

DX (Group) plc
(Company registered number 08696699)



Notice of Annual General Meeting 2020

To be held on **26 November 2020 at 11.00 am**
at the Company's registered office at Ditton Park,
Riding Court Road, Datchet, Slough SL3 9GL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to what action you should take, you are recommended 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 DX (Group) plc, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

19 October 2020

Dear Shareholder

Annual General Meeting 2020

Introduction

I am pleased to inform you that the seventh Annual General Meeting of DX (Group) plc (the **Company**) will be held at the Company's registered office at Ditton Park, Riding Court Road, Datchet, Slough SL3 9GL on 26 November 2020 at 11.00 am (the **Meeting**).

The formal notice convening this Meeting (**Notice**) is set out on pages 3 to 5 of this document. Explanatory notes and further information on each of the resolutions to be considered at the Meeting appear on pages 6 to 8 of this document.

Due to the ongoing COVID-19 pandemic and uncertainty as to any restrictions which may be in place as at the date of the Meeting, the Board have determined that rather than risk arranging a meeting open to all shareholders, which is then not able to take place that it shall use and has used the power in Article 64 of the Company's Articles of Association for persons entitled to attend the Meeting to be able to see and hear the proceedings of the Meeting and to speak at the Meeting by means of a video feed and conference call to facilitate the raising of questions. Shareholders are encouraged to raise questions in advance of the Meeting by email to LegalandRegulatory@thedx.co.uk by 2.00 pm on 24 November 2020, so that they can be responded to either at the Meeting, or by email or by publication on the Company's website.

When submitting a question your email should be headed "AGM - Questions" and should include the shareholder's full name and number of shares held.

Those using these facilities to see and hear the Meeting are, by Article 64, not regarded as being present at the Meeting and shall not be entitled to vote. **As a result, shareholders are strongly encouraged to vote on all resolutions in advance of the Meeting and if granting a proxy, to appoint the Chairman to ensure that their votes are counted at the Meeting** (as explained further below under **Action to be taken**). This is because other proxy holders will not be able to attend and vote at the Meeting when it is held in accordance with Article 64.

Shareholders are also encouraged to appoint the Chairman as their proxy online and/or to act promptly in response to this letter as the situation with the COVID-19 pandemic and any future Government restrictions which might impact on the receipt of paper proxies. At the Meeting the Chairman will demand a poll under Article 78(a) in relation to all Resolutions.

Any shareholder wishing to listen to the AGM on a conference call (with the option to view proceedings) should email LegalandRegulatory@thedx.co.uk by 2.00 pm on 19 November 2020, so that they can be provided with conference call dial in details for the Meeting. Their email should be headed "AGM - request for conference details" and should give their full name and number of shares held.

Accompanying the Notice is the 2020 Annual Report (the **Annual Report**).

Action to be taken

This year, you will not receive a form of proxy for the AGM in the post. Instead, you will find instructions in the section entitled "Explanatory Notes to the Notice" to enable you to vote electronically and how to register to do so. To register, you will need your Investor Code, which can be found on your share certificate. You may request a paper form of proxy from our Registrar, Link Asset Services. Proxy votes should be submitted as early as possible and in any event by no later than 11.00 am on Tuesday 24 November 2020 in order to count towards the vote.

If you hold your ordinary shares in uncertificated form, you may use the CREST electronic proxy appointment service, details of which are set out in note 7 to the Notice.

Recommendation

The Board considers that all of the resolutions to be put to the Meeting are in the best interests of the Company and its shareholders and are most likely to promote the success of the Company for the benefit of its shareholders as a whole. The Board unanimously recommends that you vote in favour of all the proposed resolutions as each of the Directors intend to do in respect of their own beneficial holdings (if any).

Yours faithfully

Ronald Series

Chairman

Notice of Annual General Meeting

Notice is hereby given that the seventh Annual General Meeting (the **Meeting**) of DX (Group) plc (the **Company**) will be held at the Company's registered office at Ditton Park, Riding Court Road, Datchet, Slough SL3 9GL on **26 November 2020** at **11.00 am** for the following purposes:

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 6 will be proposed as ordinary resolutions and Resolutions 7 to 8 will each be proposed as a special resolution.

Resolutions

Ordinary business (each to be proposed as an ordinary resolution)

- Resolution 1** THAT the audited Annual Report and Accounts for the financial period ended 27 June 2020, together with the Directors' Report, Directors' Remuneration Report and Auditor's Report thereon, be received and approved.
- Resolution 2** THAT Grant Thornton UK LLP be appointed as auditor of the Company until the conclusion of the next annual general meeting.
- Resolution 3** THAT the Directors be authorised to determine the auditor's remuneration.
- Resolution 4** THAT Paul Goodson be re-elected as a Director.
- Resolution 5** THAT Russell Black be re-elected as a Director.
- Resolution 6** THAT the remuneration policy of the Company be approved (advisory vote).

Special business

Resolution 7 (to be proposed as an ordinary resolution) THAT the Directors be and are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the **Act**) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any securities into shares in the Company (**Rights**):

(a) up to a nominal amount of £1,912,272.64; and

(b) comprising equity securities (as defined in the Act) up to a nominal aggregate amount of £3,824,545.28 (such amount to be reduced by any allotments made under paragraph (a)) in connection with an offer by way of a rights issue:

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

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

This authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution (unless previously renewed, varied or revoked by the Company in a general meeting), save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Notice of Annual General Meeting continued

Resolution 8

(to be proposed as a special resolution)

THAT, subject to the passing of Resolution 9, the Directors be and are hereby authorised, pursuant to Section 570 of the Act, to allot equity securities (within the meaning of Section 560(1) of the Act) for cash during the period referred to in Resolution 6, as if Sub-section (1) of Section 561 of the Act did not apply to any such allotment, provided that this power shall be limited:

- (a) to the allotment of equity securities for cash (but in the case of the authority granted under paragraph (b) of Resolution 6, by way of a rights issue only):
 - (i) to the holders of ordinary shares on the register on a fixed record date in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to the holders of other equity securities, as required by the rights of those securities, or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which it may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter,

- (b) (otherwise than pursuant to subparagraph (a) above) up to an aggregate nominal amount of £573,681.79 (which is 10% of the issued share capital of the Company at the date of this Notice).

This authority shall expire at such time as the authority conferred under Resolution 6 expires (unless previously renewed, varied or revoked by the Company in a general meeting) save that the Company may, by special resolution, before such expiry make an offer or enter into agreements which would or might require equity securities to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the Directors may allot equity securities or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Notice of Annual General Meeting continued

Resolution 9 (to be proposed as a special resolution) THAT the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the Act to make one or more market purchases (within the meaning of Section 693(4) of the Act) of its ordinary shares of one pence each provided that:

- (a) the maximum number of ordinary shares hereby authorised to be purchased is 57,368,179 (being 10% of the issued ordinary share capital as at the date of this Notice);
- (b) the minimum price, exclusive of expenses, which may be paid for each ordinary share is one pence;
- (c) the maximum price, exclusive of expenses, which may be paid for each ordinary share shall be the higher of (i) an amount equal to 5% above the average of the middle market quotations for an ordinary share in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased and (ii) the higher of the price of the last independent trade in the Company and the highest current independent bid for an ordinary share on the London Stock Exchange Official List at the time the purchase is carried out; and
- (d) the authority conferred by this Resolution shall expire at the end of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in a general meeting), save that the Company may, before such expiry, enter into a contract for the purchase of ordinary shares which would or might be completed wholly or partly after such expiry and the Company may purchase ordinary shares pursuant to any such contract as if this authority had not expired.

By order of the Board

Russell Deards

Company Secretary
DX (Group) plc
Ditton Park
Riding Court Road
Datchet
Slough SL3 9GL
19 October 2020

Explanatory Notes to the Notice of Annual General Meeting

Resolution 1: Reports and Accounts (ordinary resolution)

The Directors are required to present the audited Annual Report and Accounts and the reports of the Directors and the auditor for the financial period ended 27 June 2020 to shareholders at the Meeting for approval. Shareholders will have the opportunity to ask questions on the contents of the accounts and reports before voting on the resolution.

Resolution 2: Appoint auditor (ordinary resolution)

The Company is required to appoint the auditor at each general meeting at which accounts are laid before the Company, to hold office until the end of the next annual general meeting. The Directors, on the recommendation of the Audit Committee (which evaluates the effectiveness and independence of the external auditor), are proposing the appointment of Grant Thornton UK LLP.

Resolution 3: Authority to set the auditor's remuneration (ordinary resolution)

In accordance with standard practice, this resolution gives authority to the Directors to determine the remuneration to be paid to the auditor.

Resolutions 4 and 5: Re-election of Director (ordinary resolution)

The Company's articles of association (Articles) require that one-third of the Directors (or the number nearest to but not exceeding one-third) shall retire by rotation at each annual general meeting, with each Director also being subject to re-election at intervals of not more than three years. In accordance with the Articles, it is proposed that shareholders will be asked to re-elect each of Paul Goodson and Russell Black as Directors of the Company. A brief biography for Paul and Russell can be found on page 31 of the Annual Report.

Resolution 6: Approval of Remuneration Policy

The Company is not required to seek approval of the Remuneration Policy, but in the interests of transparency it does so on an advisory vote. The policy sets out the Company's forward-looking policy on directors' remuneration. The Company's Remuneration Committee believes that this policy reflects evolving best practice.

Resolution 7: Authority to allot securities (ordinary resolution)

The authority sought by this resolution is for the shareholders to grant the Directors authority under Section 551 of the Act to allot shares.

This is similar to the authority granted at the Company's last annual general meeting, which this new authority replaces. If the shareholders vote in favour of this resolution, the Directors will have the authority to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate maximum nominal value of £3,824,545.28 (representing approximately two-thirds of the issued share capital at the date of this Notice). This is within the guidelines issued by the Association of British Insurers, as it is considered routine and standard practice for a company listed on the Alternative Investment Market to seek authorisation to allot up to two-thirds of its existing issued share capital (excluding shares held in treasury). The Company currently has no shares held in treasury. However, the additional one-third may only be applied to fully pre-emptive rights issues and the authorisation is only valid until the next annual general meeting. The Directors will be seeking annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources. The authorities granted under Resolution 6 will expire at the end of the next annual general meeting.

Resolution 8: Disapplication of statutory pre-emption rights (special resolution)

Under Section 561 of the Act, if the Directors wish to allot any of the unissued shares or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. Your Directors believe that this would be too restrictive to enable the Company to take advantage of opportunities which may arise. This resolution is seeking to authorise the Directors (pursuant to Section 570 of the Act) to disapply the statutory pre-emption provisions and to allot ordinary shares of up to an aggregate nominal amount of £573,681.79 otherwise than on a pro rata basis. This represents 10% of the Company's issued share capital at the date of this Notice. This is similar to the authority granted at the Company's last annual general meeting, which this new authority replaces. This authority will expire at the end of the next annual general meeting of the Company.

Resolution 9: Purchase of own shares by the Company (special resolution)

The shareholders are asked to approve this resolution which grants the Company the ability to purchase its own shares. The authority will be limited for the Company to make market purchases of up to 57,368,179 ordinary shares, being 10% of the entire issued share capital as at the date of this Notice. The authority will be kept under review and the Company will only exercise the power of purchase after careful consideration and when the Company is satisfied that to do so is in its best interests under the circumstances. Ordinary shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The Company currently has no ordinary shares in treasury. The minimum price, exclusive of expenses, which may be paid for an ordinary share is one pence. The maximum price, exclusive of expenses, which may be paid for an ordinary share is the higher of (i) an amount equal to 5% above the average of the middle market quotations for an ordinary share in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased and (ii) the higher of the price of the last independent trade in the Company and the highest current independent bid for an ordinary share on the London Stock Exchange Official List at the time the purchase is carried out. The authority granted by this resolution will expire at the conclusion of the next annual general meeting of the Company.

Explanatory Notes to the Notice of Annual General Meeting continued

General notes:

1. Only those members registered on the Company's register of members at Close of Business on 24 November 2020 or, if this Meeting is adjourned, at Close of Business on the day two days prior to the adjourned meeting, shall be entitled to see, listen to and speak at the Meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting. You are able to appoint a proxy electronically via the share portal at www.signalshares.com. On the home page, search "DX (Group) Plc" and then register or log in, using your Investor Code. To vote at the AGM, click on the "Vote Online Now" button by no later than 11.00 am on Tuesday 24 November 2020 (or 48 hours (excluding weekends and public holidays) before the time appointed for any adjournment of it). Electronic votes and proxy votes should be submitted as early as possible and in any event, to be received by no later than 11.00 am on Tuesday 24 November 2020. Any power of attorney or other authority under which the proxy is submitted must be sent to the Company's Registrar (Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF) so as to have been received by the Company's Registrars by not later than 11.00 am on Tuesday 24 November 2020 (or 48 hours (excluding weekends and public holidays) before the time appointed for any adjournment of it) You are entitled to request a hard copy form of proxy directly from the Registrar, Link Asset Services shareholder helpline on 0871 664 0300 if calling within the United Kingdom or +44 (0) 371 664 0300 calling from outside the United Kingdom. Lines are open between 9.00 am and 5.30 pm Monday to Friday. (Calls to the helpline from within the United Kingdom cost 12p per minute plus network extras. Calls to the helpline from outside the United Kingdom will be charged at applicable international rate.) If a paper form of proxy is requested from the Company's Registrar, it must be completed and sent to the Company's Registrar (Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF) so as to have been received by the Company's Registrars by not later than 11.00 am on Tuesday 24 November 2020 (or 48 hours (excluding weekends and public holidays) before the time appointed for any adjournment of it).
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy is set out in note 2 above. Those using these facilities are, by Article 64, not regarded as being present at the Meeting and shall not be entitled to vote. **As a result, shareholders are strongly encouraged to vote on all resolutions in advance of the Meeting and if granting a proxy, to appoint the Chairman to ensure that their votes are counted at the Meeting. This is because other proxy holders will not be able to attend and vote at the Meeting when it is held in accordance with Article 64.**
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. **However, shareholders are strongly encouraged to vote on all resolutions in advance of the Meeting and if granting a proxy, to appoint the Chairman to ensure that their votes are counted at the Meeting. This is because other proxy holders will not be able to attend and vote at the Meeting when it is held in accordance with Article 64.**
5. In the case of a member which is a company, the Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
6. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.
7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. **Shareholders are strongly encouraged to vote on all resolutions in advance of the Meeting and if granting a proxy, to appoint the Chairman to ensure that their votes are counted at the Meeting. This is because other proxy holders will not be able to attend and vote at the Meeting when it is held in accordance with Article 64.**
8. In order for a proxy appointment 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 (EUI) 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 11.00 am on 24 November 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Explanatory Notes to the Notice of Annual General Meeting continued

9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. 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.
11. 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).
12. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
13. The following documents will be available for inspection at the registered office of the Company (at an agreed time, please contact LegalandRegulatory@thedx.co.uk) from the date of this Notice and at the place of the Meeting for at least 15 minutes prior to the Meeting until the end of the Meeting:
 - Copies of the service contracts of Executive Directors of the Company.
 - Copies of the letters of appointment of the Non-executive Directors of the Company.
 - A copy of the current Memorandum and Articles of Association of the Company.
14. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):
 - LegalandRegulatory@thedx.co.uk.
15. You may not use any electronic address provided either in this Notice or any related documents (including the Chairman's letter and Form of Proxy) to communicate with the Company for any purposes other than those expressly stated. In particular, the telephone numbers, website and email addresses set out in this Notice or proxy forms are not to be used for the purpose of serving information or documents on the Company, including the service of documents or information relating to proceedings at the Company's AGM.