

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000.**

**If you have sold or otherwise transferred all of your shares in Kromek Group plc, please send these documents as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.**



(Registered in England and Wales with registered number 08661469)

**Registered office:**  
NETPark  
Thomas Wright Way  
Sedgefield  
County Durham  
TS21 3FD

Dear Shareholder

### **Annual General Meeting**

The AGM would normally be the main opportunity each year for the Board to engage with shareholders, answer any questions and listen to your views. However, our AGM this year will be different to previous years as we all deal with the impact of COVID-19, particularly on public gatherings and the requirements to follow the social distancing measures required by the Government. Due to the impact of COVID-19 and following the local restrictions imposed by the Government in the North East of England, this year the AGM will be held with only the Chief Executive Officer and the Company Secretary (or, in the event that either of them is unable to attend, another director shareholder) present in person to ensure that the Meeting is quorate. No other persons will be permitted to attend the AGM in person. This decision has been taken in order to comply with measures to minimise the spread of COVID-19 and to follow legislation introduced by the Government for convening general meetings during COVID-19.

The health and wellbeing of our people, our shareholders and our community are extremely important to the Board and the directors believe that these changes in arrangements for holding our AGM are necessary this year. The AGM will only be held this year to ensure that the Company complies with its legal requirements. The Meeting will not include any presentations by any Directors.

Whilst it will not be possible for shareholders to attend the AGM in person, the Board strongly encourages shareholders to vote on the AGM resolutions and the Board is committed to ensuring that shareholders have the opportunity to vote. You are strongly encouraged to cast your vote by completing the enclosed proxy form and appointing the Chairman of the AGM as your proxy. Please do not appoint any other individual as your proxy as other individuals will not be permitted to attend the AGM in person. Please follow the explanatory notes to the Notice of AGM and instructions printed on the proxy form as to how to complete the proxy form and cast your vote. Please send your completed proxy form to the Link Asset Services, to be received no later than 10:30am on 29 October 2020. CREST members can cast their votes using CREST electronic proxy voting (further details of which are set out in the notes in the notice of AGM). All votes on the resolutions to be put forward at the AGM will be taken on a poll where each shareholder will have one vote for each share held by them.

There are explanatory notes at the end of the notice of the AGM, explaining the resolutions that are being proposed.

### **Recommendation**

Your Directors believe that the resolutions in the notice of AGM are in the best interests of the Company and shareholders as a whole. Accordingly, they unanimously recommend that you vote in favour of each resolution, as those who are shareholders intend to do in respect of their own beneficial holdings in the Company.

Yours faithfully

**Sir Peter Williams CBE**  
Chairman

**Kromek Group plc**  
**(Incorporated in England and Wales with registered number 08661469)**

**Notice of Annual General Meeting**

Notice is hereby given that the AGM of Kromek Group plc will be held at Kromek Group plc, North East Technology Park (NETPark), Thomas Wright Way, Sedgfield, County Durham TS21 3FD on 31 October 2020 at 10:30am for the following purposes:

**Ordinary Business**

To consider and, if thought fit, to pass the following resolutions numbered 1 to 6 (inclusive) as ordinary resolutions of the Company:

- 1 To receive the accounts for the financial year ended 30 April 2020 together with the reports of the Directors and of the auditors thereon.
- 2 To re-elect as a Director of the Company Rakesh Sharma, who retires in accordance with the Company's articles of association and who is eligible for re-election.
- 3 To re-elect as a Director of the Company Lawrence Kinet, who retires in accordance with the Company's articles of association and who is eligible for re-election.
- 4 To re-elect as a Director of the Company Jerel Whittingham, who retires in accordance with the Company's articles of association and is eligible for re-election.
- 5 To re-appoint KPMG LLP as auditors of the Company, to hold office until the conclusion of the next meeting at which accounts are laid before the Company.
- 6 To authorise the Directors of the Company to determine the remuneration of the auditors of the Company.

To transact any other ordinary business of the Company.

**Special Business**

To consider and, if thought fit, to pass the following resolutions which, in the case of resolutions 7 and 10, will be proposed as an ordinary resolution and, in the case of resolutions 8 and 9 will be proposed as special resolutions:

- 7 That the Directors of the Company be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 ("**Act**") to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £1,149,657 and provided that this authority shall, unless renewed, revoked or varied by the Company in general meeting expire on the date 15 months after the date of the passing of this resolution or, if earlier, the conclusion of the Company's next Annual General Meeting save that the Company may, before such expiry, revocation or variation make offers or enter into agreements that would or might require shares to be allotted or Rights to be granted and the Directors may allot any shares or grant any Rights after the expiry, revocation or variation of such authority in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired or been revoked or varied.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors in accordance with Section 551 of the Act to allot shares or grant Rights but without prejudice to any allotment of shares or grant of Rights already made, offered or agreed to be made pursuant to such authorities.

- 8 That, subject to the passing of resolution 7 set out in the notice of this meeting, the Directors of the Company be given general power pursuant to Section 570 of the Companies Act 2006 ("**Act**") to allot equity securities (as defined in Section 560 of the Act) for cash either pursuant to the authority conferred by resolution 7 set out in the notice of this meeting or by way of a sale of treasury shares, as if Section 561 of the Act did not apply to any such allotment, provided that:
  - 8.1 this power is limited to:
    - 8.1.1 the allotment of equity securities in connection with an offer by way of a rights issue (a) to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings and (b) to holders of 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 any legal or practical problems arising under the laws of any territory or the requirements of any regulatory body or

**Notice of Annual General Meeting** *continued*

**Special Business** *continued*

- stock exchange or by virtue of shares being represented by depositary receipts or any other matter; and
- 8.1.2 the allotment (other than pursuant to paragraph 8.1.1 above) of equity securities up to an aggregate nominal amount of £172,449;
- 8.2 such power shall, unless renewed, revoked or varied by the Company in general meeting, expire on the date 15 months after the date of the passing of this resolution or, if earlier, the conclusion of the Company's next Annual General Meeting save that before such expiry, revocation or variation the Company may make offers or enter into agreements that would or might require equity securities to be allotted after the expiry, revocation or variation of such power and the Directors may allot equity securities after such expiry, revocation or variation under this power in pursuance of any such offer or agreement as if this power had not expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if Section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

9. That, in accordance with the Companies Act 2006 ("Act"), the Company be generally and unconditionally authorised for the purposes of Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 1p each in the capital of the Company provided that:
- 9.1 the maximum aggregate number of shares hereby authorised to be purchased is 34,489,709;
- 9.2 the minimum price (excluding expenses) that may be paid for such shares is 1p per ordinary share;
- 9.3 the maximum price (excluding expenses) which may be paid for such shares shall not be more than 5% above the average of the market value of an ordinary share for the five business days immediately preceding the date on which the contract for the purchase is made;
- 9.4 unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Company's next AGM or 15 months from the date of this resolution (whichever is earlier); and
- 9.5 the Company may make a contract or contracts to purchase shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.
10. That, the Company may use electronic communications and in particular may send or supply any document or information to shareholders by sending them by email or by making them available on a website to shareholders and this resolution will supersede any provision in the Company's articles of association to the extent that it is inconsistent with this resolution.

By order of the Board

**Derek Bulmer**  
Company Secretary  
8 October 2020

Registered Office:  
NETPark  
Thomas Wright Way  
Sedgefield  
County Durham  
TS21 3FD

## Notice of Annual General Meeting *continued*

### Notes

#### 1. Entitlement to attend and vote

Only those shareholders registered in the Company's register of members at:

- 1.1 close of business on 29 October 2020; or
- 1.2 if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting;

shall be entitled to attend and vote at the Meeting in respect of the number of ordinary shares of 1p each in the capital of the Company registered in their name at that time. Subsequent changes to entries in the register of members shall be disregarded in determining the rights of any person to attend or vote at the Meeting.

Due to the impact of COVID-19, it is intended that the Chairman of the meeting will call for voting on each of the resolutions to be put to the AGM to be taken on a poll, rather than on a show of hands at the Meeting. This decision has been taken in order to comply with the Government's social distancing measures to combat COVID-19 and due to shareholders being unable to attend the AGM in person this year. All Shareholders are urged to cast their votes by post instead, to ensure that their votes can be counted. Each shareholder will have one vote for each share held. Immediately following the AGM, the results of the voting will be counted.

#### 2. Appointment of proxies

- 2.1 As a shareholder of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. Completion of the appropriate proxy form does not prevent a shareholder from attending and voting in person if he/she is entitled to do so and so wishes.
- 2.2 A proxy does not need to be a shareholder of the Company but must attend the Meeting to represent you. **Due to COVID-19, only two persons will attend the AGM in person, one of whom will be the Chairman of the Meeting. Therefore, you are strongly urged to appoint the Chairman of the Meeting as your proxy. If you appoint another individual as your proxy, that person will not be permitted to attend the AGM in person.** Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
- 2.3 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to any one share. To appoint more than one proxy, you may photocopy the enclosed proxy form and indicate on each form the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. **Due to COVID-19, only two persons will attend the AGM in person, one of whom will be the Chairman of the Meeting. Therefore, you are strongly urged to appoint the Chairman of the Meeting as your proxy. If you appoint another individual as your proxy, that person will not be permitted to attend the AGM in person.**
- 2.4 If you do not give your proxy an indication of how to vote on any resolution, 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. 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.

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

- 2.5 The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to the Company's registrars, Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF; and

2. **Appointment of proxies** *continued*

- received by the Company's registrars, Link Asset Services, no later than 10:30am on 29 October 2020 (or, if the Meeting is adjourned, no later than 48 hours before the time and date of the adjourned meeting);

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

**Appointment of proxy through CREST**

- 2.6 CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting convened by this notice and any adjournment(s) thereof by utilising 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 voting service provider(s), should refer to their CREST sponsor(s) or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (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 the latest time for receipt of proxy appointments specified in note 2.5. 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.

CREST members and, where applicable, their CREST sponsor(s) or voting service provider(s) 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(s) 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 sponsor(s) or voting service provider(s) 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.

**Appointment of proxy by joint shareholders**

- 2.7 In the case of joint holders, where more than one of the joint holders' purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

**Changing proxy instructions**

- 2.8 To change your proxy instructions simply submit a new proxy appointment using the methods set out in these notes. Note that the cut-off time for receipt of proxy appointments as set out in note 2.5 also applies 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 the Company's registrars, Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF.

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

### **Notes** *continued*

#### **2. Appointment of proxies** *continued*

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**

- 2.9 In order to revoke a proxy instruction you will need to send a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars, Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF. In the case of a shareholder that is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

Any revocation notice must be received by the Company's registrars, Link Asset Services, at the address above no later than 10:30am on 29 October 2020.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

#### **3. Corporate representative**

A corporation that is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.

#### **4. Documents on display**

Copies of the Directors' service contracts or letters of appointment with the Company will be available for inspection at the Company's registered office during normal business hours from the date of this notice until the conclusion of the Meeting.

#### **5. Communication**

Except as provided above, shareholders who have general queries about the AGM should contact the Company Secretary at NETPark, Thomas Wright Way, Sedgfield, County Durham, TS21 3FD or on 01740 626 060 (no other methods of communication will be accepted).

You may not use any electronic address provided either in this notice of AGM or any related documents to communicate with the Company for any purposes other than those expressly stated.

**1. Ordinary Business**

Resolution 1 seeks approval of the Company's annual report and accounts for the year ended 30 April 2020 which have been circulated to shareholders at the same time as the notice of AGM.

Resolutions 2 to 4 relate to the re-election of Directors of the Company. In accordance with the articles of association of the Company Rakesh Sharma, who was recently appointed as a Director, Lawrence Kinet and Jerel Whittingham are offering themselves for re-election at this AGM. Biographical details of the Directors are set out in the Company's annual report and accounts or on the Company's website.

Resolutions 5 and 6 are to approve the reappointment of KPMG LLP as auditors and to authorise the Directors to agree their remuneration.

**2. Special Business**

The Companies Act 2006 provides that Directors shall only allot unissued shares with the authority of shareholders in general meeting. Resolution 7 will be proposed as an ordinary resolution to grant the Directors general authority to allot shares or to grant subscription or conversion rights up to a maximum aggregate nominal amount of £1,149,657 representing approximately one-third of the current issued share capital of the Company. The Directors have no present intention of exercising this authority and the authority will, unless renewed, varied or revoked by the Company, expire on the date 15 months from the passing of the resolution, or, if earlier, the conclusion of the next AGM of the Company.

The Companies Act 2006 also provides that any allotment of new shares for cash must be made pro rata to individual shareholders' holdings, unless such provisions are disapplied under Section 570 of the Companies Act 2006. Resolution 8 will be proposed as a special resolution to grant the Directors authority to allot equity securities for cash, without first offering them to shareholders pro rata to their holdings. This authority facilitates issues made by way of rights issue to shareholders which are not strictly in accordance with Section 561(1) of the Companies Act 2006 and authorises other allotments of up to a maximum aggregate nominal amount of £172,449 representing approximately 5% of the current issued share capital of the Company. This authority also allows the Directors, within the same aggregate limit, to sell for cash shares that may be held by the Company in treasury (the Company does not currently hold any such shares). The Directors have no present intention of exercising this authority.

Resolution 9 will be proposed as a special resolution to grant the Company authority to purchase its own shares in the market up to 34,489,709 ordinary shares, representing approximately 10% of the issued share capital of the Company. The price payable shall not be more than 5% above the average market value of an ordinary share for the five business days before the purchase is made and, in any event, not less than 1p per share, being the nominal value of an ordinary share. It is the Directors' intention only to exercise the authority to purchase the Company's shares where it would increase the earnings per share of those ordinary shares that are not repurchased. The Company intends either to cancel such shares or to hold them in treasury. This power will only be used if the Directors consider that to do so would be in the best interests of shareholders generally.

Resolution 10 will be proposed as an ordinary resolution to seek authority for the Company to use electronic means of communication to send or supply documents and information to members in electronic form and via a website. The Company believes that an increased use of electronic communications will deliver savings to the Company in terms of administration, printing and postage costs, as well as speeding up the provision of information to shareholders (and enabling the Company to provide information to shareholders electronically in situations where it is practically difficult to print and post hard copy information, for example, during periods of lockdown and social distancing measure required as a result of COVID-19). The reduced use of paper will also have environmental benefits. The Company is required to ask members individually to confirm their agreement to the Company sending or supplying documents and information electronically. A resolution is being proposed at the AGM and a separate letter is enclosed with this Notice, with a reply slip, for members to indicate their preference as to how they would like to receive documents and information from the Company.

