

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser. If you have sold or otherwise transferred all of your shares in PCI-PAL PLC, you should pass this document, the accompanying form of proxy and the Annual Report and Accounts of PCI-PAL PLC for the financial year ended 30 June 2019 without delay to the stockbroker, bank or other person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares. If you have sold or otherwise transferred part of your holding of shares in PCI-PAL PLC, please contact your stockbroker, bank or other agent as soon as possible.

PCI-PAL PLC

(Incorporated in England and Wales with registered number 03869545)

NOTICE OF 2019 ANNUAL GENERAL MEETING

Notice of the 2019 Annual General Meeting of PCI-Pal PLC (the "Company") to be held at Shepherd and Wedderburn LLP, Condor House, 10 St. Paul's Churchyard, London EC4M 8AL at 11.00 a.m. (UK time) on Thursday 21 November 2019 is set out on pages 4 to 6 (inclusive) of this document. Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions on the enclosed form.

The proxy form must be completed and signed and returned using FREEPOST PXS, 34 Beckenham Road, BR3 9ZA (please note that delivery using this service may take up to five business days) or alternatively to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so that it is received no later than 11.00 a.m. (UK time) on Tuesday 19 November 2019.

PCI-PAL PLC

(Incorporated in England and Wales with registered number 03869545)

Directors:

Christopher Michael Fielding (*Non-Executive Chairman*)
 James Christopher Barham (*Chief Executive Officer*)
 Thomas William Good (*Chief Financial Officer*)
 Geoffrey Forsyth (*Chief Technology Officer*)
 Jason Stuart Starr (*Non-Executive Director*)

Registered office:

7 Gamma Terrace
 Ransomes Europark
 Ipswich
 Suffolk IP3 9FF

24 October 2019

To holders of ordinary shares of 1 pence each ("Ordinary Shares") in the capital of PCI-PAL PLC (the "Company")

Dear Shareholder,

I am pleased to invite you to the Company's Annual General Meeting which will be held at Shepherd and Wedderburn LLP, Condor House, 10 St. Paul's Churchyard, London EC4M 8AL at 11.00 a.m. (UK time) on Thursday 21 November 2019.

The 2019 Annual Report and Accounts (the "Annual Report and Accounts") of the Company has now been published. If you requested a paper copy, it is enclosed with this letter. If you have not requested a paper copy you may now access an electronic copy at www.pcipal.com in the Investors/Corporate News section.

The business to be conducted at the Annual General Meeting is set out in the Notice of Annual General Meeting at pages 4 to 6 of this document. You will be asked to consider and vote on the resolutions set out in the Notice. An explanation of these resolutions is given in the Explanatory Notes to the Notice, (the Explanatory Notes are set out at pages 7 and 8 of this document).

The Board very much hopes you will be able to attend the Annual General Meeting and we look forward to having the opportunity of speaking with you. We do however appreciate that it is not always possible for shareholders to attend in person. Even though you may not be able to attend, your vote is still important, and I would urge you to complete, sign and return the proxy form sent to you with this Notice.

Board

Geoffrey Forsyth and Thomas William Good are retiring by rotation in accordance with the Company's articles of association and are offering themselves for re-election. One Director, Simon Baxter Wilson, is standing for election, having been appointed to the Board since the last annual general meeting (with effect from 1 November 2019).

A summary of the background and experience of each Director is set out on the Company website www.pcipal.com in the Investors/Corporate Governance/Board of Directors section.

The Board considers that all Directors standing for election or re-election (as the case may be) continue to be effective members of the Board who provide a significant contribution to the Company and to the Board and unanimously recommends their election or re-election (as the case may be).

Action to be taken

You will find enclosed with this document a proxy form for use at the Annual General Meeting. Whether or not you propose to attend the Annual General Meeting in person, you are requested to complete the proxy form and return it to the Company's registrars, using FREEPOST PXS, 34 Beckenham Road, BR3 9ZA (please note that delivery using this service may take up to five business days) or alternatively to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to arrive no later than 11.00 a.m. (UK time) on Tuesday 19 November 2019. Please refer to the Shareholder Notes on pages 9 and 10 of this document for more details.

If you hold your shares in CREST, you may appoint a proxy or proxies by completing and transmitting a CREST Proxy Instruction as per the procedures described in the CREST Manual. All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy must be transmitted so that they are received by Link Asset Services (ID RA10) by 11.00 a.m. (UK time) on 19 November 2019.

The completion and return of the proxy form or the transmission of a CREST Proxy Instruction will not affect your right to attend and vote in person at the Annual General Meeting if you wish.

Recommendation

The Directors consider that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of all of the proposed resolutions, as they intend to do in respect of their own beneficial shareholdings.

Yours faithfully,

Chris Fielding
Chairman

PCI-PAL PLC

(Incorporated in England and Wales registered number 03869545)

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of PCI-PAL PLC (the "Company") will be held at Shepherd and Wedderburn LLP, Condor House, 10 St. Paul's Churchyard, London EC4M 8AL at 11.00 a.m. (UK time) on Thursday 21 November 2019 for the following purposes:

To consider and, if thought fit, pass the following as ordinary resolutions:

1. To receive and adopt the Company's Accounts for the financial year ended 30 June 2019, together with the Directors' report and the Auditor's report on those Accounts.
2. To elect Simon Baxter Wilson as a Director of the Company.
3. To re-elect Geoffrey Forsyth, who retires by rotation at the Annual General Meeting, as a Director of the Company.
4. To re-elect Thomas William Good, who retires by rotation at the Annual General Meeting, as a Director of the Company.
5. To reappoint Grant Thornton UK LLP as Auditor of the Company.
6. To authorise the Directors to agree the remuneration of the Auditor of the Company.
7. That:
 - (A) the Directors be generally and unconditionally authorised to allot shares in the Company, or to grant rights to subscribe for or to convert any security into shares in the Company, up to a maximum nominal amount of £400,000;
 - (B) the authorities given in this Resolution:
 - (1) are given pursuant to section 551 of the Companies Act 2006 (as amended) (the "Act") and shall be in substitution for all pre-existing authorities under that section; and
 - (2) unless renewed, revoked or varied in accordance with the Act, shall expire on the date falling 15 months after the passing of this Resolution, or, if earlier, at the end of the next annual general meeting of the Company to be held in 2020, save that the Company may before such expiry make an offer or agreement which would or might require the allotment of shares in the Company, or the grant of rights to subscribe for or to convert any security into shares in the Company, after such expiry.

To consider and, if thought fit, pass the following as special resolutions:

8. That:
- (A) subject to the passing of Resolution 7 set out in the notice of annual general meeting dated 24 October 2019 ("the Allotment Authority"), the Directors be given power pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560(1) of the Act) for cash, pursuant to the Allotment Authority, and to sell treasury shares wholly for cash, as if section 561(1) of the Act did not apply to any such allotment or sale, provided that such power shall be limited to the allotment of equity securities or the sale of treasury shares:
- (1) in connection with a Pre-Emptive Offer; or
 - (2) otherwise than in connection with a Pre-Emptive Offer, up to a maximum nominal amount of £40,000;
- (B) for the purposes of this Resolution, "Pre-Emptive Offer" means an offer of equity securities to:
- (1) holders of ordinary shares (other than the Company) on a fixed record date in proportion to their respective holdings of such shares; and
 - (2) other persons entitled to participate in such offer by virtue of, and in accordance with, the rights attaching to any other equity securities held by them,
- in each case subject to such exclusions or other arrangements as the Directors may deem necessary or appropriate in relation to fractional entitlements, legal, regulatory or practical problems under the laws or the requirements of any regulatory body or stock exchange of any territory or otherwise; and
- (C) the power given in this Resolution:
- (1) shall be in substitution for all pre-existing powers under section 570 of the Act; and
 - (2) unless renewed in accordance with the Act, shall expire at the same time as the Allotment Authority, save 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.
9. That, the Company be generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 1 pence each ("Ordinary Shares") on such terms and in such manner as the Directors of the Company may decide provided that:
- (A) the maximum number of Ordinary Shares that may be purchased by the Company pursuant to this authority is 4,200,000;
 - (B) the minimum price that may be paid for any such Ordinary Share shall be the nominal value of that share (exclusive of expenses payable by the Company in connection with the purchase);
 - (C) the maximum price that may be paid for any Ordinary Share purchased pursuant to this authority is an amount equal to the higher of (a) 105% of the average of the middle market prices shown in the quotations for the Company's Ordinary Shares in the London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which that Ordinary Share is contracted to be purchased and (b) an amount equal to the higher of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from all London Stock Exchange trading systems (exclusive of expenses payable by the Company in connection with the purchase); and

- (D) this authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2020 or, if earlier, on the date falling 15 months after the passing of this Resolution, but the Company may make a contract to purchase Ordinary Shares under this authority before its expiry which will or may be completed wholly or partly after the expiry of this authority, and may complete such a purchase as if this authority had not expired.

24 October 2019
Registered Office:
7 Gamma Terrace
Ransomes Europark
Ipswich
Suffolk IP3 9FF

By Order of The Board
Thomas William Good
Company Secretary

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

General

The notes on the following pages 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 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.

Resolution 1 – Annual Report and Accounts

The Directors must lay the Company's Accounts, the Directors' report and the Auditor's report before the shareholders in a general meeting. This is a legal requirement after the Directors have approved the Accounts and the Directors' report, and the Auditor has prepared its report.

Resolutions 2, 3 and 4 – Re-election and election of Directors

In accordance with the Company's Articles of Association, all Directors appointed since the last annual general meeting of the Company should be subject to election by shareholders. Simon Baxter Wilson was appointed as a non-executive Director since the 2018 annual general meeting (with effect from 1 November 2019) and therefore offers himself for election.

In addition, in accordance with the Company's Articles of Association, a proportion of the Directors must retire by rotation at the annual general meeting each year and each Director must seek re-election every 3 years. Geoffrey Forsyth and Thomas William Good are required to retire this year. They each offer themselves for re-election.

Biographical details of the relevant Directors are set out on the Company website www.pcipal.com in the Investors/Corporate Governance/Board of Directors section. Geoffrey Forsyth and Thomas William Good are both executive Directors.

Resolutions 5 and 6 – Reappointment and remuneration of Auditor

The Company is required to appoint an Auditor for each financial year of the Company. Resolution 5 proposes the re-appointment of Grant Thornton UK LLP as the Company's Auditor for the current financial year of the Company ending 30 June 2020. Resolution 6 seeks authority for the Directors to determine the Auditor's remuneration.

Resolution 7 – Renewal of authority to allot shares

The purpose of this Resolution is to renew the Directors' power to allot shares. Section 551 of the Companies Act 2006 provides that the Directors may not allot new shares (other than for employee share schemes) without shareholder approval. The Resolution proposes that authority be granted in substitution of the existing authority to allot securities up to a maximum amount of £400,000, representing approximately 95% of the Company's total issued Ordinary Share capital (excluding treasury shares) as at 23 October 2019, being the latest practicable date prior to publication of this Notice.

The authority will expire at the end of the 2020 annual general meeting or, if earlier, on the date falling 15 months after the passing of Resolution 7, unless previously cancelled or varied by the Company in general meeting. It is the intention of the Directors to renew this authority annually at each annual general meeting.

As at 23 October 2019, the Company held 167,229 of Ordinary Shares in treasury, representing approximately 0.39% of the Company's nominal issued share capital (excluding treasury shares) as at 23 October 2019, being the latest practicable date prior to publication of this document.

Resolution 8 – Disapplication of pre-emption rights

Section 561(1) of the Companies Act 2006 provides that if the Directors wish to allot any equity securities, or sell any treasury shares (if it holds any), for cash, it must first offer them to existing shareholders in proportion to their existing shareholdings. Section 561 does not apply in connection with an employee share scheme. The purpose of this Resolution is to allow the Directors to allot equity securities or sell any treasury shares for cash as if section 561(1) of the Companies Act 2006 does not

apply: (i) in connection with rights issues, open offers and other pre-emption offers pursuant to the authority granted by Resolution 7 and (ii) otherwise up to a total amount of £40,000 (representing approximately 10% of the Company's total issued Ordinary Share capital as at 23 October 2019, being the latest practicable date prior to publication of this Notice).

The authority will expire at the end of the 2020 annual general meeting or, if earlier, on the date falling 15 months after the passing of Resolution 7, unless previously cancelled or varied by the Company in general meeting. It is the intention of the Directors to renew this authority annually at each annual general meeting.

Resolution 9 – Market purchase of own shares by the Company

Authority for the Company to make market purchases of its own shares was granted at the 2018 annual general meeting. This Resolution seeks to renew that authority as the Directors consider that there may be occasions when it will be desirable to reduce the issued share capital of the Company by purchases in the market.

The authority given by this Resolution will be exercised only if the Directors are satisfied that any purchase will result in an increase in earnings per share of the Ordinary Share capital in issue after the purchase and, accordingly, that the purchase is in the interests of shareholders generally. The Directors will also give due consideration to the Group's interest cover, gearing and its general financial position. The Directors do not intend at present to use this power but wish to retain the flexibility to do so in the future. Any shares repurchased may either be cancelled or held by the Company as treasury shares.

The maximum number of Ordinary Shares which may be purchased under the proposed authority will be 4,200,000, representing approximately 10% of the issued share capital of the Company as at 23 October 2019, being the latest practicable date prior to publication of this Notice. The price paid for Ordinary Shares will not be less than the nominal value of the shares nor more than 5% above the average of the middle market quotations of the Company's Ordinary Shares as derived from the London Stock Exchange Daily Official List for the 5 business days preceding the day on which the Ordinary Shares are purchased.

As at 23 October 2019, being the latest practicable date prior to publication of this Notice, the total number of outstanding options to subscribe for shares was 5,111,667 representing 12.01% of the total issued Ordinary Share capital of the Company (excluding treasury shares) at that date. That percentage will increase to 13.33% if the authority being sought is exercised in full.

The authority will expire at the end of the 2020 annual general meeting or, if earlier, on the date falling 15 months after the passing of Resolution 9, unless previously cancelled or varied by the Company in general meeting. It is the intention of the Directors to renew this authority annually at each AGM.

SHAREHOLDER NOTES

Appointment of proxy

Any shareholder who is entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies (who need not be shareholders) to attend the Annual General Meeting and speak and vote instead of the shareholder. If more than one proxy is appointed each proxy must be appointed to exercise rights attached to different shares. Appointment of a proxy will not preclude a shareholder from attending and voting in person at the Annual General Meeting.

In order for a proxy form to be valid, it must be completed and signed and returned to the Company's registrars at FREEPOST PXS, 34 Beckenham Road, BR3 9ZA (please note delivery using this service may take up to 5 business days), or alternatively to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so they receive it no later than 11.00 a.m. (UK time) on 19 November 2019 (or, if the meeting is adjourned, the time that is 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).

A shareholder wishing to appoint multiple proxies should contact the Shareholder Helpline referred to below to obtain additional proxy forms. Alternatively, shareholders can photocopy the enclosed proxy form. It will be necessary for the shareholder to indicate on each separate proxy form the number of shares in relation to which each proxy is authorised to act.

Appointment of proxy using CREST

CREST members may appoint a proxy through CREST by using the procedures described in the CREST Manual (available via www.euroclear.com/CREST). CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message ("a 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. All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy must be transmitted so that they are received by Link Asset Services (ID RA10) by 11.00 a.m. (UK time) on 19 November 2019 (or, if the meeting is adjourned, the time that is 48 hours (excluding non-working days) before the time fixed for the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp 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. Any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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 message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST proxy instructions. It is therefore the responsibility of the CREST member concerned to take (or procure the taking of) 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. 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.

Corporate representatives

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

Record date

To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the

register of members of the Company as at the close of business on 19 November 2019 (or, in the event of any adjournment, 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting). 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.

Other matters

A shareholder may not use any electronic address provided either in this Notice or any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

Copies of the following documents may be inspected at the registered office of the Company during normal business hours Monday to Friday (public holidays excepted) up to and including the day of the Annual General Meeting, and at the venue for the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting:

- the current Articles of Association of the Company;
- copies of the executive Directors' service contracts and non-executive Directors' letters of appointment.

A copy of this Notice can be found at www.pcipal.com.

Shareholder helpline

Shareholders who have general queries about the Annual General Meeting or need additional proxy forms should call our Shareholder Helpline on 0871 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. No other methods of communication will be accepted. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Statement of capital and voting rights

As at 23 October 2019 (being the latest practicable date prior to publication of this Notice) the Company's issued share capital consisted of 42,721,178 Ordinary Shares each carrying one vote. The Company holds 167,229 Ordinary Shares in treasury. Therefore, total voting rights in the Company as at 23 October 2019 are 42,553,949.

