

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document, before taking any action, you should immediately consult an independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the UK or another appropriately authorised independent financial adviser who specialises in advising in connection with dealing in shares and other securities if you are in a territory outside the UK.

If you have sold or transferred all of your ordinary shares of 10 pence each in the capital of Watchstone Group plc (“Ordinary Shares”), please send this document immediately 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. However, this document should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of relevant laws. If you have sold or transferred part only of your holding of Ordinary Shares, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

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# Watchstone Group plc

*(Incorporated and registered in England and Wales with registered number 05542221)*

## Notice of Annual General Meeting

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Notice of the Annual General Meeting (“AGM”) of Watchstone Group plc (“Company”) to be held at 2.00 pm on 30 June 2022 at WH Ireland, 24 Martin Lane, London EC4R 0DR is set out at the end of this document.

You will not receive a hard copy form of proxy for the AGM in the post. Instead, you are requested to complete the Form of Proxy electronically using [www.signalshares.com](http://www.signalshares.com), in accordance with the procedures set out below by no later than 2.00 pm on 30 June 2022. You may request a hard copy proxy form directly from the registrars, **Link Group, 10th Floor Central Square, 29 Wellington Street, Leeds, LS1 4DL (telephone number: 0371 664 0300).**

# Watchstone Group plc

*(Incorporated and registered in England and Wales with registered number 05542221)*

*Directors:*

Richard Rose (*Non-Executive Chairman*)  
Stefan Borson (*Group Chief Executive Officer*)  
Lord Howard of Lympne (*Senior Non-Executive Director*)  
David Young (*Non-Executive Director*)

*Registered Office:*

Highfield Court Tollgate, Chandler's Ford,  
Eastleigh, Hampshire, SO53 3TY

6 June 2022

Dear Shareholder

## **Notice of Annual General Meeting**

### **1. Annual General Meeting**

A notice convening the AGM to be held at 2.00 pm on 30 June 2022 at WH Ireland, 24 Martin Lane, London EC4R 0DR is set out at the end of this document. At the AGM the following resolutions will be proposed, of which Resolutions 1 to 5 (inclusive) will be proposed as Ordinary Resolutions and Resolutions 6 to 7 (inclusive) as Special Resolutions.

### **Ordinary Resolutions**

#### *Resolution 1*

Resolution 1 proposes that the Company's annual accounts for the year ended 31 December 2021 together with the Directors' Report and Auditor's Report on these accounts be received, considered and adopted.

#### *Resolution 2*

Resolution 2 proposes that BDO LLP be re-appointed as auditors of the Company from the conclusion of the AGM until the conclusion of the next general meeting at which accounts are laid before the Company and authorises the Directors to determine their remuneration.

#### *Resolution 3*

Resolution 3 proposes the re-appointment of Richard Rose as a Director who is retiring by rotation in accordance with article 15.1 of the Articles of Association and who, being eligible, is offering himself for re-election.

#### *Resolution 4*

Resolution 4 proposes the re-appointment of Stefan Borson as a Director who is retiring in accordance with article 15.1 of the Articles of Association and who, being eligible, is offering himself for re-election.

### *Resolution 5*

Resolution 5 renews the authority of the Directors to allot shares in the capital of the Company (or to grant rights to subscribe for or convert any securities into shares in the capital of the Company) up to a maximum nominal amount of £1,534,611 (representing approximately 33.33 per cent. of the current issued share capital which is in line with current Guidelines of the Investment Association). This authority will expire 18 months after the passing of the resolution or, if earlier, at the conclusion of the next AGM of the Company to be held after the passing of the resolution.

## **Special Resolutions**

### *Resolution 6*

Resolution 6 renews the disapplication of pre-emption rights in relation to the allotment of shares having a nominal value equal to £460,383 (representing approximately 10 per cent. of the current issued share capital), in each case under the authorities conferred by Resolution 5. This authority will expire 18 months after the passing of the resolution, or if earlier, at the conclusion of the next AGM of the Company to be held after the passing of the resolution.

### *Resolution 7*

Resolution 7 proposes the authority of the Directors, to make market purchases of up to a maximum aggregate amount of £690,575 (representing 15 per cent. of the current issued share capital) at a price no greater than 105 per cent. of the average market value of the Ordinary Shares over the five business day period prior to the date of purchase. This authority will expire 18 months after the passing of the resolution or, if earlier, at the conclusion of the next AGM of the Company. Ordinary Shares purchased pursuant to this authority may be held as treasury shares for re-issue.

The Directors will only exercise the authority to purchase shares where they consider that such purchases will be in the best interests of shareholders generally and will result in an increase in earnings per share.

## **2. Action to be taken**

You will not receive a hard copy form of proxy for the AGM in the post. Instead, you are requested to complete the Form of Proxy electronically using [www.signalshares.com](http://www.signalshares.com), in accordance with the procedures set out below. The Form of Proxy should be completed and submitted electronically by no later than 2.00 pm on 28 June 2022.

You may request a hard copy proxy form directly from the registrars, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL (telephone number: 0371 664 0300). The return of the form of proxy will not, however, prevent you from attending the Meeting and voting, in person, should you wish to do so.

## **3. Recommendation**

**Your Directors believe that the resolutions to be considered at the AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that you vote in favour of each of the resolutions, as those Directors who are shareholders intend to do in respect of their beneficial shareholdings representing, in aggregate, approximately 1.1 per cent of the issued share capital of the Company.**

Yours faithfully

**Richard Rose**

Non-Executive Chairman

# Watchstone Group plc

*(Incorporated and registered in England and Wales with registered number 05542221)*

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE is hereby given** that the Annual General Meeting of Watchstone Group plc (“Company”) will be held at 2.00 pm on 30 June 2022 at WH Ireland, 24 Martin Lane, London EC4R 0DR for the purpose of considering and, if thought fit, passing the following resolutions of which resolutions 1 to 5 (inclusive) will be proposed as ordinary resolutions and resolutions 6 to 7 (inclusive) will be proposed as special resolutions:

### Ordinary Resolutions

1. **THAT**, the Company’s annual accounts for the year ended 31 December 2021 together with the Directors’ Report and Auditor’s Report on those accounts be received, considered and adopted.
2. **THAT**, BDO LLP be re-appointed as auditors of the Company from the conclusion of this meeting until the earlier of the conclusion of the next general meeting at which accounts are laid before the Company, and to authorise the Directors to determine their remuneration.
3. **THAT**, Richard Rose who is retiring in accordance with article 15.1 of the Company’s Articles of Association and who, being eligible, is offering himself for re-election, be re-appointed as a Director of the Company.
4. **THAT**, Stefan Borson who is retiring in accordance with article 15.1 of the Company’s Articles of Association and who, being eligible, is offering himself for re-election, be re-appointed as a Director of the Company.
5. **THAT**, in substitution for and to the exclusion of all existing authorities, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act to allot relevant securities (within the meaning of such section) (or to grant rights to subscribe for or to convert any security into relevant securities) in the Company for all and any purposes approved by the Directors, up to an aggregate nominal value equal to the sum of £1,534,611 representing one-third of the current issued share capital (excluding treasury shares) and so that such authority shall, save to the extent that it is earlier renewed or extended by resolution passed at a general meeting, expire 18 months after the date of the passing of this resolution or, if earlier, at the conclusion of the next Annual General Meeting of the Company to be held after the passing of this resolution, save that the Company may, prior to the expiry of such authority, make an offer or agreement which would or might require relevant securities to be allotted after the expiry of this authority and the Directors may allot relevant securities pursuant to such an offer or agreement as if the authorities hereby conferred had not expired.

### Special Resolutions

6. **THAT**, subject to and conditional upon the passing of Resolution 5 above and in substitution for and to the exclusion of all existing authorities in that regard other than the authority contained in Resolution 5 above, the Directors be and are hereby empowered pursuant to section 571 of the Act to allot equity securities (as defined in section 560(1) of the Act) and to sell treasury shares having an aggregate nominal value of up to £460,383 (representing 10 per cent. of the current issued share capital) for cash pursuant to the authorities conferred by that resolution, as if section 561(1) of the Act did not apply to any such allotment or sale of treasury shares. Such authority, unless previously renewed, extended, varied or revoked by the Company in general meeting, shall

expire 18 months after the passing of this resolution or, if earlier, at the conclusion of the next Annual General Meeting of the Company to be held after the passing of this resolution, save that the Company may, prior to the expiry of such authority, make an offer or agreement which would or might require equity securities in the Company to be allotted or treasury shares to be sold after the expiry thereof and the Directors may allot equity securities in the Company (or sell treasury shares) in pursuance of such offer or agreement notwithstanding the expiry of the authority given by this resolution.

7. **THAT**, the Company is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares provided that:
- (a) the maximum aggregate nominal value of Ordinary Shares that may be purchased is £690,575;
  - (b) the minimum price (excluding expenses) which may be paid for each ordinary share is 10 pence; and
  - (c) the maximum price (excluding expenses) which may be paid for each ordinary share is 105 per cent. of the average market value of an ordinary share for the five business days prior to the day the purchase is made.

The authority conferred by this resolution shall expire 18 months after the date of the passing of this resolution or, if earlier, at the conclusion of the Company's next Annual General Meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority.

Dated: 6 June 2022

*By order of the Board,*

*Registered office:*

Highfield Court Tollgate, Chandler's Ford,  
Eastleigh, Hampshire, SO53 3TY

**Richard Rose**

*Non-Executive Chairman*

## Notes:

The following notes explain your general rights as a shareholder and your right to 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 28 June 2022. 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 2.00 pm (UK time) on 30 June 2022 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders should appoint the Chairman of the meeting as their proxy who must exercise all or any of their rights to attend and vote on a poll on their behalf at the meeting and at any adjournment of it. Your proxy must vote as you instruct. Please indicate the proxy holder's name and the number of Ordinary Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Ordinary Shares held by you). If a Shareholder appoints someone who is not the Chairman as their proxy, that proxy will not be able to attend the meeting in person in order to cast the Shareholder's vote.
4. You can vote either:
  - by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions;
  - by requesting a hard copy form of proxy directly from the registrars, Link Group (previously called Capita), on Tel: 0371 664 0300 if calling from the United Kingdom, or +44(0)371 664 0391 if calling from outside the United Kingdom. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales;
  - 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 2.00 pm on 28 June 2022.

5. The return of a completed Form of Proxy or other such instrument will not prevent a Shareholder accessing the meeting electronically if he/she wishes to do so, however this will not form part of the meeting.
6. If a Shareholder submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions.
7. In the case of joint holders, the signature of only one of the joint holders is required but, if more than one votes, the vote of the first named on the register of members will be accepted to the exclusion of other joint holders.
8. A vote withheld option is provided on the Form of Proxy to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution. If no voting indication is given, your proxy will vote or abstain from voting at his/her discretion. If it is returned without an indication as to how your proxy shall vote on any particular matter, your proxy will vote (or abstain from voting) as he/she thinks fit in relation to any other matter which is put before the Annual General Meeting.
9. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered in the Company's register of members at close of business on 29 June 2022 (or, in the event of any adjournment, at close of business on the date which is two days before the time of the adjourned meeting) shall be entitled to vote at the Annual General Meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend electronically and vote at the meeting.
10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Annual General 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.
11. 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 regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 2.00 pm on 28 June 2022. 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.
12. 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.

13. 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.
14. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the Annual General Meeting. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.
15. Voting on all of the substantive resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as member votes are to be counted according to the number of shares held.
16. As at 1 June 2022 (being the latest practicable date before publication of this document), the issued share capital of the Company comprised 46,038,333 Ordinary Shares of 10 pence each and the total number of voting rights was 46,038,333. There are no Ordinary Shares held by the Company in treasury.
17. Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
18. 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.
19. 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.watchstonegroup.com](http://www.watchstonegroup.com).

