregate nominal amount of £341,333 in connection with an offer by way of a rights issue;

such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the 2006 Act and to expire at the end of the next Annual General Meeting or if earlier, at the close of business 15 months after the passing of this resolution but, in each case so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

For the purposes of this Resolution, "rights issue" means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

### Special Resolutions

8. That if Resolution 7 is passed, the Directors be authorised to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell Ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be limited:
  - (A) to allotments for rights issues and other pre-emptive issues; and
  - (B) to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (A) above) up to a nominal amount of £51,200:

such authority to expire at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business 15 months after the passing of this resolution but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

9. That if Resolution 7 is passed, the Directors be authorised in addition to any authority granted under Resolution 8 to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell Ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be:

- (A) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £51,200; and
- (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business 15 months after the passing of this resolution but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

10. THAT the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of Section 693 of the Act) of Ordinary shares in the Company provided that:

- a) the maximum number of Ordinary shares which may be purchased is 10,240,000 representing 10 per cent. of the Company's issued ordinary share capital as at 16 September 2020;
- b) the minimum price (exclusive of expenses) which may be paid for each ordinary share is 1 pence;
- c) the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to 105 per cent. of the average of the middle market quotations of an ordinary share of the Company taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased;
- d) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is the earlier); and
- e) the Company may, before such expiry, enter into one or more contracts to purchase Ordinary shares under which such purchases may be completed or executed wholly or partly after the expiry of this authority and may make a purchase of Ordinary shares in pursuance of any such contract or contracts.

By Order of the Board

**PRISM COSEC LIMITED**

COMPANY SECRETARY

16 September 2020

REGISTERED OFFICE:

26 Baldwin Street

Bristol

BS1 1SE

**LOUNGERS PLC**

[loungers.co.uk](http://loungers.co.uk)

Loungers plc, 26 Baldwin Street, Bristol, BS1 1SE Tel 0117 930 9971 Email [contact@loungers.co.uk](mailto:contact@loungers.co.uk)

Company Registration No. 11910770 VAT No. 125 4797 95

## **Notice of Annual General Meeting – Explanatory Notes to the Resolutions**

### **RESOLUTION 1: REPORTS AND ACCOUNTS (ORDINARY RESOLUTION)**

Resolution 1 asks shareholders to receive the Company's report and accounts for the financial year which ended on 19 April 2020.

### **RESOLUTION 2: DIRECTORS' REMUNERATION REPORT (ORDINARY RESOLUTION)**

Resolution 2 asks shareholders to approve the Directors' Remuneration Report for the financial year which ended on 19 April 2020. This vote is not mandatory but is considered best practice. The vote is advisory and does not affect the entitlement of any Director to any remuneration paid or to be paid.

### **RESOLUTIONS 3 & 4: APPOINTMENT OF DIRECTORS (ORDINARY RESOLUTIONS)**

In accordance with the Company's Articles of Association, one-third of the Directors are obliged to retire by rotation at the AGM. Alex Reilley and Nick Backhouse are retiring by rotation and, being eligible, offer themselves for re-election. Separate resolutions are proposed for each of these re-elections. Biographies of the Directors can be found on page 22 of the Annual Report and Accounts.

During the year, the Company commenced its first evaluation of the performance of the Board as a whole and of its Committees. The process will be further enhanced in future years to encompass formal evaluation of individual Directors, including the Chairman, to ensure that all are committed, independent (where relevant) and provide a relevant and effective contribution. The Senior Independent Director will be responsible for establishing a formal process for appraising the Chairman's performance and will undertake such evaluation annually and otherwise as deemed appropriate from time to time. Full details of the process and the outcomes of the first such evaluation will be included in the next Annual Report.

### **RESOLUTION 5: RE-APPOINTMENT OF AUDITORS (ORDINARY RESOLUTION)**

The Company is required to appoint auditors at each general meeting at which accounts are presented, to hold office until the end of the next such meeting. This resolution proposes the re-appointment of PricewaterhouseCoopers LLP.

### **RESOLUTION 6: AUTHORITY TO SET THE AUDITORS' REMUNERATION (ORDINARY RESOLUTION)**

In accordance with standard practice, this resolution gives authority to the Audit Committee to determine the remuneration to be paid to the auditors.

### **RESOLUTION 7: AUTHORITY TO ALLOT SHARES (ORDINARY RESOLUTION)**

Part A of Resolution 7 asks shareholders to grant the Directors authority under section 551 of the Companies Act 2006 (the "2006 Act") to allot shares or grant subscription or conversion rights up to a maximum aggregate nominal value of £341,333, being approximately one-third of the nominal value of the issued ordinary share capital of the Company as at 16 September 2020.

In accordance with the latest institutional guidelines issued by the Investment Association, Part B of Resolution 7 asks shareholders to grant the Directors authority to allot, inclusive of any Ordinary shares issued pursuant to the exercise of the authority granted by Part A of Resolution 7, Ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum aggregate nominal amount of up to £682,666, representing approximately two thirds of the Company's issued share capital as at 16 September 2020. This additional authority is to be applied to rights issues only. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

If the Resolution is passed, the authority will expire at the end of the next AGM of the Company or, if earlier, at the close of business 15 months after the passing of this resolution.

## **RESOLUTIONS 8 AND 9: DIS-APPLICATION OF PRE-EMPTION RIGHTS (SPECIAL RESOLUTIONS)**

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings. There may be circumstances, however, when it is in the interests of the Company to be able to allot new equity securities for cash other than on a pre-emptive basis.

Resolution 8 deals with the authority of the Directors to allot new shares or other equity securities pursuant to the authority given by Resolution 7, or sell treasury shares, for cash without the shares or other equity securities first being offered to shareholders in proportion to their existing holdings. Such authority shall only be used in connection with a pre-emptive offer, or otherwise, up to an aggregate nominal amount of £51,200, being approximately 5 per cent. of the total issued ordinary share capital of the company as at 16 September 2020. As at 16 September 2020 the Company holds no treasury shares.

The Pre-emption Group Statement of Principles supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities (and sales of treasury shares for cash) representing no more than an additional 5 per cent. of issued ordinary share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment. The Pre-emption Group's Statement of Principles defines 'specified capital investment' as meaning one or more specific capital investment related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the company, the assets, the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-emption Group, Resolution 9 seeks to authorise the Directors to allot new shares and other equity securities pursuant to the authority given by Resolution 7, or sell treasury shares, for cash up to a further nominal amount of £51,200, being approximately 5 per cent. of the total issued ordinary share capital of the company as at 16 September 2020, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If the authority given in Resolution 9 is used, the Company will publish details of the placing in its next annual report.

If these resolutions are passed, the authorities will expire at the end of the next AGM or, if earlier, at the close of business 15 months after the passing of these resolutions.

The Board considers the authorities in resolutions 8 and 9 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a rights issue or other pre-emptive offer without the need to comply with the strict requirements of the statutory pre-emption provisions.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles not to allot shares for cash on a non-pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of an amount equal to 7.5 per cent. of the total issued ordinary share capital of the Company within a rolling three-year period other than (i) without prior consultation with shareholders or (ii) in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

The Directors have no present intention of issuing new shares other than pursuant to employee share plans, but the Directors consider that the authority sought is appropriate as it provides the Company with the necessary flexibility to take advantage of business opportunities as they arise.



## **RESOLUTION 10: PURCHASE OF OWN SHARES (SPECIAL RESOLUTION)**

The Directors believe that it is in the interests of the Company and its members to continue to have the flexibility to purchase its own shares and this resolution seeks authority from members to do so. The Directors intend only to exercise this authority where, after considering market conditions prevailing at the time, they believe that the effect of such exercise would be to increase the earnings per share and be in the best interests of shareholders generally. The effect of such purchases would either be to cancel the number of shares in issue or the Directors may elect to hold them in treasury pursuant to the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the Treasury Share Regulations”), which came into force on 1 December 2003. The Treasury Share Regulations enable certain listed companies to hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by a company in accordance with the Companies Act 2006. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under a company’s employee share scheme. Once held in treasury, a company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Further, no dividend or other distribution of the company’s assets may be made to the company in respect of the treasury shares. This resolution would be limited to 10,240,000 Ordinary shares, representing approximately 10 per cent. of the issued share capital at 16 September 2020. The Directors intend to seek renewal of this power at each Annual General Meeting. As at 16 September 2020 there were options outstanding over 1,084,508 shares, representing 1.06 per cent. of the Company’s issued share capital. If the authority given by this resolution was to be fully used, and the Company’s issued Ordinary share capital otherwise remained unaltered, pursuant to this resolution, then the number of options outstanding as at 16 September 2020 would represent 1.18 per cent. of the Company’s issued share capital.



## 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 Wednesday 14 October 2020. 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. Given the Company's decision to hold a closed AGM, shareholders will not be permitted to attend the Meeting in person, and will be refused entry. The Company will continue to monitor the situation and reserves the right to revise arrangements should the circumstances change. Any relevant updates will be made available on the Company's website.
3. As explained above, shareholders will not be permitted to attend the Meeting in person, and are therefore encouraged to submit a proxy vote in advance of the Meeting. Although 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, **shareholders are encouraged to appoint the Chairman of the meeting as their proxy as the appointment of any proxy other than the Chairman of the meeting would result in their vote not being cast.** 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.

The appointment of a proxy does not preclude a shareholder from attending and voting in person at the Meeting (although as noted above shareholders will be prohibited from attending the 2020 AGM in person).

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 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); or
  - 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 2.00 p.m. on Wednesday 14 October 2020.

7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in note 11 below) will not prevent a shareholder from attending the 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.

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 2.00 p.m. on Wednesday 14 October 2020.

10. 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. Under the current circumstances, corporate shareholders are strongly encouraged to complete and return a form of proxy appointing the Chairman of the meeting to ensure their votes are included in the poll.
13. As at 16 September 2020 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 102,400,000 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 16 September 2020 are 102,400,000.
14. We recognise that, in light of the exceptional circumstances around this year's AGM, shareholders will not have the opportunity to ask questions at the Meeting. Should a shareholder have a question relating to the business being dealt with at the Meeting that they would have asked at the Meeting, please email [loungers@prismcosec.com](mailto:loungers@prismcosec.com). We will aim to respond to any questions received by 2.00 p.m. on Wednesday 14 October 2020 by publishing responses on thematic topics on our website before the Meeting. If we are unable to provide a full response to questions before the Meeting, we will update the website as soon as possible after the Meeting.
15. Copies of Directors' service contracts or letters of appointment will be available on request during normal business hours on any business day from the date of this Notice until the time of the Meeting.
16. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at [www.loungers.co.uk](http://www.loungers.co.uk)



