

Notice of Annual General Meeting Franchise Brands plc



NOTICE IS HEREBY GIVEN that the annual general meeting of Franchise Brands plc (company number: 10281033) (the **Company**) will be held at Gateley Plc, 1 Paternoster Square, London EC4M 7DX on Tuesday 18 April 2023 at 11:00 a.m.

Shareholders will be asked to consider and, if thought fit, pass the following resolutions of which resolutions 1 to 16 (inclusive) will be proposed as ordinary resolutions and resolutions 17 to 19 (inclusive) will be proposed as special resolutions.

Notice of Annual General Meeting

ORDINARY RESOLUTIONS

1. To receive the Company's annual report and accounts for the financial year ended 31 December 2022, the directors' report and the report of the independent auditors on those accounts.
2. To declare a final dividend for the financial year ended 31 December 2022 at the rate of 1.1 pence per ordinary share, payable on 12 May 2023 to the shareholders on the register of members of the Company as at the close of business on 14 April 2023.
3. To reappoint Robin Christian Bellhouse, who retires and, being eligible, offers themselves for re-appointment as a director.
4. To reappoint Andrew Vincent Guilio Brattesani, who retires in accordance with article 23.4.2(a) of the Company's articles of association and, being eligible, offers themselves for re-appointment as a director.
5. To reappoint Julia Rosalind Choudhury, who retires and, being eligible, offers themselves for re-appointment as a director.
6. To reappoint Timothy John Harris, who retires and, being eligible, offers themselves for re-appointment as a director.
7. To reappoint Stephen Glen Hemsley, who retires and, being eligible, offers themselves for re-appointment as a director.
8. To reappoint Andrew John Mallows, who retires in accordance with article 23.4.2(a) of the Company's articles of association and, being eligible, offers themselves for re-appointment as a director.
9. To reappoint Peter John Molloy, who retires and, being eligible, offers themselves for re-appointment as a director.
10. To reappoint David John Poutney, who retires and, being eligible, offers themselves for re-appointment as a director.
11. To reappoint Colin David Rees, who retires and, being eligible, offers themselves for re-appointment as a director.
12. To reappoint Jason Charles Sayers, who retires and, being eligible, offers themselves for re-appointment as a director.
13. To reappoint Nigel William Wray, who retires and, being eligible, offers themselves for re-appointment as a director.
14. To reappoint BDO LLP as auditors of the Company to hold office until conclusion of the next annual general meeting of the Company.
15. To authorise the directors to determine the remuneration of the auditors of the Company.
16. **That**, in substitution for all existing and unexercised authorities and powers, the directors of the Company be generally and unconditionally authorised for the purpose of section 551 Companies Act 2006 (the **Act**) to exercise all or any of the powers of the Company to allot shares of the Company or to grant rights to subscribe for, or to convert any security into, shares of the Company (such shares and rights being together referred to as **Relevant Securities**) up to an aggregate nominal value of £217,185.19, which is equal to approximately one third of the nominal value of the current ordinary share capital of the Company, to such persons at such times and generally on such terms and conditions as the directors may determine (subject always to the articles of association of the Company) provided that this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire at the conclusion of the next annual general meeting or, if earlier, at the close of business on 18 July 2024 save that the directors of the Company may, before the expiry of such period, make an offer or agreement which would or might require Relevant Securities or equity

securities (as the case may be) to be allotted after the expiry of such period and the directors of the Company may allot Relevant Securities or equity securities (as the case may be) in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTIONS

17. **That**, if resolution 16 above is passed, and in substitution for all existing and unexercised authorities and powers, the directors of the Company be authorised to allot equity securities (as defined in section 560 of the Act) (**Equity Securities**) for cash under the authority given by that resolution 16 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited to:

17.1 the allotment of Equity Securities or sale of treasury shares in connection with a rights issue or similar offer in favour of ordinary shareholders where the Equity Securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them on that date subject only to such exclusions or other arrangements as the directors of the Company may consider appropriate to deal with fractional entitlements or legal and practical difficulties under the laws of, or the requirements of any recognised regulatory body in, any territory;

17.2 the allotment of Equity Securities or sale of treasury shares (otherwise than under paragraph 17.1 above) up to an aggregate nominal amount of £65,155.56, representing approximately 10 per cent. of the current share capital of the Company; and

17.3 the allotment of Equity Securities or sale of treasury shares (otherwise than under paragraph 17.1 or paragraph 17.2 above) up to an aggregate nominal amount equal to 20 per cent. of any allotment of Equity Securities or sale of treasury shares from time to time under paragraph 17.2 above, such authority to be used only for the purposes of making a follow-on offer with the directors of Company determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently publishing by the Pre-Emption Group prior to the date of this notice of annual general meeting of the Company,

such authority, unless previously renewed, varied or revoked by the Company in general meeting, to expire at the end of the next annual general meeting of the Company or, if earlier, at the close of business on 18 July 2024 but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require Equity Securities to be allotted (and treasury shares to be sold) after the authority expires and the directors of the Company may allot Equity Securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

18. **That**, if resolution 16 above is passed, and in addition to any authority granted under resolution 17 above, the directors of the Company be and are hereby generally and unconditionally empowered pursuant to section 570 of the Act to allot Equity Securities for cash under the authority given by that resolution 16 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment of Equity Securities, such authority to be:

18.1 limited to the allotment of Equity Securities or sale of treasury shares pursuant to the authority granted under resolution 16 up to an aggregate nominal amount of £65,155.56 representing approximately 10 per cent. of the current share capital of the Company, such authority to be used only for the purposes of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the directors of the Company 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 of annual general meeting of the Company; and

18.2 limited to the allotment of Equity Securities or sale of treasury shares (otherwise than under paragraph 18.1 above) up to an aggregate nominal amount equal to 20 per cent. of any allotment of Equity Securities or sale of treasury shares from time to time under paragraph 18.1 above, such authority to be used only for the purposes of making a follow-on offer which the directors of the Company determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published

by the Pre-Emption Group prior to the date of this notice of annual general meeting of the Company,

such authority, unless previously renewed, varied or revoked by the Company in general meeting, to expire at the end of the next annual general meeting of the Company or, if earlier, at the close of business on 18 July 2024 but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require Equity Securities to be allotted (and treasury shares to be sold) after the authority expires and the directors of the Company may allot Equity Securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

19. **That** the Company be authorised for the purposes of section 701 of the Act to make market purchases (as defined in section 693(4) of the Act) of ordinary shares of 0.5 pence each in the capital of the Company (**Ordinary Shares**) provided that:
 - 19.1 the maximum number of Ordinary Shares authorised to be purchased is 13,031,111 (equating to 10 per cent. of the Company's current issued share capital);
 - 19.2 the minimum price which may be paid for any such Ordinary Share is 0.5 pence;
 - 19.3 the maximum price which may be paid for an Ordinary Share shall be an amount equal to 105 per cent. of the average middle market quotations for an Ordinary Share as derived from the Daily Official List of The London Stock Exchange plc for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and
 - 19.4 unless previously renewed, varied or revoked by the Company in general meeting, this authority will expire at the end of the next annual general meeting of the Company or, if earlier, at the close of business on 18 July 2024, but the Company may enter into a contract for the purchase of Ordinary Shares before the expiry of this authority which would or might be completed (wholly or partly) after its expiry.

BY ORDER OF THE BOARD

MARK PETERS
Secretary

Date: 17 March 2023

REGISTERED OFFICE: Ashwood Court, Springwood Close, Tytherington Business Park, Macclesfield,
SK10 2XF

Notes

Entitlement to attend and vote

1. To be entitled vote at the annual general meeting (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), only those members registered in the Company's register of members at 6:30 p.m. on 14 April 2023 (or, if the annual general meeting is adjourned, close of business on the date which is two business days before the adjourned annual general meeting) shall be entitled to vote at the annual general meeting . Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to vote at the annual general meeting.

Voting on a poll

2. In line with best practice, voting at the meeting will be on a poll, rather than a show of hands. Each shareholder present at the meeting will be entitled to one vote for every Ordinary Share registered in their name and each corporate representative or proxy will be entitled to one vote for each Ordinary Share which they represent.

Website giving information regarding the annual general meeting

3. Information regarding the annual general meeting, including the information required by Section 311A of the Act, is available from www.franchisebrands.co.uk/investor-information. If you would like to update your communication preference, you can do so online by registering for ShareView at www.shareview.co.uk.

Appointment of proxies

4. 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 annual general meeting. You can appoint a proxy only using the procedures set out in these notes and the notes to the proxy form.
5. A proxy does not need to be a member of the Company but must attend the annual general meeting to represent you. If you wish your proxy to speak on your behalf at the annual general meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
6. 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 indicate on your proxy submission how many shares it relates to.
7. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the annual general meeting.

Appointment of proxy using hard copy form

8. A hardcopy form of proxy is enclosed with this notice. To be valid, the form must be completed and signed, sent or delivered to SLC Registrars, P.O. Box 5222, Lancing, BN99 9FG or by scanning a signed copy and emailing this to proxy@slcregistrars.com to be received no later than 11:00 a.m. on 14 April 2023 being 48 hours before the time appointed for the annual general meeting or not less than 48 hours before the time appointed any adjournment thereof (not including weekends or public holidays). If conflicting proxies are sent or delivered at the same time in respect of (or deemed to be in respect of) your entire holding, none of them shall be treated as valid.
9. 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.
10. For the purposes of determining the time for delivery of proxies, no account has been taken of any part of a day that is not a working day.

Appointment of proxy using CREST

11. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent, SLC Registrars (ID: 7RA01), by 11:00 a.m. on 14 April 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

13. 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) (a) of the Uncertificated Securities Regulations 2001.

Appointment of proxy by joint members

14. 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.

Changing proxy instructions

15. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact SLC Registrars by email to proxy@slcregistrars.com. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

16. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to SLC Registrars, P.O. Box 5222, Lancing, BN99 9FG or by scanning a signed copy and emailing this to proxy@slcregistrars.com. In the case of a member which is a company, the revocation notice 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 revocation notice is signed, or a duly certified copy of such power or authority, must be included with the revocation notice. The revocation notice must be received by SLC Registrars no later than 48 hours before the annual general meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the annual general meeting and voting in person. If you have appointed a proxy and attend the annual general meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

17. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

18. As at 17 March 2023, the Company's issued share capital comprised 130,311,112 Ordinary Shares. 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 on 17 March 2023 is 130,311,112. The website referred to in note 3 will include information on the number of Ordinary Shares and voting rights.

Questions at the annual general meeting

19. Under Section 319A of the Act, the Company must answer any question you ask relating to the business being dealt with at the annual general meeting unless:
- 19.1 answering the question would interfere unduly with the preparation for the annual general meeting or involve the disclosure of confidential information;
 - 19.2 the answer has already been given on a website in the form of an answer to a question; or
 - 19.3 it is undesirable in the interests of the Company or the good order of the annual general meeting that the question be answered.

Website publication of audit concerns

20. Under Section 527 of the Act, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:
- 20.1 the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the annual general meeting; or
 - 20.2 any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Act (in each case) that the shareholders propose to raise at the relevant meeting.
21. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the annual general meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Act to publish on a website.

Documents on display

22. Copies of the contracts of services and letters of appointment (as the case may be) of the directors of the Company and a copy of the articles of association of the Company will be available for inspection at the registered office of the Company from the date of this notice until the end of the annual general meeting.

Explanatory notes on certain business of the annual general meeting

RESOLUTIONS 3 TO 14 – APPOINTMENTS OF DIRECTORS

In line with best practice, each of the serving directors will retire from office and being eligible, offers themselves for re-election.

RESOLUTION 16 – DIRECTORS' POWER TO ALLOT RELEVANT SECURITIES

Under section 551 of the Act, relevant securities may only be issued with the consent of the shareholders, unless the shareholders pass a resolution generally authorising the directors to issue shares without further reference to the shareholders. This resolution authorises the general issue of shares up to an aggregate nominal value of £217,185.19, which is equal to approximately one third of the nominal value of the current ordinary share capital of the Company. Unless previously revoked or varied, the authority will expire on the conclusion of the next annual general meeting of the Company or on the date which is 15 months after the resolution being passed (if earlier).

RESOLUTIONS 17 AND 18 – DISAPPLICATION OF PRE-EMPTION RIGHTS ON EQUITY ISSUES FOR CASH

Section 561 of the Act requires that a company issuing shares for cash must first offer them to existing shareholders following a statutory procedure which, in the case of a rights issue, may prove to be both costly and cumbersome. These resolutions exclude that statutory procedure as far as rights issues are concerned. These special resolutions are drawn up in accordance with the Pre-Emption Group's Statement of Principles, and enable the directors to allot shares up to:

- (a) an aggregate nominal value of £65,155.56, which is equal to 10 per cent. of the nominal value of the current ordinary share capital of the Company, which could be used for any purpose; and
- (b) an additional aggregate nominal value of £65,155.56, which is equal to 10 per cent. of the nominal value of the current ordinary share capital of the Company, which could only be used for an acquisition or specified capital investment,

subject in each case to resolution 16 being passed. The directors believe that the limited powers provided by these resolutions will maintain a desirable degree of flexibility. Unless previously revoked or varied, the disapplications will expire on the conclusion of the next annual general meeting of the Company or on the date which is 15 months from the date of the resolution being passed (if earlier).

Resolutions 17 and 18 also grant the directors of the Company authority to allot shares (otherwise than under 17.1 and 17.2 or 18.1 respectively) in each case of up to 2 per cent. of the nominal value of the current ordinary share capital of the Company to be used for the purposes of making a follow-on offer to retail investors or existing investors not allocated shares in the offer.

RESOLUTION 19 – AUTHORITY TO MAKE MARKET PURCHASES OF THE COMPANY'S SHARES

In certain circumstances it may be advantageous for the Company to purchase its own shares and this resolution seeks the authority from shareholders to do so up to an aggregate of 13,031,111 Ordinary Shares, representing approximately 10 per cent. of the Company's issued ordinary share capital.

Granting authority for the Company to purchase Ordinary Shares in the market is intended to allow the directors to take advantage of opportunities that may arise to increase shareholder value. The directors will exercise this power only when, in the light of market conditions prevailing at the time, they believe that the effect of such purchases will be to increase earnings per share and will be likely to promote the success of the Company for the benefit of its members as a whole. Other investment opportunities, appropriate gearing levels and the overall position of the Company will be taken into account when exercising this authority. The price paid for shares will not be less than the nominal value of 0.5 pence per share nor more than 5 per cent. above the average of the middle market quotation of the Company's Ordinary Shares as derived from the Daily Official List of The London Stock Exchange plc for the five business days immediately preceding the day on which the shares are purchased.

The Company may hold in treasury any of its own shares that it purchases pursuant to the Act and the authority conferred by this resolution. This gives the Company the ability to reissue treasury shares quickly and cost-effectively and provides the Company with greater flexibility in the management of its capital base. It also gives the Company the opportunity to satisfy employee share scheme awards with treasury shares. Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the treasury shares.

The directors have no present intention of purchasing Ordinary Shares in the market save in line with the continuation of the limited stock repurchase plan which has previously been announced on the London Stock Exchange. The authority given under this resolution will lapse, unless renewed, at the conclusion of the next annual general meeting of the Company or on the date which is 15 months after the relevant resolution being passed (whichever is the earlier).

