

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in Purplebricks Group plc (the Company), please forward this document, together with the accompanying documents, to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

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Purplebricks Group plc



(Incorporated and registered in England and Wales under No. 08047368)

**CHAIRMAN'S LETTER AND NOTICE OF ANNUAL GENERAL MEETING 2020**

The Annual General Meeting of Purplebricks Group plc will be held on Wednesday 30<sup>th</sup> September 2020 at 10.00am.

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Shareholders are strongly encouraged to vote electronically and to appoint the Chairman of the Annual General Meeting as their proxy. Please complete and submit your proxy vote either online at [www.signalshares.com](http://www.signalshares.com) or through Crest. All valid proxy votes will be included in the polls to be taken at the meeting and should be completed and submitted no later than 10.00am on 28th September 2020.

**Purplebricks Group plc**



(Incorporated in England and Wales with registered number 08047368)

**Directors:**

Paul Pindar (Chairman)  
Vic Darvey  
Andy Botha  
Adrian Blair  
Simon Downing  
Dr Stephanie Caspar

**Registered office:**

Suite 7, First Floor,  
Cranmore Place,  
Cranmore Drive, Solihull,  
West Midlands B90 4RZ

**4th September 2020**

Dear Shareholder

**Notice of Annual General Meeting of Purplebricks Group plc (the Company)**

The Company's Annual General Meeting (AGM) that will be held at 10.00am on Wednesday 30<sup>th</sup> September 2020. The AGM will be held as a closed meeting and shareholders will not be permitted to attend in person. Enclosed with this letter is the formal notice of the AGM. The resolutions to be proposed are set out on pages 7 to 9.

**Meeting arrangements**

The Board usually welcomes the opportunity to engage with shareholders at the upcoming AGM. However, in light of the current UK government measures around COVID-19 and the Company's desire to protect the health and safety of our shareholders, employees and directors, we hope that you will understand that this year's AGM cannot follow the usual format. The Corporate Insolvency and Governance Act 2020 provides certainty on how general meetings, including annual general meetings, may be held up to, and including, 30<sup>th</sup> September 2020. As a result of this legislation and of the UK government's measures around COVID-19, the Company will run the AGM as a closed meeting and will ensure the minimum number of shareholders are present as required to form a quorum under the Company's Articles of Association and only to conduct the formal business of the meeting. To ensure everyone's safety, this means no other shareholders will be permitted entry to the meeting in person.

## **Actions to be taken**

Shareholder participation is important to the Board and all shareholders are encouraged to vote ahead of the AGM by appointing a proxy to vote on the resolutions set out in the notice of AGM on pages 7 to 9 as soon as possible and in any event by 10.00am on 28<sup>th</sup> September 2020. Shareholders are strongly encouraged to appoint the Chairman of the AGM as their proxy with their voting instructions to ensure their votes are counted. Under the current UK government restrictions and legislation, if a shareholder appoints someone else as their proxy, that proxy will not be able to attend the meeting in order to cast the shareholder's vote.

Shareholders can vote ahead of the AGM by appointing a proxy electronically online via our registrars' website by visiting [www.signalshares.com](http://www.signalshares.com). In order to do so shareholders will need their investor code which can be found on their share certificate. Full instructions are given on the website. Alternatively, shareholders are also able to vote through Crest. The proxy appointment and instructions should be completed and submitted no later than 10.00am on 28<sup>th</sup> September 2020.

All resolutions for consideration at the AGM will be voted on a poll and all valid proxy votes cast will count towards the poll votes. The results will be announced via a regulatory news service announcement and will be posted on the Company's website as soon as practicable after the AGM.

Despite the exceptional circumstances, as well as shareholder participation at the AGM, engagement with our shareholders is important to the Company and your Board. Therefore, shareholders can participate in the AGM by submitting questions in advance. Any specific questions about the business of the AGM and on the resolutions can be submitted ahead of the AGM by email to [investors@purplebricks.com](mailto:investors@purplebricks.com).

The situation relating to COVID-19 continues to develop and your Board will continue to monitor closely the situation, as well as the latest UK government guidance, as to how it may affect arrangements for the AGM, which may have to change at short notice. If it becomes necessary to change the arrangements for the AGM, information will be found on the Company's website and via a regulatory announcement.

## **Explanatory notes**

The purpose of this letter is to explain the business to be considered at the AGM.

### **Annual Report and Accounts (Resolution 1)**

The Directors are required to present to shareholders at the AGM the Annual Report and Accounts for the year ended 30<sup>th</sup> April 2020 together with the Directors' and Auditors' reports on the Annual Report and Accounts.

### **Re-appointment of Directors (Resolutions 2 to 4)**

Under the Company's Articles of Association (Articles), one third of the Directors are required to retire by rotation each year. Adrian Blair will retire by rotation this year in accordance with the Articles. In addition, the Company's Articles provide that any director appointed by the Board since the last Annual General Meeting is required to retire and may then be considered for election. Andy Botha and Dr Stephanie Caspar have been appointed since the last Annual General Meeting and are seeking election. Each of Adrian Blair, Andy Botha and Dr Stephanie Caspar, being eligible, offers himself or herself for re-election or election by shareholders and are proposed for re-election/election through separate Resolutions 2 to 4.

### **Auditors (Resolutions 5 and 6)**

The Company is required at each general meeting at which accounts are presented to appoint auditors to hold office until the next such meeting. Accordingly, Resolution 5 reappoints Deloitte LLP as auditors to the Company and Resolution 6 authorises the Directors to fix their remuneration.

### **Authority of Directors to allot shares (Resolution 7)**

The authority given to the Directors to allot further shares in the capital of the Company requires the prior authorisation of the shareholders in general meeting under section 551 Companies Act 2006. Upon the passing of Resolution 7, the Directors will have authority to allot shares up to an aggregate nominal amount of £1,022,686.79 which is approximately one-third of the Company's current issued ordinary share capital as at 2<sup>nd</sup> September 2020, being the latest practicable date before the publication of this Notice. This authority will expire immediately following the AGM in 2021 or on 31<sup>st</sup> October 2021, whichever is the earlier.

The Directors will continue to seek to renew this authority at each AGM, in accordance with current best practice. The Directors have no present intention of exercising the authority sought under this Resolution. It should be noted that the authority proposed in Resolution 7 is in addition to the authority passed and approved on 12<sup>th</sup> December 2015 for a period of five years to permit allotment of shares to Local Property Experts (LPEs) and employees. Such authority is to remain in effect and is not impacted by Resolution 7.

### **Disapplication of pre-emption rights (Resolution 8)**

If the Directors wish to exercise the authority under Resolution 7 and offer shares (or sell any shares which the Company may purchase and elect to hold as treasury shares) for cash, the Companies Act 2006 requires that unless shareholders have given specific authority for the waiver of their statutory pre-emption rights, the new shares must be offered first to existing shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the best interests of the Company to allot new

shares (or to grant rights over shares) for cash or to sell treasury shares for cash without first offering them to existing shareholders in proportion to their holdings.

Resolution 8 would authorise the Directors to do this by allowing the Directors to allot shares for cash or sell treasury shares for cash (i) by way of a rights issue (subject to certain exclusions), or by way of an open offer or other offer of securities (not being a rights issue) in favour of existing shareholders in proportion to their shareholdings (subject to certain exclusions) or (ii) otherwise up to an aggregate nominal value of £153,403.01 which is equivalent to approximately 5 per cent of the issued ordinary share capital of the Company on 2<sup>nd</sup> September 2020, being the latest practicable date prior to the publication of this Notice.

If given, the authority will expire at the conclusion of the next AGM in 2021 or on 31<sup>st</sup> October 2021, whichever is the earlier. The Directors intend to renew such power at successive Annual General Meetings in accordance with current best practice. It should be noted that the authority proposed in Resolution 8 is in addition to the authority passed and approved on 12<sup>th</sup> December 2015 for a period of five years to permit disapplication of pre-emption rights in connection with the authority to allot shares to LPEs and employees. Such authority is to remain in force and is not impacted by Resolution 8.

The Directors have no present intention of exercising this authority, but they consider its grant to be appropriate in order to preserve maximum flexibility for the future.

#### **Disapplication of pre-emption rights for an acquisition or specified capital investment (Resolution 9)**

The Directors are seeking further authority under Resolution 8 to offer shares (or sell treasury shares) for cash otherwise than to existing shareholders pro rata to their holdings up to an aggregate nominal value of £153,403.01 which is equivalent to approximately 5 per cent of the issued ordinary share capital of the Company (excluding treasury shares) on 2<sup>nd</sup> September 2020, being the latest practicable date prior to the publication of this Notice. This is in addition to the 5 per cent referred to in Resolution 8. If given, the authority will expire at the conclusion of the next AGM in 2021 or on 31<sup>st</sup> October 2021, whichever is the earlier.

This extra authority is being sought in accordance with the Pre-Emption Group's 2015 Statement of Principles (Statement of Principles). The Statement of Principles permits disapplication authorities of up to 10 per cent of issued ordinary share capital in total to be sought provided the extra 5 per cent is used only in connection with the financing (or refinancing) of an acquisition or specified capital investment (as defined in the Statement of Principles). The Directors confirm that they intend to use the authority sought in Resolution 9 only in connection with such an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

**Recommendation**

Your Directors consider that all the Resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole and unanimously recommend shareholders to vote in favour of all the Resolutions, as they intend to do in respect of their own beneficial holdings.

Yours sincerely

**Paul Pindar**

Chairman

## NOTICE OF ANNUAL GENERAL MEETING

Purplebricks Group plc (the Company)



*(Incorporated in England and Wales with registered number 08047368)*

### Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the 2020 Annual General Meeting of the Company will be held on 30<sup>th</sup> September 2020 at 10.00am for the following purposes: to propose and, if thought fit, to pass Resolutions 1 to 7 as ordinary resolutions (an ordinary resolution is one that requires a majority of in excess of 50 per cent of those present and voting to be passed); and to propose and, if thought fit, to pass Resolutions 8 and 9 as special resolutions (a special resolution is one that requires a majority of in excess of 75 per cent of those present and voting to be passed).

#### Ordinary Resolutions

- 1 To receive the reports of the Directors and the audited accounts of the Company for the financial year ended 30<sup>th</sup> April 2020 together with the report of the Auditors on those audited accounts.
- 2 To elect Andy Botha who, being eligible, offers himself for election, as a Director.
- 3 To elect Dr Stephanie Caspar, who, being eligible, offers herself for election, as a Director
- 4 To re-elect Adrian Blair who, being eligible, offers himself for re-election, as a Director.
- 5 To reappoint Deloitte LLP as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the meeting.
- 6 To authorise the Directors to fix the remuneration of the Auditors.
- 7 THAT in substitution for all subsisting authorities to the extent unused, but excluding the additional authority to allot ordinary shares passed and approved on 12<sup>th</sup> December 2015 that remains in force and effect as set out in the terms of that authority, the Directors be and they are hereby generally and unconditionally authorised, in accordance with section 551 Companies Act 2006 (CA 2006), to exercise all the 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 £1,022,686.79.

The authority hereby conferred on the Directors shall expire at the conclusion of the next Annual General Meeting of the Company after the date of the passing of this Resolution or 31st October 2021, whichever is the earlier save that under this authority the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to subscribe for, or to convert any security into, shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for, or to convert any security into, shares (as the case may be) in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

### **Special Resolutions**

8 THAT, subject to the passing of Resolution 7 above and in substitution for all subsisting authorities to the extent unused, but excluding the additional authority to disapply pre-emption rights passed and approved by resolution of shareholders on 12<sup>th</sup> December 2015 that remains in force and effect as set out in the terms of that authority, the Directors be and they are hereby authorised, pursuant to section 570 and section 573 Companies Act 2006 (CA 2006), to allot equity securities (within the meaning of section 560 CA 2006) for cash either pursuant to the authority conferred by Resolution 9 or by way of a sale of treasury shares, as if section 561(1) CA 2006 did not apply to any such allotment or sale, provided that this authority shall be limited to:

- (a) the allotment of equity securities or sale of treasury shares in connection with an offer of equity securities:
  - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements or securities represented by depositary receipts, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter; and

- (b) the allotment (otherwise than under paragraph (a) of this Resolution 8) of equity securities or sale of treasury shares up to an aggregate nominal amount of £153,403.01,

and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or 31<sup>st</sup> October 2021, whichever is the earlier, save that the Company may, before such expiry, make an offer or agreement which would or might



require equity securities to be allotted (and treasury shares to be sold) after such expiry and the Directors may allot equity securities (and sell treasury shares) in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

9 THAT, subject to the passing of Resolution 8 above, the Directors be and they are hereby authorised in addition to any authority granted under Resolution 8, pursuant to section 570 and section 573 Companies Act 2006 (**CA 2006**), to allot equity securities (within the meaning of section 560 CA 2006) for cash either pursuant to the authority conferred by Resolution 7 or by way of a sale of treasury shares, as if section 561(1) CA 2006 did not apply to any such allotment or sale, provided that this authority shall be:

- (a) limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £153,403.01; and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six 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 shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or 31<sup>st</sup> October 2021, whichever is the earlier, save that, in each case, the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted (and treasury shares to be sold) after such expiry and the Directors may allot equity securities (and sell treasury shares) in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

By Order of the Board,

4<sup>th</sup> September 2020

Andy Botha

Secretary

Registered office: Suite 7, First Floor, Cranmore Place, Cranmore Drive, Shirley, Solihull, West Midlands B90 4RZ

## Notes:

- 1 A member is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. Due to the current UK government restrictions related to COVID-19 and restrictions on attendance at the AGM, all shareholders are encouraged to appoint the Chairman of the meeting as their proxy this year to ensure their vote is recognised at the AGM. Other named proxies will not be allowed to attend the AGM.
- 2 Members may lodge their vote or appoint proxies electronically via [www.signalshares.com](http://www.signalshares.com). For an electronic proxy appointment to be valid, the appointment must be received by the Company's Registrar, Link Asset Services, no later than 10.00am on 28<sup>th</sup> September 2020. If you need help with voting online, or require a paper proxy form, please contact our Registrar, Link Asset Services, on 0371 664 0300 if calling from the UK, or +44 (0) 371 664 0300 if calling from outside of the UK, or email Link at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk). 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 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. The proxy form will not be accepted if found to contain a computer virus.
- 3 Only those members registered on the register of members of the Company at close of business on 28<sup>th</sup> September 2020 (or, if the meeting is adjourned, 48 hours before the time of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 4 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 5 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual

(available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy, or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in Note 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

- 6 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)).
- 7 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 (as amended).
- 8 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 his/her discretion. Your proxy will vote (or abstain from voting ) as he/she thinks fit in relation to any other matter which is put before the AGM.
- 9 Any electronic address provided either in this Notice or in any related documents may not be used to communicate with the Company for any purposes other than those expressly stated.
- 10 Voting at the AGM will be conducted by way of a poll rather than on a show of hands. A poll is more representative of shareholders' voting intentions because shareholders' votes are counted according to the number of shares held and all votes tendered are taken into account.

**Shareholder enquiries**

If you have any questions, please call the Company's Registrars, Link Asset Services, on 0371 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 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. . Alternatively, you may send an email to [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk)