

# ENERAQUA TECHNOLOGIES PLC

*Registered in England and Wales No. 13575021*

## **Notice of Annual General Meeting**

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**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“**AGM**”) of Eneraqua Technologies Plc will be held at Mercure Newcastle George Washington Hotel Golf & Spa, Stone Cellar Road, High Usworth, Washington, Tyne and Wear, NE37 1PH on 5 July 2023 at 12.00 pm for the following purposes:

To consider and, if thought fit, pass the following resolutions of which resolutions 1 to 8 will be proposed as ordinary resolutions and resolutions 9 to 11 as special resolutions.

### **ORDINARY RESOLUTIONS**

1. To receive the Company's annual accounts for the financial year ended 31 January 2023 together with the Directors' reports and the Auditors' report on those accounts.
2. To approve the final dividend on the ordinary shares of 1.2 pence per ordinary share for the year ended 31 January 2023 and paid on 15 September 2023 to shareholders on the register at the close of business on 18 August 2023.
3. To re-appoint William Tame as a Director.
4. To re-appoint Sarah Cope as a Director.
5. To re-appoint PKF Littlejohn LLP as Auditors of the Company to hold office with immediate effect until the conclusion of the next Annual General Meeting of the Company at which accounts are laid before the Company.
6. To authorise the Directors of the Company to fix the remuneration of the Auditors.
7. To approve the Directors' remuneration report (excluding the Directors' remuneration policy, set out on pages 59 to 63 of the Directors' remuneration report), as set out in the annual report and accounts for the financial year ended 31 January 2023.
8. That the Directors shall have general and unconditional authority for the purpose of section 551 of the Companies Act 2006 (the “**Act**”) to exercise all powers of the Company to allot shares in the Company, and to grant rights to subscribe for or to convert any security into shares in the Company, up to an aggregate nominal amount of £110,740.43 (representing one third of the existing issued ordinary share capital of the Company as at 7 June 2023) provided that such authority shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2024 or 1 October 2024, whichever is the earlier, unless previously renewed, varied or revoked by the Company in General Meeting and the Directors shall be entitled under the authority hereby conferred or under any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement, which would or might require such shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry, and the Directors may allot shares and grant rights to subscribe or convert securities into shares in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired. This authority revokes and replaces and is in substitution for all previous unexercised authorities conferred on the Directors in accordance with section 551 of the Act but is without prejudice to any allotment of shares or grant of rights already made, offered, or agreed to be made pursuant to such authorities.

## SPECIAL RESOLUTIONS

9. That, subject to and conditional upon the passing of resolution 8 above, the Directors shall be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the general authority conferred by resolution 8 above and/or be empowered pursuant to section 573 of the Act to sell ordinary shares held by the Company as treasury shares as if section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:
- (a) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory or otherwise howsoever; and
  - (b) otherwise, than pursuant to sub paragraph 9(a) above, to any person up to an aggregate nominal amount of £16,611.06,

and such powers shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2024 or 1 October 2024, whichever is the earlier, but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement as if the power conferred by this resolution had not expired. The power hereby revokes and replaces and is in substitution for all previous unexercised authorities conferred on the Directors in accordance with section 570 of the Act but is without prejudice to any allotment of shares or grant of rights already made, offered, or agreed to be made pursuant to such authorities.

10. That, subject to and conditional upon the passing of resolution 8 above, the Directors shall be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the general authority conferred by resolution 8 above and/or to sell ordinary shares held by the Company as treasury shares for cash, as if section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:
- (a) up to an aggregate nominal amount of £16,611.06; and
  - (b) used only for the purpose of financing (or refinancing, if the authority is to be used within 6 months after the original transaction) a transaction which the Directors determine to be an acquisition or other 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 such powers shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2024 or 1 October 2024, whichever is the earlier, but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement as if the power conferred by this resolution had not expired. The power hereby revokes and replaces and is in substitution for all previous unexercised authorities conferred on the Directors in accordance with section 570 of the Act (other than resolution 9 above) but is without prejudice to any allotment of shares or grant of rights already made, offered, or agreed to be made pursuant to such authorities.

11. THAT the Company be generally and unconditionally authorised for the purpose of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of £0.01 each in the capital of the Company ("**Shares**") on such terms and in such manner as the directors may from time to time determine, provided that:
- (a) The maximum aggregate number of Shares which may be purchased is 3,322,213 (being approximately 10 per cent. of the issued ordinary share capital as at 7 June 2023).
  - (b) The minimum price (excluding expenses) which may be paid for each ordinary share is 1 pence.

- (c) The maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:
- i. an amount equal to 105 per cent. of the average of the middle market quotations of an ordinary share in the Company, as derived from the Daily Official List of the London Stock Exchange plc, for the five business days immediately before the day on which the purchase is made; and
  - ii. the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out; and

this authority conferred by this resolution shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Company's next Annual General Meeting or, if earlier, on 1 October 2024 save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which may be executed wholly or partly after the expiry of such authority.

*Registered Office*  
2 Windmill Street  
Fitzrovia  
London, England  
W1T 2HX

*By Order of the Board*

  
*Company Secretary*

9 June 2023

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

The notes below give an explanation of the proposed resolutions.

Resolutions 1 to 8 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 9 to 11 are proposed as special resolutions. This means that for these resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

### **Explanation of Ordinary Resolutions**

#### **Resolution 1: Receiving the account and reports**

The Company must lay its annual accounts before a general meeting, together with the Directors' reports and Auditors' reports on the accounts. At the AGM, the Directors will present these documents to the shareholders for the financial year ended 31 January 2023.

#### **Resolution 2: Final Dividend**

Resolution 2 requests approval of the shareholders of a final dividend of 1.2 pence per ordinary share in respect of the year ended 31 January 2023. The dividend will be paid on 15 September 2023 to the holders of ordinary shares at 5:00 p.m. on 18 August 2023.

#### **Resolution 3 – 4: Re-appointment of Directors**

Resolutions 3 -4 concern the re-appointment of the directors of the Company who, in accordance with best practice in corporate governance, are offering themselves for re-appointment. Resolution 3 concerns the re-appointment of William Tame and Resolution 4 concerns the re-appointment of Sarah Cope, who, together, represent one third of the directors and, in accordance with the Articles of Association of the Company, are required to retire and offer themselves for re-appointment by the members.

#### **Resolution 5: Re-appointment of Auditors**

This resolution concerns the re-appointment of PKF Littlejohn LLP as Auditors until the conclusion of the next annual general meeting at which accounts are laid.

#### **Resolution 6: Auditors' Remuneration**

This resolution authorises the Directors to fix the Auditors' remuneration in accordance with standard practice.

#### **Resolution 7: Directors' remuneration report**

As a company with ordinary shares traded on AIM, the Company is not required by the Companies Act 2006 to prepare a directors' remuneration report. The Board has, however, voluntarily adopted many of the best practice provisions in connection with the preparation of such a report, and invites the shareholders to approve the report for the financial year ended 31 January 2023.

The Directors' remuneration report is set out on pages 59 to 63 of the Company's annual report and accounts for the financial year ended 31 January 2023. The vote on this resolution is advisory only and is a means of providing shareholder feedback to the Board. The Directors' entitlement to remuneration is not conditional on its being passed.

#### **Resolution 8: Authority to allot new shares**

The Companies Act 2006 provides that Directors shall only allot shares with the authority of shareholders in general meeting. Resolution 8 will be proposed as an ordinary resolution for the renewal of the Directors' general authority to issue shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £110,740.43, representing

approximately one third of the current issued share capital of the Company. This authority is in substitution for all existing authority to issue shares in the Company or to grant rights to subscribe for or to convert any securities into shares in the Company.

The Directors do not have any present intention of exercising the authorities conferred by this resolution, but they consider it desirable that the specified amount of authorised, but unissued share capital is available for issue so that they can more readily take advantage of possible opportunities. Unless revoked, varied, or extended this authority will expire at the conclusion of the next Annual General Meeting of the Company or 1 October 2024, whichever is the earlier.

## **Explanation of Special Resolutions**

### **Resolutions 9 and 10: Disapplication of pre-emption rights**

The Companies Act 2006 also provides that any allotment of new shares for cash must be made pro rata to individual shareholders' holdings, unless such provisions are disapplied under section 570 of the Companies Act 2006.

The authorities requested comply with institutional shareholder guidance, and in particular with the Pre-Emption Group's Statement of Principles on disapplying pre-emption rights (the "**Pre-emption Principles**"). The Pre-emption Principles allow the Directors to issue shares for cash, otherwise than in connection with a pre-emptive offer, up to 10 per cent. of a company's issued share capital together with an additional 10 per cent. provided that the Directors confirm that they intend to use the additional 10 per cent. authority only in connection with an acquisition or specified capital investment and a follow-on offer up to an additional 2 per cent. Although the Pre-emption Principles allow this additional flexibility, the Directors have chosen to keep the restriction to up to 5 per cent.

Resolution 9 will be proposed as a special resolution for the renewal of the Directors' authority to allot equity securities for cash, without first offering them to shareholders pro rata to their holdings. This authority facilitates issues made by way of rights to shareholders which are not strictly in accordance with section 561(1) of the Companies Act 2006 and authorises other allotments of up to a maximum aggregate nominal amount of £16,611.06, representing approximately 5 per cent. of the current issued ordinary share capital of the Company. This authority also allows the Directors, within the same aggregate limit, to sell for cash shares that may be held by the Company in treasury on a non-pre-emptive basis.

Resolution 10 will be proposed as a special resolution for the renewal of the Directors' authority to allot equity securities for cash, without first offering them to shareholders pro rata to their holdings. This authority facilitates issues up to an aggregate nominal amount of £16,611.06 and only for the purpose of financing (or refinancing, if the authority is to be used within 6 months after the original transaction) a transaction which the Directors determine to be an acquisition or other 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.

Unless revoked, varied, or extended this authority will expire at the conclusion of the next Annual General Meeting of the Company or 1 October 2024, whichever is the earlier.

### **Resolution 11 – Market Purchase of Own Shares**

This resolution seeks authority for the Company to make market purchases of its own ordinary shares as permitted by the CA 2006 and is proposed as a special resolution. If passed, the resolution gives authority for the Company to purchase up to 3,322,213 ordinary shares, representing approximately 10 per cent. of the Company's issued ordinary share capital (excluding treasury shares) as at 7 June 2023. The authority specifies the minimum and maximum prices that may be paid for any ordinary shares and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Company's next annual general meeting or, if earlier, on 1 October 2024. The directors intend to seek renewal of the authority at each annual general meeting of the Company.

Although the directors do not currently have any intention of exercising the authority granted by this resolution, this resolution provides the flexibility to allow them to do so in the future. In considering whether to use this authority, the directors will take into account market conditions, appropriate gearing levels, the Company's share price, other investment opportunities and the overall financial position of the Company. The directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally and will result in an increase in earnings per ordinary share.

Any shares purchased in the market under this authority may be either cancelled or held as treasury shares, which may then be cancelled, sold for cash or used to satisfy obligations under its employee share schemes. The Company's current intention is to cancel any repurchased shares but retains the flexibility to hold any repurchased shares as treasury shares, if it considers this to be in the best interests of the Company. No dividends are paid on shares while they are in treasury and no voting rights attach to treasury shares.

**Notes:**

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register at 6.00 pm on 3 July 2023 (or if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM) shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the AGM.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting.
3. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be by the appointment of a proxy. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provisions of the Companies Act 2006.
4. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairperson of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting, you will need to appoint your own choice of proxy (not the Chairperson) and give your instructions directly to them.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrars at the address set out in note 6 below.
6. You can vote either:
  - by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions;
  - You may request a hard copy form of proxy directly from the registrars, Link Group on Tel: +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am – 17.30 pm, Monday to Friday excluding public holidays in England and Wales.
  - Or; in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Group at 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL by 12.00 pm on 3rd July 2023 or not less than 48 hours before the time of any adjourned meeting.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
8. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
9. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction will not prevent a shareholder from attending the Meeting and voting in person if they wish to do so.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) or postponement(s) of it by using the procedures described in the CREST Manual. CREST personal members, sponsored CREST members and 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 for them.

To complete a valid proxy appointment or instruction using the CREST service, the CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International'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 an amendment to the instruction given to a previously appointed proxy must in order to be valid, be transmitted and received by Link Group (Participant ID RA10) by no later than 48 hours before the time fixed for the AGM (or any adjournment or postponement thereof), weekends and bank holidays excluded. The time of receipt of the instruction will be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link Market Services Limited 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.

CREST members and, where applicable, 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 apply 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 ensure that his CREST sponsor or voting service provider(s) take(s) the necessary action to ensure that a message is transmitted by means of the CREST system by a particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should refer to the sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat a CREST Proxy Instruction as invalid as set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

11. A copy of this notice of Annual General Meeting can be found on the Company's website at <https://www.eneraquatechnologies.com>.
12. As at 5.00 pm on the day immediately prior to the date of posting of this notice of Annual General Meeting, the Company's issued share capital comprised 33,222,130 ordinary shares of £0.01 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5.00 pm on the day immediately prior to the date of posting of this notice of Annual General Meeting is 33,222,130.