

# AFC Energy Plc

Registered in England and Wales No. 05668788

## Notice of Annual General Meeting



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NOTICE IS HEREBY GIVEN that the Annual General Meeting of AFC Energy Plc will be held at Napier Suite, Brooklands Hotel, Brooklands Drive, Weybridge, Surrey KT13 0SL on 7 April 2022 at 09.30 am for the following purposes:

To consider, and if thought fit pass, the following resolutions of which resolutions 1 to 7 will be proposed as ordinary resolutions and resolutions 8 and 9 as special resolutions.

## **ORDINARY RESOLUTIONS**

1. To receive and adopt the financial statements for the year ended 31 October 2021 together with the reports of the Directors and the Auditors thereon.
2. To re-elect Adam Bond, who retires by rotation, as a Director.
3. To elect Dr Monika Biddulph, who was appointed since the last Annual General Meeting, as a Director.
4. To elect Gary Bullard, who was appointed since the last Annual General Meeting, as a Director.
5. To re-appoint Grant Thornton UK LLP as Auditors to act as such until the conclusion of the next General Meeting of the Company at which the requirements of section 437 of the Companies Act 2006 ("the 2006 Act") are complied with.
6. To authorise the Directors of the Company to fix the remuneration of Grant Thornton UK LLP as auditors.
7. That the Directors shall have general and unconditional authority for the purpose of section 551 of the 2006 Act to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal amount of £242,380 provided that such authority shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2023 or 7 July 2023, whichever is the earlier, unless previously renewed, varied or revoked by the Company in General Meeting and the Directors shall be entitled under the authority hereby conferred or under any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement, which would or might require such shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry, and the Board may allot shares and grant rights to subscribe or convert securities into shares in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired. This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the 2006 Act.

## **SPECIAL RESOLUTIONS**

8. That, subject to and conditional upon the passing of resolution 7 above, the Directors shall be and are hereby empowered pursuant to section 570 of the 2006 Act to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash pursuant to the general authority conferred by resolution 7 above and be empowered pursuant to section 573 of the 2006 Act to sell ordinary shares (as defined in section 560 of the 2006 Act) held by the Company as treasury shares (as defined in section 724 of the 2006 Act) for cash, as if section 561(1) of the 2006 Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:
  - a) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory;
  - b) otherwise than pursuant to sub paragraph 8(a) above, up to an aggregate nominal amount of £73,448,

and such powers shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2023 or 7 July 2023, whichever is the earlier, but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement as if the power conferred by this resolution had not expired. The power hereby conferred shall operate in substitution for and to the exclusion of any previous power given to the Directors pursuant to section 570 of the 2006 Act.

9. THAT with effect from the conclusion of the meeting the articles of association of the Company be amended by deleting article 91 and replacing it with the following new article 91:

Fees may be paid out of the funds of the Company to Directors who are not managing or executive directors at such rates as the Directors may from time to time determine having taken into account the rates paid by comparable companies and advice from external advisers, where the Directors consider this appropriate.

Registered Office  
Unit 71, 4 Dunsfold Park Stovolds Hill  
Cranleigh  
Surrey  
GU6 8TB

11 March 2022

By Order of the Board

Graeme Lewis  
Company Secretary

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## Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register at 9.30am on 5 April 2022 shall be entitled to attend and vote 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 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.
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 using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
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. To appoint more than one proxy, please contact the Company's registrars at the address set out in note 5 below.
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:
  - (a) completed and signed;
  - (b) sent or delivered to the Company's Registrar at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ; and
  - (c) received by the Company's Registrar on or prior to 9.30am on 5 April 2022 or not less than 48 hours before the time of any adjourned meeting.

In the case of a member 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.
6. 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).
7. As at 5pm on the day immediately prior to the date of posting of this notice of Annual General Meeting, the Company's issued share capital comprised 734,484,668 ordinary shares of 0.1p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5pm on the day immediately prior to the date of posting of this notice of Annual General Meeting is 734,484,668.

# Notice of Annual General Meeting Continued

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## **EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING**

The notes below give an explanation of the proposed resolutions.

Resolutions 1 to 7 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 8 and 9 are proposed as a special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

### **Explanation of Ordinary Resolutions**

#### **Resolution 2: Re-Election of Adam Bond**

Adam Bond was not re-elected at either of the two preceding Annual General Meetings in accordance with article 105(2) of the Company's articles of association and will stand for re-election.

#### **Resolution 3: Election of Dr Monika Biddulph**

Dr Monika Biddulph was appointed as a Director by the Directors since the last Annual General Meeting in accordance with article 105(1) of the Company's articles of association and will stand for re-election.

#### **Resolution 4: Election of Gary Bullard**

Gary Bullard was appointed as a Director by the Directors since the last Annual General Meeting in accordance with article 105(1) of the Company's articles of association and will stand for re-election.

#### **Resolution 7: Authority to allot new shares**

The Companies Act 2006 provides that Directors shall only allot shares with the authority of shareholders in general meeting. The authority given to the Directors at the last Annual General Meeting to allot (or issue) shares pursuant to section 551 of the Companies Act 2006 expires on the date of this year's Annual General Meeting.

Resolution 7 will be proposed as an ordinary resolution for the renewal of the Directors' general authority to issue shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £242,380, representing approximately 33% of the current issued share capital of the Company. This authority is in substitution for all existing authority to issue shares in the Company or to grant rights to subscribe for or to convert any securities into shares in the Company. The Directors have no present intention of exercising this authority.

The Company held no shares in treasury as at 10 March 2022 being the last practicable date prior to publication of this document.

### **Explanation of Special Resolutions**

#### **Resolution 8: Disapplication of pre-emption rights**

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. The authority given to the Directors at the last Annual General Meeting to allot shares for cash pursuant to section 570 of the Companies Act 2006 expires on the date of this year's Annual General Meeting.

Resolution 8 will be proposed as a special resolution for the renewal of 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 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 £73,448, representing approximately 10% of the current issued ordinary 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 on a non-pre-emptive basis.

#### **Resolution 9: Amendment to the Articles of Association**

Article 91 of the Company's current Articles of Association currently caps the amount the Company can pay to non-executive directors to £150,000 in aggregate. The Board of Directors see this as an arbitrary cap, as it takes no account of the number of non-executive directors it has or the quality of the candidates it recruits, as well as now being out of date – it has been in the Articles since 2011. They also do not believe that they will be able to recruit candidates of sufficient calibre with this restriction in place.

Resolution 9 will therefore be proposed as a special resolution to amend Article 91 to give the Directors more flexibility to remunerate non-executive directors at an appropriate level.

