

# **HOSTMORE PLC**

## **NOTICE OF THE 2023 ANNUAL GENERAL MEETING**

**TO BE HELD AT THE OFFICES OF FINNCAP  
LIMITED, ONE BARTHOLOMEW CLOSE,  
LONDON, EC1A 7BL**

**ON WEDNESDAY, 7 JUNE 2023 AT 12.00 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 are in the United Kingdom, or another appropriately authorised independent adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your shares in Hostmore plc, 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.

## LETTER FROM THE CHAIRMAN

### Hostmore plc

*(Registered in England and Wales, with company number 13334853)*

**Registered office:**

Highdown House  
Yeoman Way  
Worthing  
West Sussex  
BN99 3HH

**Directors:**

Gavin Manson (Chairman)  
Alan Clark (Chief Financial Officer)  
David Lis (Senior Independent Non-Executive Director)  
Andrew Blurton (Independent Non-Executive Director)  
Stephen Welker (Non-Executive Director)

28 April 2023

Dear Shareholder

#### **ANNUAL GENERAL MEETING 2023**

On behalf of the directors of Hostmore plc (together the “Directors”), it gives me great pleasure to write to you with details of the second Annual General Meeting (“AGM”) of Hostmore plc (the “Company”) which will be held at the offices of finnCap Limited, One Bartholomew Close, London, EC1A 7BL on Wednesday, 7 June 2023 at 12.00 p.m.

The formal Notice of the AGM (the “Notice”) is set out on pages 4 to 17 of this document, detailing the proposed resolutions that the shareholders are being asked to vote on along with explanatory notes on those resolutions. A number of specific matters to which to draw your attention have also been highlighted below. A copy of the Annual Report and Financial Statements for the 52-week period ended 1 January 2023 (the “Annual Report and Financial Statements”) can be found on the Company’s website at [www.hostmoregroup.com](http://www.hostmoregroup.com). If you requested a printed copy of the Annual Report and Financial Statements, it is enclosed with this document.

#### **APPROVAL OF PROPOSED DIRECTORS’ REMUNERATION POLICY (RESOLUTION 3)**

This year, to address the challenges currently facing the Company, we are inviting you to approve an amended remuneration policy for Directors. This amended remuneration policy does not increase the amounts available to the Company’s Executive Directors, but instead provides for some discretions which will allow our remuneration structure to better support our strategy in the current exceptional circumstances. The proposed policy, which has been drafted by the Remuneration Committee, is set out on pages 76 to 88 of our Annual Report and Financial Statements. The policy is subject to a binding shareholder vote. If it is approved, the Company will not be able make any remuneration or loss of office payments unless such payments are consistent with the approved policy or shareholders have approved any amendment to that policy authorising the Company to make such payments. It is proposed that the policy will take effect from the date of the AGM and will, if left unchanged, apply for three years. The vote on the Directors’ Remuneration Policy is in addition to the advisory vote on the Directors’ Remuneration Report.

#### **ELECTION/RE-ELECTION OF DIRECTORS (RESOLUTIONS 4 TO 7)**

As Stephen Welker was appointed to the Board on 15 August 2022, he intends to retire from office at this second AGM. As permitted by the Company’s articles of association, Stephen has submitted himself for election by the Company’s shareholders for the first time, while the remaining Directors, save for myself, have submitted themselves for re-election by the Company’s shareholders. As previously announced, I intend to step down from the Board at the conclusion of the meeting because in September 2022, I was asked to become an Executive Director in the turnaround of another company. With the enhanced strategy referred to in the Annual Report and Financial Statements, it is clear to me that both roles cannot be conducted optimally together.

Subject to his election as a Director by shareholders, and as previously announced, it is proposed that Stephen Welker will succeed me as Non-Executive Chairman of the Board from the conclusion of the AGM. It is also proposed that Stephen will serve as Chair of the Disclosure Committee, in addition to already being the Chair of the Nominations Committee. Further information on Stephen's appointment as Chairman, the election of Stephen as a Director and the re-election of all of our other Directors (other than myself) can be found on pages 8 and 9 and in the Directors' biographies in the Appendix on pages 16 and 17 of this document. The Board considers each Director standing for election to be fully effective and committed to their role and recommends them all for election / re-election by shareholders.

### **APPOINTING A PROXY**

If you are unable to attend the AGM, you can still be represented at the meeting by appointing a proxy to act on your behalf and by giving instructions on how you wish your proxy to vote on the proposed resolutions.

Irrespective of whether or not you propose to attend the AGM, we would encourage you to appoint the Chairman of the meeting as your proxy. This will ensure that your vote will be counted if ultimately you (or any other proxy you might otherwise appoint) are not able to attend on the day for any reason. If you appoint the Chairman of the meeting as your proxy, the Chairman will vote in accordance with your instructions. If the Chairman is given discretion as to how to vote, he or she will vote in favour of each of the resolutions set out in the Notice. Appointing a proxy will not prevent you from attending and voting in person if you wish to do so.

Instructions on how to appoint a proxy can be found in the notes to the Notice set out on pages 13 to 15. Please complete and submit a proxy appointment in accordance with those notes. To be valid, your proxy appointment must be received at the address indicated by no later than 12.00 p.m. on Monday, 5 June 2023.

### **ASKING QUESTIONS**

The Board recognises the importance of the AGM to shareholders and is keen to ensure you are able to exercise your rights to engage and participate in the meeting. Shareholders or their appointed proxies who attend the AGM on the day will be able to ask questions on the business of the meeting. All shareholders (irrespective of whether or not they propose to attend the AGM) are also invited to ask their questions on the business of the meeting in advance by sending an email to [enquiries@hostmoregroup.com](mailto:enquiries@hostmoregroup.com). Shareholders wishing to receive a response to a question in advance of the proxy voting deadline for the AGM should submit their questions by email by no later than 12.00 p.m. on Thursday, 1 June 2023.

### **RECOMMENDATION**

The Directors believe that the proposed resolutions set out in the Notice 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 at the AGM. The Directors who own shares in the Company intend to vote in favour of all of the resolutions (other than in respect of those resolutions in which they are personally interested).

I thank you for your continued support.

Yours faithfully

**Gavin Manson**  
Chairman of the Board  
Hostmore plc

## **NOTICE OF THE ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING (the "AGM") of Hostmore plc (the "Company") will be held at the offices of finnCap Limited, One Bartholomew Close, London, EC1A 7BL on Wednesday, 7 June 2023 at 12.00 p.m. to consider and, if thought appropriate, pass the resolutions set out below. Resolutions 1 to 11 will be proposed as ordinary resolutions and resolutions 12 to 15 will be proposed as special resolutions.

### **ORDINARY RESOLUTIONS**

#### **Annual Report and Financial Statements**

1. To receive the Company's audited financial statements, together with the Directors' and auditors' reports for the 52-week period ended 1 January 2023.

#### **Directors' Remuneration Report**

2. To approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy) for the 52-week period ended 1 January 2023.

#### **Directors' Remuneration Policy**

3. To approve the Directors' Remuneration Policy (as contained in the Directors' Remuneration Report) for the 52-week period ended 1 January 2023.

#### **Directors**

4. To elect Stephen Welker as a Director
5. To re-elect Andrew Blurton as a Director.
6. To re-elect Alan Clark as a Director.
7. To re-elect David Lis as a Director.

#### **Auditors**

8. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next meeting at which accounts are laid before the Company.
9. To authorise the Audit and Risk Committee of the Company to fix the remuneration of the auditors.

#### **Authority to make political donations and incur political expenditure**

10. That, from the date of this resolution until the earlier of the close of business on 30 June 2024 and the conclusion of the Company's annual general meeting to be held in 2024, the Company and all companies which are its subsidiaries at any time during such period are authorised:

- (a) to make donations to political parties and/or independent election candidates;
- (b) to make donations to political organisations other than political parties; and
- (c) to incur political expenditure,

up to an aggregate total amount of £50,000, with the amount authorised for each of heads (a) to (c) above being limited to the same total. Any such amounts may comprise sums paid or incurred in one or more currencies. Any sum paid or incurred in a currency other than sterling shall be converted into sterling at such rate as the Directors may decide is appropriate. Terms used in this resolution have, where applicable, the meanings that they have in Part 14 of the Companies Act 2006 on "Control of political donations and expenditure".

### **Directors' authority to allot shares**

11. To authorise the Directors, generally and unconditionally, pursuant to and in accordance with section 551 of the Companies Act 2006, as amended, (the "Act") to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or to convert any security into, shares in the Company:

- (A) up to an aggregate nominal amount of £8,408,485 (such amount to be reduced by the aggregate nominal amount allotted or granted under paragraph 11(B) below of this resolution in excess of £8,408,485); and
- (B) comprising equity securities (as defined in section 560(1) of the Act) up to an aggregate nominal amount of £16,816,970 (such amount to be reduced by the aggregate nominal amount allotted or granted under paragraph 11(A) above of this resolution) in connection with an offer by way of a rights issue, open offer or other pre-emptive offer:
  - (1) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - (2) to holders of other equity securities, as required by the rights of those securities or, subject to such rights, 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,

such authority to expire (unless previously revoked, varied or renewed) at the close of business on 30 June 2024 or, if earlier, at the conclusion of the Company's annual general meeting to be held in 2024, but so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares in the Company to be allotted or rights to subscribe for or to convert any security into shares in the Company to be granted, after the authority expires and the Directors may allot shares or grant such rights under any such offer or agreement as if the authority conferred hereby had not expired. All authorities vested in the Directors on the date of the Notice of this meeting to allot shares or to grant rights that remain unexercised at the commencement of this meeting are revoked.

## **SPECIAL RESOLUTIONS**

### **Power to disapply pre-emption rights**

12. That, subject to the passing of resolution 11 above, the Directors are empowered pursuant to sections 570 and 573 of the Act to allot equity securities (as defined in the Act) for cash under the authority given by that resolution 11 and/or to sell ordinary shares held by the Company as treasury shares for cash, in each case, as if section 561 of the Act did not apply to any such allotment and/or sale, such power to be limited:

- (A) to the allotment of equity securities and/or sale of treasury shares in connection with an offer of securities (but in the case of the authority granted under resolution 11(B) above, by way of rights issue, open offer or pre-emptive offer only) in favour of the holders of shares on the register of members at such record date as the Directors may determine where the equity securities respectively attributable to the interests of the shareholders are proportionate (as nearly as may be practicable) to the respective numbers of shares held by them on any such record date, 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; and
- (B) to the allotment of equity securities and/or sale of treasury shares (otherwise than under paragraph 12(A) above) up to an aggregate nominal amount of £2,522,545; and
- (C) to the allotment of equity securities and/or sale of treasury shares (otherwise than under paragraph 12(A) and 12(B) above) up to an aggregate nominal amount equal to 20% of any allotment of equity securities and/or sale of treasury shares from time to time under paragraph 12(B) above, such power to be used only for the purposes of making a follow-

on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of 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 power to expire on the revocation or expiry (unless renewed) of the authority conferred on the Directors by resolution 11, but so that prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and/or treasury shares to be sold) after the power expires and the Directors may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the power had not expired.

#### **Additional power to disapply pre-emption rights for purposes of acquisitions or capital investments**

13. That, subject to the passing of resolution 11 above, and in addition to any power granted under resolution 12 above, the Directors are empowered pursuant to sections 570 and 573 of the Act to allot equity securities (as defined in the Act) for cash, pursuant to the authority given by resolution 11, and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment and/ or sale, provided that such power is:

- (A) limited to the allotment of equity securities and/or sale of treasury shares up to an aggregate nominal amount of £2,522,545, and used only for the purposes of financing (or refinancing, if the power is to be used within 12 months after the original transaction) a transaction which the Directors determine to be either an acquisition or a specified 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; and
- (B) limited to the allotment of equity securities and/or sale of treasury shares (otherwise than under paragraph 13(A) above) up to an aggregate nominal amount equal to 20% of any allotment of equity securities and/or sale of treasury shares from time to time under paragraph 13(A) above, such power to be used only for the purposes of making a follow-on offer which the Directors determine to be of the kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of the Notice,

such power to expire on the revocation or expiry (unless renewed) of the authority conferred on the Directors by resolution 11, but so that prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and/or treasury shares to be sold) after the power expires and the Directors may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the power had not expired.

#### **Authority to purchase own shares**

14. To generally and unconditionally authorise the Company for the purpose of section 701 of the Act to make one or more market purchases (as defined in section 693(4) of the Act) of ordinary shares in the capital of the Company on such terms and in such manner as the Directors may from time to time determine, provided that:

- a. the maximum aggregate number of ordinary shares hereby authorised to be acquired is 12,612,727;
- b. the minimum price (exclusive of expenses) which may be paid for each ordinary share in the Company is its nominal value;
- c. the maximum price (exclusive of expenses) which may be paid for any such ordinary share is an amount equal to the higher of: (i) 105 per cent. of the average of the closing price of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and (ii) the higher of the price of the last

independent trade of an ordinary share in the Company and the highest current independent bid for an ordinary share in the Company as derived from the London Stock Exchange Trading System,

the authority hereby conferred shall expire at the close of business on 30 June 2024 or, if earlier, at the conclusion of the Company's annual general meeting to be held in 2024 (except in relation to the purchase of ordinary shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry of authority) unless such authority is previously renewed, varied or revoked by the Company in general meeting.

**Notice of general meetings**

15. To authorise the Directors to call a general meeting of the Company, other than an annual general meeting, on not less than 14 clear days' notice.

By order of the Board

**Robert Henry**

General Counsel & Company Secretary

28 April 2023

Registered in England and Wales, with company number 13334853

Registered office:  
Highdown House,  
Yeoman Way,  
Worthing,  
West Sussex,  
BN99 3HH

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

### **THE NOTES ON THE FOLLOWING PAGES GIVE AN EXPLANATION OF THE PROPOSED RESOLUTIONS.**

All proposed resolutions in this Notice will be voted on by way of a poll. Resolutions 1 to 11 are proposed as ordinary resolutions. An ordinary resolution will be passed on a poll if it is passed by shareholders representing a simple majority of the total voting rights of shareholders who vote. Resolutions 12 to 15 are proposed as special resolutions. A special resolution will be passed on a poll if it is passed by shareholders representing a majority of at least three-quarters of the total voting rights of shareholders who vote.

#### **RESOLUTION 1: ANNUAL REPORT AND FINANCIAL STATEMENTS**

The Companies Act 2006 (the “Act”) requires the directors of a public company to lay before the company in general meeting copies of the directors’ reports, the independent auditors’ report and the audited financial statements of the company in respect of each financial year. In accordance with best practice, the Company proposes an ordinary resolution to receive its audited financial statements and reports for the 52-week period ended 1 January 2023 (the “Annual Report and Financial Statements”).

#### **RESOLUTION 2: ANNUAL REMUNERATION REPORT**

In accordance with the Act, shareholders are invited to approve the Directors’ Remuneration Report as set out on pages 72 to 97 of the Annual Report and Financial Statements. For the purposes of this resolution, the Directors’ Remuneration Report does not include the Directors’ Remuneration Policy which is set out on pages 76 to 88 of the Annual Report and Financial Statements and which is the subject of a separate shareholder resolution (Resolution 3). The Company’s auditors, PricewaterhouseCoopers LLP, have audited those parts of the Directors’ Remuneration Report that are required to be audited and their report may be found on pages 111 to 119 of the Annual Report and Financial Statements. This resolution is subject to an “advisory vote” by shareholders and is therefore not binding on the Company. In the event that the resolution is not passed, payments made or promised to Directors will not have to be repaid, reduced or withheld.

#### **RESOLUTION 3: DIRECTORS’ REMUNERATION POLICY**

The Remuneration Committee has submitted a Directors’ Remuneration Policy for shareholder approval at the AGM. Accordingly, shareholders are invited to approve the new Policy by voting on resolution 3. The proposed Policy is contained in the Directors’ Remuneration Report and can be found on pages 76 to 88 of the Annual Report and Financial Statements. It sets out the Company’s forward-looking policy on Directors’ remuneration and is subject to a binding shareholder vote. If resolution 3 is passed, the Directors’ Remuneration Policy will take effect from the date of the AGM (the “Effective Date”) and, from the Effective Date, the Company may not make a remuneration payment or payment for loss of office to a person who is, or is to be, or has been a director of the Company unless that payment is consistent with the approved Directors’ Remuneration Policy, or an amendment to that Policy authorising the Company to make such a payment has been approved by a shareholders’ resolution. The Directors are required to seek shareholder approval of their remuneration policy at least every three years, except in the event that a change to the policy is proposed or the advisory vote on the Directors’ remuneration report is not passed in any year subsequent to the approval of the policy. It is, therefore, intended that the Policy will apply for three years.

#### **RESOLUTIONS 4 TO 7: DIRECTORS**

Resolution 4 proposes Stephen Welker’s election by the Company’s shareholders. As Stephen was appointed to the Board on 15 August 2022, he intends to retire from office at the AGM. As permitted by the Company’s articles of association, Stephen has submitted himself for election by the Company’s shareholders for the first time.

Resolutions 5 – 7 (inclusive) propose the re-election of the remaining Directors (other than Gavin Manson) by the Company’s shareholders. As permitted by the Company’s articles of association, all Directors have submitted themselves for re-election by the Company’s shareholders, with the



exception of Gavin Manson who, as previously announced, intends to step down from the Board at the conclusion of the AGM.

Subject to his election as a Director at the AGM, it is proposed that Stephen Welker will succeed Gavin Manson as Non-Executive Chairman of the Board with effect from the conclusion of the meeting. As previously announced, Stephen is not viewed as being independent on appointment for the purposes of Provision 9 of the UK Corporate Governance Code (the "Code") as Stephen was previously a Non-Executive Director of Electra Private Equity PLC (now re-named Unbound Group PLC) and was a Director of Mondays (Topco) Limited, the then-holding company of the TGI Fridays trading business. He is currently a significant shareholder in the Company and also a Partner in Sherborne Investors Management LP which used to hold an interest in the Company. Despite this, the Board believes that, given the importance of continuity of stewardship to the Company as a newly listed entity, Stephen's appointment as Chairman is in the best interests of both the Company and its shareholders. Stephen brings unique strategic insight to the business, which, combined with his financial, commercial and investor relations expertise, will be invaluable as the Company grows and strengthens its business. It is also proposed that Stephen will serve as Chair of the Disclosure Committee, in addition to already being the Chair of the Nominations Committee. These changes will take effect from the conclusion of the AGM, subject to Stephen's election as a Director at the meeting.

The Board carries out a review of the independence of its Directors on an annual basis. In considering the independence of the independent Non-Executive Directors proposed for re-election this year, the Board has taken into consideration the recommendations of the Code. Accordingly, the Board considers Andrew Blurton and David Lis to be independent in accordance with the Code. As noted above, Stephen Welker is not deemed to be independent due to the reasons stated in the previous paragraph.

Biographical details of each of the Directors who are seeking election or re-election are provided in the Appendix to the Notice on pages 16 and 17 to enable the Company's shareholders to take an informed decision on their election. The Board believes that each Director brings considerable and wide-ranging skills and experience to the Board as a whole and continues to make an effective and valuable contribution to the deliberations of the Board. Each Director has continued to perform effectively and demonstrated commitment to their role.

All Directors are recommended by the Board for election / re-election. It is the Board's intention that each year all Directors will retire from office in line with the recommendations of the Code. Retiring Directors will be eligible for re-election by shareholders.

#### **RESOLUTIONS 8 AND 9: RE-APPOINTMENT AND REMUNERATION OF AUDITORS**

The auditors of a company must be appointed or re-appointed at each general meeting at which the annual report and financial statements are laid. Resolution 8 proposes, on the recommendation of the Audit and Risk Committee of the Company, the re-appointment of PricewaterhouseCoopers LLP as the Company's auditors until the conclusion of the next general meeting of the Company at which the annual report and financial statements are laid. The Audit and Risk Committee has confirmed to the Board that its recommendation is free from third party influence and that no restrictive contractual provisions have been imposed on the Company limiting its choice of auditors.

Resolution 9 seeks shareholder consent for the Audit and Risk Committee to set the auditors' remuneration.

#### **RESOLUTION 10: AUTHORITY TO MAKE POLITICAL DONATIONS AND INCUR POLITICAL EXPENDITURE**

Subject to limited exceptions, the Act imposes restrictions on companies making political donations to any political party or other political organisation or to any independent election candidate or incurring political expenditure unless they have been authorised to do so at a general meeting. It is the Company's policy that it does not make political donations nor incur political expenditure. Nevertheless, the Act includes broad and ambiguous definitions of the terms "political donation" and "political expenditure" which may apply to some normal business activities which would not generally be considered to be political in nature.

The Board currently has shareholder approval to make donations to political parties, political organisations and independent election candidates and to incur political expenditure up to an aggregate total amount of £50,000. This approval is due to expire at the AGM, and the Board considers that it would be prudent to renew it. As is common practice among many UK public companies, this authority is sought as a precautionary measure only to guard against any inadvertent breach of the statutory restrictions. The Board confirms that it has no intention of making any political donations, incurring political expenditure or entering into party political activities.

#### **RESOLUTION 11: DIRECTORS' AUTHORITY TO ALLOT**

Under the Act, the directors of a company may only allot new shares (or grant rights over shares) if authorised to do so by the shareholders in a general meeting.

The purpose of resolution 11 is to renew the Directors' current authority to allot shares which is due to expire at the AGM. The authority in paragraph 11(A) will allow the Directors to allot new shares in the Company and grant rights to subscribe for, or convert other securities into, shares in the Company in any circumstances up to an aggregate nominal amount of £8,408,485. Such amount represents approximately one third (33.3%) of the total issued ordinary share capital of the Company (exclusive of treasury shares) as at 26 April 2023, being the latest practicable date prior to publication of this document.

In line with The Investment Association's February 2023 Share Capital Management Guidelines, the authority in paragraph 11(B) will allow the Directors to allot new shares in the Company and grant rights to subscribe for, or convert other securities into, shares in the Company in connection with a rights issue, open offer or other pre-emptive offer only up to an aggregate nominal amount of £16,816,970. Such amount represents approximately two thirds (66.7%) of the total issued ordinary share capital of the Company (exclusive of treasury shares) as at 26 April 2023. For the avoidance of doubt, the authority sought pursuant to this resolution will give the Directors the ability to allot shares and grant rights up to a maximum aggregate nominal amount of £16,816,970.

As at 26 April 2023, being the latest practicable date prior to the publication of this document, the Company did not hold any shares in treasury within the meaning of the Act.

There are no present plans to allot new shares in the Company other than in connection with employee share incentive plans. Nevertheless, the Directors consider it desirable to have the maximum flexibility within the limits prescribed by The Investment Association 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 close of business on 30 June 2024 or, if earlier, at the conclusion of the Company's annual general meeting to be held in 2024.

#### **RESOLUTIONS 12 AND 13: DISAPPLICATION OF PRE-EMPTION RIGHTS**

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, in the Company for cash (other than in connection with an employee share scheme), company law requires that such shares are offered first to the Company's shareholders in proportion to their existing holdings. The Directors currently have the power to allot shares and other equity securities, and/or sell treasury shares, for cash free from such statutory pre-emption rights in certain limited circumstances prescribed by the Statement of Principles on the disapplication of pre-emption rights issued by the Pre-Emption Group. This power is due to expire at the AGM and the Directors wish to renew it for a further period up until the AGM to be held in 2024.

Resolutions 12 and 13 reflect the latest version of the Statement of Principles on the disapplication of pre-emption rights published by the Pre-Emption Group in November 2022. Those Principles provide that a company may seek power to issue, on a non-pre-emptive basis, shares for cash in any one year representing: (i) no more than 10% of the company's issued ordinary share capital for use in any circumstances ; and (ii) no more than an additional 10% of the company's issued ordinary share capital provided that such additional power is only used in connection with an acquisition or specified capital investment.

The latest version of the Principles also provide that, in both cases, a company may seek a further power to issue, on a non-pre-emptive basis, shares for cash representing no more than 2% of the company's issued ordinary share capital for the purposes of making a "follow-on" offer (being an

offer of a kind contemplated by the Statement of Principles to certain retail investors and existing shareholders).

Resolution 12 is proposed as a special resolution. If it is passed, it will permit the Directors to allot new shares or other equity securities in the Company, and/or to sell treasury shares in the Company, for cash free from statutory pre-emption rights:

- a) in connection with a rights issue, open offer or similar pre-emptive issue; and
- b) otherwise than in connection with any rights issue, open offer or similar pre-emptive issue, but only up to a maximum aggregate nominal amount of £2,522,545. This amount represents approximately 10% of the total issued ordinary share capital of the Company. This will permit the Directors to allot shares or other equity securities, and/or sell treasury shares, for cash on a non-pre-emptive basis, up to the specified level, in any circumstances; and
- c) up to an amount equal to 20% of any allotment and/or sale made otherwise than in connection with any rights issue, open offer or similar pre-emptive issue (such amount being up to approximately 2% of the Company's issued ordinary share capital) for the specific purposes of making a "follow-on" offer of a kind contemplated by the Statement of Principles.

Resolution 13 is proposed as a separate special resolution in line with best practice. If it is passed, it will afford the Directors an additional power to allot new shares and other equity securities in the Company, and/or to sell treasury shares, for cash free from statutory pre-emption rights:

- a) up to a further maximum nominal amount of £2,522,545. This amount also represents approximately 10% of the total issued ordinary share capital of the Company. The Directors shall use the power conferred by this resolution only in connection with an acquisition or a specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding 12-month period and is disclosed in the announcement of the issue; and
- b) up to an amount equal to 20% of any allotment and/or sale made above (such amount being up to approximately 2% of the Company's issued ordinary share capital) for the specific purposes of making a "follow-on" offer of a kind contemplated by the Statement of Principles.

Whilst the Board has no present intention of exercising these powers, it considers that it is in the best interests of shareholders to have the flexibility, in these limited circumstances, to allot shares and/ or to sell treasury shares for cash without the need to comply with the strict requirements of the statutory pre-emption provisions. The Board confirms that, in exercising these powers, it will follow the shareholder protections in Part 2B of the Statement of Principles, and the expected features of a "follow-on" offer as set out in paragraph 3 of Part 2B of that Statement.

For the purposes of this explanatory note, the reference to the Company's issued ordinary share capital is to the issued ordinary share capital as at 26 April 2023 (being the latest practicable date prior to publication of this document). As at that date, the Company did not hold any shares in treasury.

#### **RESOLUTION 14: PURCHASE OF OWN SHARES**

The effect of resolution 14, which is a special resolution, is to renew the authority granted to the Company to purchase its own ordinary shares up until 30 June 2024 or, if earlier, the Annual General Meeting in 2024, subject to specific conditions relating to price and volume. The maximum number of ordinary shares which may be purchased under this authority is 12,612,727. This represents approximately 10% of the ordinary shares in issue (excluding shares held in treasury) as at 26 April 2023, being the latest practicable date prior to the publication of this document. The Company's exercise of this authority is subject to the stated upper and lower limits on the price payable, the upper limit being the price stipulated in the UK version of Commission Delegated Regulation (EU) 2016/1052 as referred to in Article 5(6) of the UK Market Abuse Regulation, and the UK Listing Rules.

As permitted by the Act, the Company can hold any shares which are repurchased as treasury shares and either re-sell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. Holding the repurchased shares as treasury shares will give the Company the ability to re-sell or transfer them in the future and will provide the Company with additional flexibility in the management of its capital base. No dividends

will be paid on, and no voting rights will be exercised in respect of, treasury shares. Shares held as treasury shares will not automatically be cancelled and will not be taken into account in future calculations of earnings per share (unless they are subsequently re-sold or transferred out of treasury).

The Directors consider it desirable and in the Company's interests for shareholders to grant this authority which is within the limits set out in The Investment Association's Share Capital Management Guidelines. The Directors have no present intention to repurchase shares, and would only do so if and when conditions are favourable with a view to enhancing earnings per share and when to do so would be in the best interests of shareholders generally.

Any purchases would be made through the London Stock Exchange and purchased shares would be re-sold for cash, either immediately or at a point in the future, used for the purposes of the Company's employee share schemes or cancelled (in which case the number of shares in issue would thereby be reduced) or, alternatively, held in treasury, depending on which course of action is considered by the Directors to be in the best interests of the shareholders at that time.

As at 26 April 2023, there were options or rights outstanding to subscribe for 2,552,204 new ordinary shares in the Company. This represents 2.02% of the Company's issued ordinary share capital at that date and would represent 2.25% of the Company's issued ordinary share capital if the authority had been exercised in full at that date.

#### **RESOLUTION 15: NOTICE OF GENERAL MEETINGS**

Under the Act, the notice period required for all general meetings of the Company is 21 clear days, though shareholders can approve a shorter notice period for general meetings that are not annual general meetings, which cannot however be less than 14 clear days. Annual general meetings will continue to be held on at least 21 clear days' notice. The shorter notice period for which shareholder approval is sought under resolution 15 would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. In the event that a general meeting is called on less than 21 clear days' notice, the Company will meet the requirements to offer a facility for shareholders to vote by electronic means as required by the Act. Shareholder approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

## **FURTHER NOTES**

1. A shareholder in the Company who is entitled to attend and vote at the AGM is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, speak and vote at the meeting. A proxy need not be a shareholder of the Company.
  2. A shareholder in the Company may appoint more than one proxy in relation to the AGM, provided that each proxy is appointed to exercise the rights attached to a different share or shares in the Company held by that shareholder. A proxy may only be appointed in accordance with the procedures set out in note 4 below.
  3. A shareholder in the Company wishing to attend and vote at the AGM in person should confirm his or her attendance in advance by emailing enquiries@hostmoregroup.com as soon as possible. A shareholder that is a corporation can only attend and vote at the AGM in person through one or more representatives appointed in accordance with the Act. Any such representative should bring to the AGM written evidence of his appointment, such as a certified copy of a board resolution of, or a letter from, the corporation concerned confirming the appointment. Any shareholder wishing to vote at the AGM without attending in person or (in the case of a corporation) through its duly appointed representative must appoint a proxy to do so.
  4. Shareholders may appoint a proxy, and give their voting instructions, by any of the following means:
    - By submitting a proxy appointment online – A shareholder may appoint a proxy online by visiting [www.sharevote.co.uk](http://www.sharevote.co.uk) and using their Voting ID, Task ID and Shareholder Reference Number which are printed on their Proxy form to log in. Alternatively, shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) by using their usual user ID and password. Once logged in, simply click 'view' on the 'My Investments' page, click on the link to vote and then follow the on-screen instructions. To be a valid proxy appointment, the shareholder's electronic message confirming the details of the appointment completed in accordance with the relevant instructions must be transmitted so as to be received by no later than 12.00 p.m. on Monday, 5 June 2023 (or, if the meeting is adjourned, no later than 48 hours (excluding non-working days) before the time of any adjourned meeting).
    - By completing and returning a hard copy form of proxy – A shareholder may appoint a proxy by completing a paper proxy form in accordance with the instructions that accompany it and then returning it directly to the registrar, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to be received by no later than 12.00 p.m. on Monday, 5 June 2023 (or, if the meeting is adjourned, no later than 48 hours (excluding non-working days) before the time of any adjourned meeting). Shareholders who have not received a hard copy form of proxy and who would like one may request one from the Company's registrar by calling the helpline number provided in note 14 below.
    - By submitting a proxy appointment via CREST – Shareholders who hold their shares in uncertificated form may use the "CREST electronic proxy appointment service" to appoint a proxy electronically by following the procedures set out in notes 15 to 18 below.
    - By submitting a proxy appointment via the Proxymity platform – Institutional shareholders may also be able to appoint a proxy electronically via the Proxymity platform by following the procedures set out, and online instructions referred to, in note 19 below.
- Voting online is quicker, more environmentally sustainable, and more secure than paper voting. Appointing a proxy will not prevent a shareholder from attending and voting in person at the AGM should he or she wish to do so.
5. Any power of attorney or other written authority under which a proxy appointment is signed or authenticated (or a notorially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 or in some other manner approved by the Board) must, if required by the

Company or by any person acting on its behalf, be received at the relevant address specified in these notes for receipt of such proxy appointment and by the latest time indicated for receipt of such proxy appointment.

6. The right to appoint a proxy detailed above does not apply to persons whose shares in the Company are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Act (“nominated persons”). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
7. The total number of issued ordinary shares (exclusive of treasury shares) in the Company on 26 April 2023, which is the latest practicable date before the publication of this document, was 126,127,279, carrying one vote each on a poll. As at that date, the Company did not hold any shares in treasury. Therefore, the total number of votes in the Company exercisable as at 26 April 2023 was 126,127,279.
8. A shareholder’s entitlement to vote at the AGM, and the number of votes which may be cast at the meeting, will be determined by reference to the Company’s register of members as at close of business on Monday, 5 June 2023 or, if the meeting is adjourned, close of business on the day which is two days’ (excluding non-working days) prior to the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.
9. Shareholders should note that, under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish a statement on its website setting out any matter that such shareholders propose to raise at the meeting relating to the audit of the Company’s accounts (including the auditors’ report and the conduct of the audit) that are to be laid before the meeting. The request must be received by the Company by no later than 12.00 p.m. on Wednesday, 31 May 2023, (being at least one week before the meeting) and the Company may not charge the requesting shareholders for website publication of such a statement. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company’s auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on its website.
10. Any shareholder attending the AGM has the right to ask questions relating to the business being dealt with at the meeting which, in accordance with section 319A of the Act and subject to some exceptions, the Company must cause to be answered. Shareholders who wish to ask questions relating to the business of the meeting can also do so by sending them in advance of the meeting to [enquiries@hostmoregroup.com](mailto:enquiries@hostmoregroup.com). Shareholders wishing to receive a response to a question in advance of the proxy voting deadline for the AGM should submit their questions by email by no later than 12.00 p.m. on Thursday, 1 June 2023.
11. A copy of this Notice and other information required by section 311A of the Act can be found at [www.hostmoregroup.com](http://www.hostmoregroup.com).
12. It is proposed that each of the resolutions in the Notice will be voted on at the AGM by way of a poll. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. The results of the poll will be announced to the market and published on the Company’s website once the votes have been counted and verified.
13. Copies of Directors’ service contracts and letters of appointment will be available on request during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) at the registered office of the Company at Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH, and at the offices of finnCap Limited, One Bartholomew Close, London, EC1A 7BL from 15 minutes before the AGM starts until it ends.

14. Shareholders may not use any electronic address provided in either the Notice or any related documents (including any form of proxy) to communicate with the Company for any purposes other than those expressly stated. Shareholders in the Company who have general queries about the AGM should either call the Registrar's helpline on +44 (0)371 384 2030 (please use the country code if calling from outside the UK), or write to the Registrar at Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom. No other methods of communication will be accepted.
15. CREST members who wish to appoint a proxy or proxies for the AGM (or any adjournment of it) through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. 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.
16. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message ('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, regardless of whether it constitutes the appointment of a proxy or is 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: RA19) by no later than 12.00 p.m. on Monday, 5 June 2023 (or, if the meeting is adjourned, no later than 48 hours (excluding non-working days) before the time of any adjourned meeting). 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. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
17. 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 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 or her 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.
18. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
19. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). To be valid, your proxy appointment must be received by no later than 12.00 p.m. on Monday, 5 June 2023 (or, if the meeting is adjourned, no later than 48 hours (excluding non-working days) before the time of any adjourned meeting). Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
20. All dates and times stated in this document and any further announcements regarding the AGM are in British Summer Time unless stated otherwise.

## **APPENDIX – DIRECTORS’ BIOGRAPHIES**

### **Alan Clark** (*Chief Financial Officer*)

Date joined Hostmore plc: 8 September 2021

#### **Career and experience**

Alan was appointed Chief Financial Officer of the Company in 2021. Alan joined Thursdays (UK) Limited (trading as Fridays) as Chief Finance Officer in March 2020. Alan has spent the majority of his career in the hotel industry in financial leadership roles, with national and international exposure across boutique and all-inclusive luxury brands, and has experience in driving customer engagement from a financial and operational perspective. Alan joined Fridays from his previous role as Chief Financial Officer at D&D London. Alan spent several years abroad, serving as Chief Financial Officer at the publicly listed Hongkong and Shanghai Hotels from 2014 to 2015, and then at Sandals Resorts in Jamaica from 2015 to 2018. Prior to that, he was Finance Director at Rocco Forte Hotels and Malmaison and Hotel du Vin for four years each, respectively, and Deputy VP Finance, Europe, at Le Méridien Hotels & Resorts.

Alan is a member of the Disclosure Committee.

**External appointments:** None.

### **David Lis** (*Senior Independent Director*)

Date joined Hostmore plc: 18 August 2021

#### **Career and experience**

David was appointed Senior Independent Director of the Company in 2021. David was the Senior Independent Director of Electra Private Equity PLC from 2018 to 2021, after joining the company as a Director in May 2016. David is the Chairman of Wild Life Group Limited, the Senior Non-Executive Director of Melrose Industries plc and a Non-Executive Director of Dowgate Capital Limited, and has previously held non-executive director positions at BCA Marketplace plc and the Multifamily Housing REIT plc. David has held several senior executive roles at Aviva Investors, including Chief Investment Officer of Equities and Multi Assets. Prior to Aviva, David spent a number of years as Head of Investor Relations at Ludgate Communications. Earlier in his career, he co-founded Windsor Investment Management, and spent a number of years as a fund manager at both Morgan Grenfell and J Rothschild Investment Management.

David is Chair of the Remuneration Committee, a member of the Audit and Risk Committee and a member of the Nominations Committee.

**External appointments:** Director of each of Melrose Industries PLC, Dowgate Capital Limited, Wild Life Group Limited and York Minster Fund Limited, and Member of the Finance Committee York Minster Fund.



**Andrew Blurton** (*Non-Executive Director*)

Date joined Hostmore plc: 17 August 2021

**Career and experience**

Andrew was appointed an independent Non-Executive Director of the Company in 2021. Andrew is currently the Finance Director of Advanced Living Limited. Andrew also holds positions as the Chair of the Governing Body of Longacre School in Surrey, as well as the Chair of the Liberty Defined Benefit Pension Scheme. Previously, Andrew was the Chief Financial Officer of Landmark Limited and the Chairman of Manroy Plc. Andrew has been a Fellow of the Institute of Chartered Accountants in England & Wales for over 39 years, having previously qualified as a Chartered Accountant in 1975.

Andrew is Chair of the Audit and Risk Committee, a member of the Nominations Committee, a member of the Remuneration Committee and a member of the Disclosure Committee.

**External appointments:** Director of each of Advanced Living Limited, Advanced Living (Kingston) Limited, Andrew Blurton Consultancy Limited and RG Property Asset Management Limited, Trustee of Liberty Retail Pension Scheme, and Chair of the Governing Body of Longacre School.

**Stephen Welker** (*Non-Executive Director*)

Date joined Hostmore plc: 15 August 2022

**Career and experience**

Stephen was appointed a Non-Executive Director in 2022. He is currently a Partner in Sherborne Investors Management LP and leads the firm's research function as the Director of Research. Stephen was previously a Non-Executive Director of Electra Private Equity PLC from July 2019 to November 2021 and was a Director of Mondays (Topco) Limited, the then-holding company of the TGI Fridays trading business, from June 2017 to November 2021. He was an advisor to F&C Asset Management plc from 2011 to 2013. Prior to joining Sherborne Investors, Stephen worked at Morgan Stanley on both real estate investment banking and principal investment transactions.

Stephen is the Chair of the Nominations Committee and a member of the Disclosure Committee.

**External Appointments:** Partner in Sherborne Investors Management LP

