

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action that you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor or other independent professional adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your registered holding of Ordinary Shares on or before 27 March 2020, please forward this document and the enclosed Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or otherwise transferred part of your holding of Ordinary Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

This document should be read in conjunction with the accompanying Form of Proxy and the Notice of General Meeting set out at the end of this document. You are recommended to read the whole of this document but your attention is drawn to the letter from the Chairman of the Company to Shareholders which is set out in this document and which recommends you vote in favour of the Resolutions to be proposed at the General Meeting.

In accordance with AIM Rule 26 a copy of this document will be available on the Company's website www.pcpal.com from the date of this document.

The Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. In accordance with the conditions of the Placing, it is expected that admission to trading on AIM and dealings in the Placing Shares will commence at 8.00 a.m. on 20 April 2020.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. A prospective investor should consider carefully whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him.

PCI-PAL PLC

(incorporated in England and Wales under the Companies Act 1985 with registered number 03869545)

Placing of 16,666,667 Ordinary Shares at 30 pence per Ordinary Share

and

Notice of General Meeting

finnCap Ltd, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as broker to the Company in relation to the transaction referred to herein and as nominated adviser to the Company. The responsibilities of finnCap Ltd as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any person. Persons receiving this document should note that finnCap Ltd will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for advising any other person on the arrangements described in this document. finnCap Ltd has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by finnCap Ltd for the accuracy of any information or opinions contained in this document or for the omission of any information.

Notice of a General Meeting of the Company to be held at the offices of the Company at 7 Gamma Terrace, Ransomes Europark, Ipswich, Suffolk IP3 9FF at 11.00 a.m. on 17 April 2020, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should also be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, BR3 4TU, by not later than 11.00 a.m. on 15 April 2020 (or, if the General Meeting is adjourned, 48 hours (excluding any non-working days) before the time fixed for the adjourned meeting). Completion and return of the Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish. For further details on proxy appointments, see the notes to the Notice of General Meeting and the Form of Proxy.

You are referred to the statements made in relation to the COVID-19 pandemic in section 10 of the letter from the chairman set out in this document. In light of the COVID-19 pandemic, you are strongly advised to vote by proxy as early as possible and not to attend the meeting in person.

The distribution of this document in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any of those restrictions. In particular, this document should not be sent or distributed in or into the United States. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document is not an offer of securities for sale into the United States. The Placing Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from the registration requirements under the Securities Act. No public offering of the Placing Shares is being made in the United States. In addition, subject to certain exceptions, the Placing Shares may not be offered or sold or subscribed, directly or indirectly, within Canada, Japan, South Africa or Australia or any national, resident or citizen of Canada, Japan, South Africa or Australia or any corporation, partnership or other entity created or organised under the laws thereof.

The content of the Company's website or any website directly or indirectly linked to the Company's website does not form part of this document.

This document includes "forward looking statements" which includes all statements other than statements of historical fact, including, without limitation, those regarding the Group's financial position, business, strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements and therefore undue reliance should not be placed on such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in future. These forward-looking statements speak only as at the date of this document. The Company, the Directors and finnCap expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

CONTENTS

Directors, Secretary and Advisers	4
Placing Statistics	5
Expected Timetable of Principal Events	6
Definitions	7
Letter from the Chairman	9
Notice of General Meeting	15

Directors, Secretary and Advisers

Directors	Simon Wilson, Chairman James Barham, Chief Executive Officer Geoffrey Forsyth, Chief Information Security Officer William Good, Finance Director Christopher Fielding, Non-Executive Director Jason Starr, Non-Executive Director
Company Secretary	William Good
Registered Office	7 Gamma Terrace Ransomes Europark Ipswich Suffolk IP3 9FF
Nominated Adviser and Broker	finnCap Ltd 60 New Broad Street London EC2M 1JJ
Solicitors to the Company	Shepherd and Wedderburn LLP Condor House 10 St. Paul's Churchyard London EC2M 8AL
Solicitors to the Nominated Adviser and Broker	Pinsent Masons LLP 30 Crown Place Earl Street London EC2A 4ES
Registrar	Link Asset Services 34 Beckenham Road Beckenham Kent BR3 4TU

Placing Statistics

Issue Price	30 pence
Number of Existing Ordinary Shares	42,721,178
Number of Existing Ordinary Shares held in treasury	167,229
Number of Placing Shares	16,666,667
Enlarged Issued Share Capital	59,387,845
Gross proceeds of the Placing	£5.0 million
Net proceeds of the Placing	£4.6 million
ISIN	GB0009737155
SEDOL	0973715

Expected Timetable of Principal Events

	2020
Announcement of the Placing	27 March
Latest time and date for receipt of completed Forms of Proxy	11.00 a.m. on 15 April
General Meeting	11.00 a.m. on 17 April
Announcement of results of General Meeting via Regulatory Information Service	17 April
Admission and dealings in the Placing Shares to commence on AIM	20 April
CREST accounts expected to be credited for the Placing Shares in uncertificated form	20 April

Notes:

1. Each of the above times and/or dates is subject to change at the absolute discretion of the Company and finnCap. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.
4. **Shareholders should in particular note that the timetable could be impacted by the evolving situation in respect of the COVID-19 pandemic and in particular its potential impact on the General Meeting. You are referred to section 10 in the letter from the chairman set out in this document.**

Definitions

“Act”	the Companies Act 2006 (as amended from time to time)
“Admission”	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the market of that name operated by London Stock Exchange
“AIM Rules”	the rules for companies with a class of securities admitted to AIM and their nominated advisers governing the admission to and operation of AIM as published by London Stock Exchange from time to time
“Business Day”	a day not being a Saturday or a Sunday or a bank or public holiday in England on which clearing banks are open for business in the City of London
“Circular”	this circular in relation to the Placing announced on 27 March 2020
“Company” or “PCI-Pal”	PCI-Pal plc, a company incorporated in England and Wales under the Companies Act 1985 with registered number 03869545
“CREST”	the Relevant System (as defined by the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form in respect of which Euroclear is the Operator (as defined by the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (as amended) (SI 2001/3755)
“Directors” or “Board”	the directors of the Company, or any duly authorised committee thereof
“Enlarged Issued Share Capital”	the Company’s issued share capital immediately after completion of the Placing
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Ordinary Shares”	the 42,721,178 existing Ordinary Shares in issue at the date of this Circular (of which 167,229 are held in treasury)
“FCA”	the Financial Conduct Authority
“Financial Promotion Order”	the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended)
“finnCap”	finnCap Ltd, nominated adviser and broker to the Company
“Form of Proxy”	the form of proxy enclosed with the Circular for use by Shareholders in connection with the General Meeting

“General Meeting”	the general meeting of the Company convened for 11.00 a.m. on 17 April 2020 at the offices of the Company at 7 Gamma Terrace, Ransomes Europark, Ipswich, Suffolk IP3 9FF
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“HMRC”	Her Majesty’s Revenue & Customs
“Issue Price”	the price of 30 pence per New Ordinary Share
“London Stock Exchange”	London Stock Exchange plc
“Notice of General Meeting”	the notice of the General Meeting set out at the end of the Circular
“Ordinary Shares”	ordinary shares of 1 pence each in the capital of the Company
“Placees”	subscribers for Placing Shares
“Placing”	the placing of the Placing Shares to the Placees
“Placing Agreement”	the conditional agreement dated 27 March 2020 between the Company and finnCap relating to the Placing
“Placing Shares”	the 16,666,667 new Ordinary Shares to be issued pursuant to the Placing
“Prospectus Rules”	the Prospectus Rules published by the FCA
“Registrar”	Link Asset Services
“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
“Resolutions”	the resolutions set out in the Notice of General Meeting
“Shareholders”	holders of Ordinary Shares
“subsidiaries” and “subsidiary undertakings”	have the meaning set out in section 1162 of the Act
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“VCT”	a Venture Capital Trust under Part 6 of the Income Tax Act 2007
“£” and “p”	pounds and pence sterling, respectively, the lawful currency of the United Kingdom

Letter from the Chairman

PCI-PAL PLC

(incorporated in England and Wales under the Companies Act 1985 with registered number 03869545)

Directors:

Simon Wilson, *Chairman*
James Barham, *Chief Executive Officer*
William Good, *Finance Director*
Geoffrey Forsyth, *Chief Information Security Officer*
Christopher Fielding, *Non-Executive Director*
Jason Starr, *Non-Executive Director*

7 Gamma Terrace
Ransomes
Europark
Ipswich
Suffolk IP3 9FF

30 March 2020

To Shareholders and, for information purposes only, to Option holders

Dear Shareholder

Placing of 16,666,667 Ordinary Shares at 30 pence per Ordinary Share and Notice of General Meeting

1. Introduction

On 27 March 2020, the Board announced a conditional Placing of 16,666,667 Ordinary Shares to raise approximately £5.0 million (before expenses) through finnCap, nominated adviser and broker to the Company.

The issue of the Placing Shares is conditional on, *inter alia*, the passing of the Resolutions by Shareholders at a General Meeting of the Company.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. Conditional upon, *inter alia*, the passing of the Resolutions, it is expected that admission to trading on AIM and dealings in the Placing Shares will commence at 8.00 a.m. on 20 April 2020.

The Issue Price is equal to the closing mid-market price of 30 pence per Ordinary Share on 26 March 2020 (being the last practicable date prior to the announcement of the Placing).

2. Background to and reasons for the Placing

Over the last 18 months the Company has made good progress against its stated objective to be the provider of choice for technology vendors globally seeking to secure their customers' payments in customer engagement environments. As a business, the Company has on-boarded numerous key partners who are all leading brands in the telecommunications and contact centre technology markets. As a result of this effort the Company has seen Total Annual Contract Value ("TACV") grow from approximately £2.0 million at 31 December 2017 to £5.2 million at 31 December 2019. The growth in sales bookings is now feeding through to revenue, with revenues for the half year to 31 December 2019 at £2.0 million, 74 per cent. greater than the same period in the prior financial year.

A key part of the Company's growth strategy is to broaden its reach in North America. The Company has successfully established reseller channel partnerships with market leading vendors headquartered in the region, including 8x8, Talkdesk, Vonage, Paymetric, Bell Canada, and Genesys. In addition, the Company has added key technical partnerships with two prominent traditional telephony vendors both headquartered in the US: Avaya and Cisco. This

focus on the North American opportunity has seen strong growth in North America in TACV year on year since the Group's launch in the region in February 2018.

As explained in the interim results announcement for the period ended 31 December 2019, one of the challenges has been the time taken to conclude contract negotiations as well as improving the time to go live ("TTGL") for new contracts signed. However, with an encouraging pipeline and continued new business wins, including the Company's highest value contract to date, which was announced on 17 March 2020, the Board remains confident in the opportunities that exist for the Group especially in the North American market.

Having launched the Group's PCI Pal Digital product in January 2020, the Group is seeking to further strengthen its product management and development capabilities to add new features and capability to its globally available, true-cloud environment. The Directors consider that these improved capabilities will, once available, enhance the Group's ability to deliver services to its customers, and partners. The Group is continuing to target long term improvements in one of its key metrics of TTGL.

The Company is raising approximately £5.0 million (before expenses) by way of the Placing, with the net proceeds being predominantly utilised to fund continued growth in North America, improved product management capabilities, as well as providing additional working capital to strengthen the Group's balance sheet.

3. Use of Proceeds

The Placing will comprise approximately £4.25 million raised by the issue of 14,166,665 VCT Qualifying Shares and approximately £0.75 million by the issue of 2,500,002 General Placing Shares (together the "Placing Shares").

Approximately £4.25 million of the Placing proceeds raised from certain VCT investors will be used to fund the Company's growth in North America as follows:

- Increase sales and marketing resources to add more support to North American based channel partner relationships; and improved capacity to reduce time to on-board and enable new partners; and
- Expand product management functions targeting long term improvements in time to go live ("TTGL").

The balance of proceeds will be used for general working capital purposes giving the Company not only a stronger balance sheet and flexibility should it become needed given the COVID-19 pandemic but also to allow the Company to consider further potential new expansion opportunities in the future.

4. Current trading and prospects

On 4 March 2020, the Company published its interim results for the six months ended 31 December 2019. The Company reported a 74 per cent. year on year increase in revenue to £2.0 million (2018: £1.2 million) with recurring revenues representing 85 per cent. of total revenue. New contract annual recurring licence sales won in the period were £1.2 million with Total Annual Contract Value at the period end being £5.2 million. Loss from operating activities in the period was £2.3 million.

On 17 March 2020, PCI Pal announced a minimum two-year contract to provide its PCI Pal Agent Assist solution to a major U.K. government agency. The contract includes an option for the customer to extend for a further two years. The contract, which was won following an extensive review of available competitive solutions in the market, has an Annual Contract Value of £0.5 million and is a further endorsement of the demand from enterprise-size customers for PCI Pal's truly cloud-based globally available solutions. This contract gives PCI Pal another significant boost in building both its key leading indicator metric of Total Annual Contract Value,

which stands at £5.9 million as at the date of this Circular and further progress towards its aim of reaching future profitability and positive cashflow. In the financial year to date the Company has signed £1.8 million of new annual contract value.

The current COVID-19 pandemic undoubtedly presents significant challenges and uncertainties. The Board is adhering to government advice and has contingency plans in place to seek to ensure the safety of its staff, partners, and customers. Whilst the situation evolves it is difficult to predict the ultimate impact. PCI Pal has enabled homeworking of all staff during the phase of government restrictions on movement and working practices. The majority of PCI Pal staff work from home on a regular basis anyway, so the business is confident it can continue to provide the same levels of service that it provided prior to the COVID-19 outbreak. As a true-cloud vendor, PCI Pal is working closely with its partners and customers supporting them to enable their own contact center agents to work from home or remotely during this time. Nonetheless, it is not possible at this time to predict what the outcome of the COVID-19 pandemic will be for the Group and its partners and customers.

5. VCT Shares

The Directors believe that the shares subscribed for by VCTs should be (subject to the circumstances of investors) regarded as a qualifying holding for VCTs. The Directors are not aware of any change in the qualifying conditions or the Company's circumstances that would prevent the VCT Shares from being qualifying VCT investments on this occasion. However, neither the Directors nor the Company gives any warranty or undertaking that relief will be available in respect of any investment in VCT Shares pursuant to the Circular or the Placing, nor do they warrant or undertake that the Company will conduct its activities in a way that qualifies for or preserves its status.

VCTs considering making an investment are recommended to seek their own professional advice in order that they may fully understand how the relief legislation may apply in their individual circumstances. Any Shareholder who is in any doubt as to his taxation position under the VCT legislation, or who is subject to tax in a jurisdiction other than the UK, should consult an appropriate professional adviser.

6. Details of the Placing

Pursuant to the Placing, the Company proposes to raise approximately £5.0 million (before expenses).

The Issue Price is equal to the closing mid-market price of 30 pence per Ordinary Share on 26 March 2020 (being the last practicable date prior to the announcement of the Placing). The Placing Shares will represent approximately 28.1 per cent. of the Enlarged Issued Share Capital (assuming all the Placing Shares are issued) and will rank *pari passu* with the Existing Ordinary Shares. The Placing is not being underwritten.

The Placing is conditional, *inter alia*, upon:

- i. the Placing Agreement becoming unconditional in all respects (save for Admission) and not having been terminated;
- ii. the Resolutions being passed at the General Meeting;
- iii. Admission becoming effective by not later than 8.00 a.m. on 20 April 2020 or such later date (being not later than 8.00 a.m. on 22 May 2020) as the Company and finnCap may agree.

Pursuant to the terms of the Placing Agreement, finnCap as agent for the Company, has agreed to use its reasonable endeavours to procure places for the Placing Shares at the Issue Price. The Placing Agreement contains warranties from the Company in favour of finnCap in relation to, *inter alia*, the accuracy of the information contained in the documents relating to the Placing and certain other matters relating to the Company and its business. In addition, the Company

has agreed to indemnify finnCap in relation to certain liabilities that they may incur in respect of the Placing.

finnCap may terminate the Placing Agreement in certain circumstances and in the event of a force majeure event or material adverse change occurring at any time prior to Admission.

7. Admission

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. Conditional upon, *inter alia*, the passing of the Resolutions, it is expected that admission to trading on AIM and dealings in the Placing Shares will commence at 8.00 a.m. on 20 April 2020.

8. General Meeting

Set out at the end of the Circular is a Notice of General Meeting convening a General Meeting of the Company for 11.00 a.m. on 17 April 2020 at which the following Resolutions will be proposed:

- i. Resolution 1 is proposed to grant the Directors authority to allot unissued shares in the capital of the Company up to an aggregate nominal amount of £166,666.67 in respect of the Placing; and
- ii. Resolution 2 is proposed, conditional on passing Resolution 1, to disapply statutory pre-emption rights to empower the Directors to allot equity securities pursuant to the power conferred by Resolution 1 on a non-pre-emptive basis up to a maximum nominal value of £166,666.67 in respect of the Placing.

Section 551 of the Act provides that the directors of a company cannot allot new shares in its capital without the approval of its shareholders. The purpose of Resolution 1 is to give the Directors authority to allot Ordinary Shares for the purpose of the Placing. The purpose of Resolution 2 is to disapply pre-emption rights for the purpose of the Placing.

If passed, these authorities will enable the Directors to effect the Placing in respect of the Placing Shares on a non-pre-emptive basis.

Resolution 1 is an ordinary resolution and requires a majority of more than 50 per cent. of the Shareholders voting to be passed. Resolution 2 is a special resolution and requires the approval of not less than 75 per cent. of the Shareholders voting to be passed. If the Resolutions are not passed by the requisite majority, the Placing will not proceed.

A copy of this Circular and the Notice of General Meeting will be made available on the Company's website: www.pcipal.com.

You are directed to the statements made in relation to the COVID-19 pandemic set out in section 10 (headed “COVID-19 (Coronavirus)”) below. In light of the COVID-19 pandemic, you are strongly advised to vote by proxy and not to attend the meeting in person.

9. Action to be taken

A Form of Proxy for use at the General Meeting is enclosed. If you are a holder of Ordinary Shares you are advised to complete and return the form in accordance with the instructions printed on it so as to arrive at the Company's registrars, Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible, but in any event no later than 48 hours before the time fixed for the General Meeting. Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting in the event of your absence.

If you hold Existing Ordinary Shares in CREST, no Form of Proxy will be sent to you. Instead, you may appoint a proxy by completing and transmitting a CREST proxy instruction to the Company's Registrar, Link Asset Services so that it is received by not later than 11.00 a.m. on 15 April 2020.

The Directors strongly advise Shareholders against attending the General Meeting in person and urge Shareholders instead to submit proxy votes as early as possible.

10. COVID-19 (Coronavirus)

The Board is closely monitoring the evolving situation in respect of the COVID-19 pandemic and the proposed General Meeting. The health and welfare of the Company's Shareholders as well as its employees and customers is the Company's top priority. The Board will continue to have regard to developments over the coming weeks ahead of the General Meeting.

On 23 March 2020, the UK Government introduced various measures including a requirement that people stay at home, except for very limited purposes, and the stopping of all gatherings of more than two people in public. The Government also announced that the relevant authorities, including the police, would be given enforcement powers, including through fines and dispersing gatherings. The Government indicated that it would look again at these measures after three weeks.

The General Meeting has been convened for a date which is after the end of the three week period referred to in the preceding paragraph. However, the measures which the Government has implemented may well still be in place after the end of such three week period and additional measures or requirements may also apply at that time. Shareholders should therefore note that attendance at the General Meeting may not be lawful.

The Directors strongly advise Shareholders against attending the General Meeting in person and urge Shareholders instead to submit proxy votes as early as possible.

Shareholders should continue to monitor and act in accordance with the measures imposed, or guidance issued, by the UK Government. Shareholders should also continue to monitor the Company's website at www.pcipal.com and announcements for any updates in relation to the General Meeting.

Shareholders should further note that:

- All external advisers have been requested not to attend in person.
- The majority of the Directors will not attend the General Meeting in person.
- It is intended that the meeting will be shorter than may be usual and will be limited to the formal business of the meeting.
- To facilitate remote access to the meeting the Company is investigating whether it can set up a live stream of the event. If such an arrangement is facilitated, details will be made available on the Company's website at www.pcipal.com and/ or announced through a regulatory news service.
- The Company will continue to monitor advice issued by the Government on COVID-19 and will if appropriate make further announcements through a regulatory news service and on the Company's website at www.pcipal.com.
- If you have questions in connection with the business of the General Meeting, you may submit them to the Company using the email address ir@pcipal.com.

11. Recommendation

The Directors consider the Resolutions to be proposed at the General Meeting to be in the best interests of the Company and the Shareholders as a whole. Consequently, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of the 1,659,251 Ordinary Shares held, directly or indirectly, by them representing approximately 3.9 per cent. of the total voting rights of the Company.

Yours faithfully

Simon Wilson
Chairman

PCI-PAL PLC

(incorporated in England and Wales under the Companies Act 1985 with registered number 03869545)

(the “Company”)

Notice is hereby given that a General Meeting of the Company will be held at the offices of the Company at 7 Gamma Terrace, Ransomes Europark, Ipswich, Suffolk IP3 9FF at 11.00 a.m. on 17 April 2020 for the purpose of considering and, if thought fit, passing the following resolutions. Resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution:

ORDINARY RESOLUTION

1. **THAT**, for the purposes of section 551 of the Companies Act 2006 (the “Act”), the Directors be and they are hereby generally and unconditionally authorised to allot shares in the Company, or grant rights to subscribe for or convert any security into shares in the Company, up to an aggregate nominal amount of £166,666.67 in connection with the Placing (as defined in the circular to shareholders of the Company dated 30 March 2020).

The authority referred to in Resolution 1: (i) is in addition to the authority to allot shares and grant rights to subscribe for or to convert any security into shares granted by the Company at the annual general meeting of the Company held on 21 November 2019 and (ii) unless renewed, revoked or varied in accordance with the Act, shall expire on the date which is six months after the date on which this resolution is passed, 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.

SPECIAL RESOLUTION

2. **THAT**, subject to the passing of Resolution 1 set out in the notice of general meeting of the Company dated 30 March 2020 (the “Allotment Authority”), the Directors be and they are hereby generally empowered pursuant to section 570 of the Companies Act 2006 (the “Act”) to allot equity securities (within the meaning of section 560 of the Act) for cash, pursuant to the Allotment Authority, as if section 561 of the Act did not apply to such allotment.

The power referred to in Resolution 2: (i) is in addition to the pre-existing powers granted at the annual general meeting of the Company held on 21 November 2019 and (ii) 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 as if section 561 of the Act did not apply to such allotment after such expiry.

Registered Office
7 Gamma Terrace
Ransomes Europark
Ipswich
Suffolk IP3 9FF

By Order of the Board
T W Good
Company Secretary

Dated 30 March 2020

NOTES

(1) CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so for the meeting and any adjournments of it by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed voting service providers, should refer to their sponsors or voting service providers, who will be able to take the appropriate action on their behalf.

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's specifications and must contain the information required for those instructions as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to the previously appointed proxy, must, to be valid, be transmitted so as to be received by the Company's registrar, Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU (ID RA10) by 11.00 a.m. on 15 April 2020 (or not less than 48 hours (excluding any non-working days) before any adjournment of the 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 Company's registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK 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 voting service providers, to procure that its CREST sponsors or voting service providers take) 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 as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2011.

(2) Any member entitled to attend, speak and vote at the meeting may appoint one or more proxies to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company but must attend the Meeting. A member may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. To appoint more than one proxy you should contact the Company's registrar, Link Asset Services, at the address below. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be lodged at the offices of the Company's registrar, Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by hand, or sent by post, so as to be received by 11.00 a.m. on 15 April 2020 or not less than 48 hours (excluding any non-working days) before any adjournment of the Meeting (as the case may be). Alternatively, you may lodge your vote electronically at www.signalshares.com so as to be received no later than 11.00 a.m. on 15 April 2020 or not less than 48 hours (excluding any non-working days) before any adjournment of the Meeting (as the case may be).

(3) To appoint as your proxy a person other than the Chairman of the meeting, insert their full name on the dotted line. If you sign and return this proxy form with no name inserted on the dotted line, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting instructions.

(4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the Company's relevant register of members for certificated or uncertificated shares of the Company (as the case may be) (the "Register") in respect of the joint holding.

(5) In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation. A corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

(6) The completion and return of a form of proxy will not preclude a member from attending in person at the meeting and voting should he/she wish to do so, but if a member appoints a proxy and attends the meeting in person, the proxy appointment will automatically be terminated. **In light of the COVID-19 pandemic, you are strongly advised to vote by proxy at the earliest opportunity and not to attend the meeting in person.**

(7) The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 has specified that only those members entered on the Register at close of business on 15 April 2020 (the "Specified Time") shall be entitled to attend, speak and vote at the meeting in respect of the number of ordinary shares in the capital of the Company held in their name at that time. Changes to the Register after the Specified Time shall be disregarded in determining the rights of any person to attend and vote at the meeting. Should the meeting be adjourned, for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting, members must be entered on the Register at the time which is 48 hours (excluding any non-working day) before the time fixed for the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in the notice.

(8) Please indicate with an "X" in the space provided on the form of proxy how you wish your votes to be cast in respect of the Resolutions to be proposed. If you want your proxy to vote in a certain way on the Resolutions specified, please place an "X" in the appropriate box. If you fail to select any of the given options your proxy can vote as he/she chooses or can decide not to vote at all. The proxy can also do this on any other Resolution that is put to the meeting. The "Vote Withheld" option is to enable you to abstain on any particular Resolution. However, it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a Resolution.

(9) The appointment under this form of proxy may be terminated by the member prior to the commencement of the meeting (or any adjournment of the meeting). To be valid, the notice of termination of the authority of the person appointed to act as proxy must be deposited at the offices of the Company's registrar, Link Asset Services, The Registry 34 Beckenham Road, Beckenham, Kent BR3 4TU, at least 48 hours (excluding any non-working days) before the time fixed for the holding of the Meeting or any adjournment thereof (as the case may be).

(10) You may appoint more than one proxy if each proxy is appointed to exercise the rights attached to different shares held by you. To appoint more than one proxy, additional forms may be obtained from the Company's registrar, Link Asset Services, at the address given above or you may copy this form. If necessary please indicate the number of ordinary shares in relation to which your proxy is authorised to act. If you leave the number of ordinary shares blank, you will be deemed to have appointed your proxy in relation to all ordinary shares held by you. Please indicate by ticking the box provided, if the proxy appointment is one of multiple appointments being made by you. All forms must be signed and should be returned together.

(11) A copy of this notice and the Circular will be included on the Company's website (www.pcipal.com).

(12) As at 27 March 2020 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 42,721,178 ordinary shares, carrying one vote each, of which 167,229 are held in treasury. Therefore, the total voting rights in the Company as at 27 March 2020 are 42,553,949.

(13) Shareholder helpline Shareholders who have general queries about the General Meeting or need additional proxy forms should call Link Asset Services on +44 (0)371 664 0321. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., 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.

