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If you have sold or otherwise transferred all of your Existing Ordinary Shares in the Company, please send this Circular and any accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other agent through or by whom the sale or transfer was effected, for onward delivery to the purchaser or transferee. However, these documents should not be forwarded or sent in, into or from the United States, Canada, Australia, New Zealand, Japan, the Republic of Ireland or South Africa or any other state or jurisdiction in which release, publication or distribution would be unlawful and therefore persons into whose possession this Circular and/or any accompanying documents come should inform themselves about and observe any applicable requirements. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction. If you have sold or transferred only part of your holding of Existing Ordinary Shares you should retain this Circular and any accompanying documents and contact the stockbroker, bank or other agent through or by whom the sale or transfer was effected immediately.

This Circular does not constitute an offer to buy, acquire or subscribe for, or the solicitation of an offer to buy, acquire or subscribe for, New Ordinary Shares or an invitation to buy, acquire or subscribe for New Ordinary Shares (or any other securities) in any jurisdiction. This Circular has not been examined or approved by the Financial Conduct Authority or the London Stock Exchange or any other regulatory authority.

Application will be made for the New Ordinary Shares arising from the Consolidation to be admitted to trading on AIM. On the assumption that, *inter alia*, the Resolutions are passed, it is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on or around 1 March 2022.

Sareum Holdings plc

(Incorporated in England and Wales, registered number 05147578)

Notice of Extraordinary General Meeting

Proposed Share Consolidation and New Articles of Association

This Circular should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which recommends that you vote in favour of the Resolutions.

Notice of an Extraordinary General Meeting of the Company to be held at 2:30 p.m. on 28 February 2022 at The City Centre, 80 Basinghall Street, London EC2V 5AG is set out at the end of this Circular. Whether or not you intend to be present at the Extraordinary General Meeting you are urged to complete and return your Form of Proxy electronically, in accordance with the instructions set out in note 4 of the Notice of Extraordinary General Meeting, as soon as possible and in any event by no later than 2:30 p.m. on 26 February 2022. As with the annual general meeting of the Company, you will not receive a paper Form of Proxy for the Extraordinary General Meeting. In the event that you do require a paper Form of Proxy, you will be able to request this from the Registrar (as set out in note 5 of the Notice of Extraordinary General Meeting).

The Board acknowledges that attending the Extraordinary General Meeting in person may not be possible or desirable for all Shareholders and therefore the Company will also relay the Extraordinary General Meeting by live webcast via the Investor Meet Company (“**IMC**”) platform. Shareholders who wish to follow the meeting via the IMC platform should register with IMC at www.investormeetcompany.com/sareum-holdings-plc/register-investor. Shareholders who have previously registered with IMC will be invited to the webcast automatically. Shareholders are reminded that participation via the IMC platform will not constitute attendance at the Extraordinary General Meeting and Shareholders following the meeting via the IMC platform will not be able to vote on the day of the meeting and if they wish to vote they should do so by completing and returning a Form of Proxy in accordance with the instructions set out above and in the notes to the Notice of Extraordinary General Meeting.

The distribution of this Circular and/or any accompanying documents in jurisdictions other than the United

Kingdom may be restricted by law and therefore persons into whose possession this Circular and/or any accompanying documents comes should inform themselves and observe such restrictions. Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant jurisdiction without delay. Any failure to comply with such restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction.

In accordance with the AIM Rules, this document will be available on the Company's website (www.sareum.com) from the date of this Circular, free of charge. Neither the content of the Company's website nor any website accessible by hyperlinks to or on the Company's website is incorporated in, or forms part of, this document.

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EXPECTED TIMETABLE*

Circular posted to Shareholders	4 February 2022
Latest time and date for receipt of Forms of Proxy	2:30 p.m. on 26 February 2022
Extraordinary General Meeting	2:30 p.m. on 28 February 2022
Additional Ordinary Shares issued	28 February 2022
Record Date and completion of Consolidation	6.00 p.m. on 28 February 2022
Expected date on which New Ordinary Shares will be admitted to trading on AIM	8.00 a.m. on 1 March 2022
Expected date CREST accounts are to be credited with the New Ordinary Shares in uncertificated form	1 March 2022
Expected date for despatch of definitive certificates for New Ordinary Shares in certificated form	by no later than 15 March 2022

*Each of the times and dates above are subject to change by the Company. Reference to time in this Circular and the Form of Proxy are to London time unless stated otherwise. If any of the above times and/or dates changed, the revised time(s) and/or date(s) will be notified to Shareholders by announcement through a regulatory information service.

STATISTICS RELATING TO THE CONSOLIDATION

Conversion ratio of Existing Ordinary Shares	50 Existing Ordinary Shares : 1 New Ordinary Share
Number of Existing Ordinary Shares in issue as at the date of this Circular	3,403,470,791
Number of Existing Ordinary Shares expected to be in issue immediately prior to the Consolidation*	3,403,470,800
Number of New Ordinary Shares expected to be in issue following the Consolidation	68,069,416
Nominal value of New Ordinary Shares following the Consolidation	£0.0125
ISIN for the New Ordinary Shares	GB00BMC3RJ87
SEDOL for the New Ordinary Shares	BMC3RJ8

*Comprises the 3,403,470,791 Existing Ordinary Shares in issue as at the date hereof and the Additional Ordinary Shares to be issued prior to the Consolidation, on the assumption that no other Ordinary Shares are issued prior to the date of the Consolidation.

DEFINITIONS

In this document and the Form of Proxy, the following words and expressions shall, except where the context requires otherwise, have the following meaning:

“Additional Ordinary Shares”	the nine additional Ordinary Shares to be issued immediately prior to the Consolidation such that the total number of Ordinary Shares in issue shall be exactly divisible by 50;
“Admission”	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules, expected to be on or around 1 March 2022;
“AIM”	the AIM market operated by the London Stock Exchange;
“AIM Rules”	the rules applicable to AIM companies, as published by the London Stock Exchange from time to time;
“Articles”	the articles of association of the Company as at the date of this Circular;
“Articles Resolution”	Resolution 1, as set out in the Notice of Extraordinary General Meeting;
“Board” or “Directors”	the board of directors of the Company;
“certificated”	the description of a share or other security which is not in uncertificated form (that is, not in CREST);
“Company”	Sareum Holdings plc;
“Consolidation”	the proposed consolidation of the Company’s ordinary share capital resulting in every 50 Existing Ordinary Shares being consolidated into 1 New Ordinary Share pursuant to the Consolidation Resolution;
“Consolidation Resolution”	Resolution 2, as set out in the Notice of Extraordinary General Meeting;
“CREST”	the relevant system (as defined in the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form operated by Euroclear;
“CREST Manual”	the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof;
“CREST Proxy Instruction”	a proxy appointment or instruction made via CREST, authenticated in accordance with Euroclear’s specifications and containing the information set out in the CREST Manual;
“CREST Regulations”	the Uncertificated Securities Regulation 2001 (SI 2001/3755), as amended;
“Euroclear”	Euroclear UK & International Limited;
“Existing Ordinary Shares”	the existing Ordinary Shares in issue immediately prior to the Consolidation (including the Additional Ordinary Shares);
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at 2:30 p.m. on 28 February 2022 at The City Centre, 80 Basinghall Street, London EC2V 5AG or any adjournment thereof;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the Extraordinary General Meeting;

“Fractional Entitlement”	a fractional entitlement to a New Ordinary Share arising on the Consolidation;
“Fractional Shareholder”	any Shareholder who pursuant to the Consolidation would otherwise be entitled to a fraction of a New Ordinary Share in respect of their holding of Existing Ordinary Shares at the Record Date;
“London Stock Exchange”	London Stock Exchange plc;
“New Articles”	the new articles of association of the Company as proposed to be adopted under the Articles Resolution;
“New Ordinary Shares”	new Ordinary Shares of £0.0125 each in the capital of the Company following completion of the Consolidation;
“Notice of Extraordinary General Meeting”	the notice convening the Extraordinary General Meeting which is set out at the end of this Circular;
“Ordinary Shares”	ordinary shares of £0.00025 each in the capital of the Company prior to the Consolidation;
“Record Date”	6.00 p.m. on 28 February 2022 (or such other time and date as the Directors may determine);
“Registrar”	Link Group;
“Resolutions”	the Articles Resolution and the Consolidation Resolution;
“Shareholder”	a holder of Ordinary Shares in the capital of the Company; and
“uncertificated” or “in uncertificated form”	recorded on the relevant register of the share concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.

- all references to “pounds”, “£”, “pence” or “p” are to the lawful currency of the United Kingdom;
- words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender;
- all references to legislation are to English legislation unless the contrary is indicated, and any reference to any provision of any legislation includes any amendment, modification, re-enactment or extension thereof; and
- all times referred to are London time unless otherwise stated.

Sareum Holdings plc

(Incorporated in England and Wales, registered number 05147578)

Directors:

Stephen Parker DPhil, MBA (Chairman)
Tim Mitchell PhD (Chief Executive Officer)
John Reader PhD (Chief Scientific Officer)
Michael Owen PhD (Non-Executive Director)
Clive Birch (Non-Executive Director and Secretary)

Registered Office:

Unit 2a Langford Arch
London Road
Pampisford
Cambridge
Cambridgeshire
CB22 3FX

4 February 2022

Dear Shareholder

NOTICE OF EXTRAORDINARY GENERAL MEETING PROPOSED SHARE CONSOLIDATION AND NEW ARTICLES OF ASSOCIATION

1. Introduction

I am writing to inform you that an Extraordinary General Meeting of the Company will be held at 2:30 p.m. on 28 February 2022 at The City Centre, 80 Basinghall Street, London EC2V 5AG at which Shareholders will be asked to approve (i) the adoption of New Articles; and (ii) the Consolidation.

The Company announced today that it is proposing to implement a Consolidation comprising a consolidation of the Company's ordinary share capital on the basis of 1 New Ordinary Share for every 50 Existing Ordinary Shares. The Board is of the opinion that the high number of Existing Ordinary Shares (currently 3,403,470,791) and the low absolute share price negatively affects investors' perception of the Company and considers the Consolidation to be in the best interests of the Company and its Shareholders. The effect of the proposed Consolidation would be to reduce the number of issued Ordinary Shares by a factor of 50 and the Board believes that this will increase the relative share price and make the Company and its shares more attractive to a broader range of institutional investors and other members of the investing public.

As all of the Existing Ordinary Shares are proposed to be consolidated, the proportion of issued ordinary shareholdings in the Company held by each Shareholder immediately before and immediately after the Consolidation will, save for Fractional Entitlements (which are described below), remain unchanged.

The Articles Resolution proposes that the Company adopt New Articles. As the current Articles have been in place since 5 July 2004, the Board recognises that certain provisions ought to be updated to reflect good corporate governance and changes in company law and market practice in recent years. A summary of the proposed principal changes to the Articles are set out in the Appendix to the Notice of Extraordinary General Meeting.

Implementation of the Consolidation and adoption of New Articles are both conditional upon the approval of the Resolutions by Shareholders at the Extraordinary General Meeting, notice of which is set out at the end of this Circular. The purpose of this Circular is to provide Shareholders with details of the Consolidation and New Articles and to explain why the Directors are recommending that Shareholders vote in favour of the Resolutions at the Extraordinary General Meeting.

2. Proposed Consolidation

At the Extraordinary General Meeting, the Directors are inviting Shareholders to approve the Consolidation Resolution which will authorise the Consolidation pursuant to which every 50 Existing Ordinary Shares will be consolidated into 1 New Ordinary Share. The primary objective of the Consolidation is to reduce the number of Existing Ordinary Shares, with the intention of creating a higher share price per ordinary share in the capital of the Company, which the Board believes will make the Company and the New Ordinary Shares more attractive to a broader range of investors.

Subject to the Resolutions being passed by the Shareholders, the Company will, immediately prior to the Consolidation, issue the Additional Ordinary Shares, such that the total number of Ordinary Shares in issue shall be exactly divisible by 50. Assuming no other Ordinary Shares are issued between the date of this Circular and

immediately prior to the Record Date, this will result in nine Additional Ordinary Shares being issued and will create 3,403,470,800 Existing Ordinary Shares. The nominal value of the New Ordinary Shares following the Consolidation will be £0.0125 each per New Ordinary Share.

Since these Additional Ordinary Shares will only represent a fraction of a New Ordinary Share, this fraction will be combined with other Fractional Entitlements and sold pursuant to the arrangements for Fractional Entitlements detailed at paragraph 4 below. As all of the Existing Ordinary Shares are proposed to be consolidated, the proportion of issued ordinary shareholdings in the Company held by each Shareholder immediately before and immediately after the Consolidation will, save for Fractional Entitlements, remain unchanged. Any Shareholder who, as a result of the Consolidation, has a Fractional Entitlement to any New Ordinary Shares will not have a proportionate shareholding of New Ordinary Shares exactly equal to their proportionate holding of Existing Ordinary Shares. Accordingly, Shareholders holding less than 50 Ordinary Shares at the Record Date will not be issued any New Ordinary Shares following the Consolidation.

3. Proposed New Articles

The Board proposes that the Company adopt New Articles to reflect changes in company law and market practice in recent years. A summary of the proposed principal changes to the Articles are set out in the Appendix to the Notice of Extraordinary General Meeting set out at the end of this Circular.

A copy of the Company's existing Articles and the proposed New Articles will be available for inspection (on request to Clive Birch at info@sareum.co.uk) during normal business hours (excluding Saturdays, Sundays and bank holidays) at the Company's registered office from the date of this Circular until the close of the Extraordinary General Meeting and will also be available for inspection at the Extraordinary General Meeting from at least 15 minutes prior to the start of the meeting up until the close of the meeting. A copy of the Company's existing Articles and the proposed New Articles are also available on the Company's website at www.sareum.com.

4. Fractional Entitlements

The Consolidation will result in Fractional Entitlements to a New Ordinary Share where any holding is not precisely divisible by 50. Any Shareholder who, as a result of the Consolidation, has a Fractional Entitlement to any New Ordinary Shares, will not have a proportionate shareholding of New Ordinary Shares exactly equal to their proportionate holding of Existing Ordinary Shares. No certificates will be issued for Fractional Entitlements to New Ordinary Shares. Instead, any New Ordinary Shares in respect of which there are Fractional Entitlements will be aggregated (along with the Additional Ordinary Shares) and sold in the market for the best price reasonably obtainable.

As the net proceeds of sale will amount to a nominal sum, the Board is of the view that, as a result of the disproportionate costs, it would not be in the best interests of the Company to distribute such proceeds of sale, which instead shall be retained for the benefit of the Company in accordance with article 37.1 of the Articles (and article 45.2 of the New Articles).

For the avoidance of doubt, the Company is only responsible for dealing with fractions arising on registered holdings. For Shareholders whose shares are held in the nominee accounts of UK stockbrokers, the effect of the Consolidation on their individual shareholdings will be administered by the stockbroker or nominee in whose account the relevant shares are held. The effect is expected to be the same as for shareholdings registered in beneficial names, however, it is the responsibility of the stockbroker or nominee to deal with fractions arising within their customer accounts, and not the responsibility of the Company.

5. Extraordinary General Meeting

You will find set out at the end of this Circular the Notice of Extraordinary General Meeting to be held at 2:30 p.m. on 28 February 2022 at The City Centre, 80 Basinghall Street, London EC2V 5AG.

The Resolutions to be proposed at the Extraordinary General Meeting are as follows:

Resolution 1: New Articles

The Company is proposing to adopt New Articles in substitution for the existing Articles. The proposed principal changes introduced by the New Articles are set out in the Appendix to the Notice of Extraordinary General Meeting.

Resolution 1 is a special resolution and requires approval by not less than 75 per cent. of the votes cast on that resolution.

Resolution 2: Consolidation

This resolution is to authorise the Company to undertake the Consolidation (conditional on Admission). The Board is of the opinion that the high number of Existing Ordinary Shares and the low absolute share price negatively affects investors' perception of the Company and considers the Consolidation to be in the best interests of the Company and its Shareholders.

Resolution 2 is an ordinary resolution and requires a simple majority of the votes cast on the resolution to be in favour of such resolution.

6. Resulting share capital

If approved by Shareholders, the issued share capital of the Company immediately following the Consolidation is expected to comprise 68,069,416 New Ordinary Shares (assuming that no other shares are allotted and issued by the Company between the date of this Circular and the Extraordinary General Meeting, excluding the issue of the Additional Ordinary Shares).

7. Rights attaching to New Ordinary Shares

The New Ordinary Shares arising upon implementation of the Consolidation will have the same rights as the Existing Ordinary Shares including voting, dividend, return of capital and other rights.

8. Admission of the New Ordinary Shares

Application will be made for the New Ordinary Shares to be admitted to trading on AIM in place of the Existing Ordinary Shares. Subject to the Consolidation Resolution being passed, dealings in the Existing Ordinary Shares will cease at the close of business on the date of the Extraordinary General Meeting. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on 1 March 2022.

Following the Consolidation, the Company's new ISIN Code will be GB00BMC3RJ87 and its new SEDOL Code will be BMC3RJ8.

9. Share Certificates and CREST

If you hold a share certificate in respect of your Existing Ordinary Shares, your certificate will no longer be valid from the time that the Consolidation becomes effective. New share certificates are expected to be despatched to those Shareholders who held their Existing Ordinary Shares in certificated form by 15 March 2022, evidencing the New Ordinary Shares to which you are entitled under the Consolidation.

If you hold your Existing Ordinary Shares in uncertificated form, you should expect to have your CREST account credited with the New Ordinary Shares to which you are entitled under the Consolidation by 1 March 2022, or as soon as practicable after the Consolidation becomes effective.

10. Action to be taken

It is important to the Company that Shareholders have the opportunity to vote even if they are unable to attend the Extraordinary General Meeting. Whether or not you propose to attend the Extraordinary General Meeting in person, you are requested to complete the Form of Proxy and submit it to the Registrars, so as to arrive no later than 2:30 p.m. on 26 February 2022.

If you hold your shares in CREST, you may appoint a proxy or proxies by completing and transmitting a CREST Proxy Instruction using the procedures described in the CREST Manual as soon as possible and so that it is received by no later than 2:30 p.m. on 26 February 2022.

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

Shareholders are reminded that, if their Ordinary Shares are held in the name of a nominee, only that nominee or its duly appointed proxy can be counted in the quorum at the Extraordinary General Meeting.

11. Recommendation

The Directors consider that the Consolidation and adoption of New Articles are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors unanimously recommend Shareholders to vote in favour of all of the proposed Resolutions, as they intend to do in respect of their own beneficial shareholdings.

Yours sincerely

Stephen Parker DPhil, MBA
Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

Sareum Holdings plc

(Incorporated in England and Wales, registered number 05147578)

Notice is hereby given that an Extraordinary General Meeting of Sareum Holdings plc (the “Company”) will be held at 2:30 p.m. on 28 February 2022 at The City Centre, 80 Basinghall Street, London EC2V 5AG to consider and, if thought fit, pass the following resolutions, of which Resolution 1 will be proposed as a special resolution and Resolution 2 will be proposed as an ordinary resolution:

SPECIAL RESOLUTION

1. THAT the new articles of association produced to the meeting and, for the purposes of identification, initialled by the Chairman, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association including, but not limited to, the relevant provisions of the memorandum of association that would otherwise be treated as provisions of the articles of association under section 28 of the Companies Act 2006, with immediate effect.

ORDINARY RESOLUTION

2. THAT subject to and conditional on the admission of the New Ordinary Shares (as defined below) to trading on AIM becoming effective, every 50 ordinary shares of £0.00025 each in the capital of the Company in issue at 6.00 p.m. on 28 February 2022 be consolidated into one ordinary share of £0.0125 (“New Ordinary Share”) and that the New Ordinary Shares shall have the same rights and be subject to the same restrictions as the ordinary shares currently in issue and as set out in the Company’s articles of association, provided that, where such consolidation results in any shareholder being entitled to a fraction of a New Ordinary Share, such fraction shall be dealt with by the directors as they see fit pursuant to their powers available to them under the Company’s articles of association.

By Order of the Board

Clive Birch
Company Secretary

4 February 2022

Registered Office
Unit 2a Langford Arch
London Road
Pampisford
Cambridge
Cambridgeshire
CB22 3FX

SHAREHOLDER NOTES

- Shareholders entitled to vote at the Extraordinary General Meeting may appoint one or more proxies to vote in their place. A proxy need not be a Shareholder.**
- You will not receive a Form of Proxy for the Extraordinary General Meeting in the post. Instead, you will find instructions in note 4 below to enable you to vote electronically. Alternatively, if you do not have access to the internet you may request a paper Form of Proxy from our Registrars.
- The Extraordinary General Meeting may also be relayed by live webcast via the Investor Meet Company (“IMC”) platform. Shareholders who wish to follow the meeting via the IMC platform should register with IMC at www.investormeetcompany.com/sareum-holdings-plc/register-investor. Shareholders who have previously registered with IMC will be invited to the webcast automatically. Shareholders are reminded that participation via the IMC platform will not constitute attendance at the Extraordinary General Meeting and Shareholders following the meeting via the IMC platform will not be able to vote on the day of the meeting. If Shareholders wish to vote they should do so by completing and returning a Form of Proxy in accordance with the instructions set out in these notes to the Notice of Extraordinary General Meeting.
- You may vote your shares electronically at www.signalshares.com. On the home page, search “Sareum Holdings plc” and then log in or register, using your Investor Code. To vote, click on the “Vote Online Now” button. Your Investor Code can be found on your share certificate. If you hold your shares in CREST and wish to vote via Signal Shares rather than the CREST electronic proxy appointment service or you cannot locate your Investor Code please contact the Registrars’ helpline on 0371 664 0300. If you are outside the United Kingdom, please call +44 371 664 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. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.
- If paper Forms of Proxy are required, the Shareholder should contact the Registrars’ helpline on 0371 664 0300. If you are outside the United Kingdom, please call +44 371 664 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. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.
- To be effective, the proxy vote must be submitted at www.signalshares.com so as to have been received by the Registrars by 2:30 p.m. on 26 February 2022 or, in the case of an adjourned meeting, no less than 48 hours before the time fixed for the adjourned meeting. Any power of attorney or other authority under which the proxy is submitted must be returned to the Registrars, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. If a paper Form of Proxy is requested from the Registrars, it should be completed and returned to Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, to be received by 2:30 p.m. on 26 February 2022 or, in the case of an adjourned meeting, no less than 48 hours before the time fixed for the adjourned meeting (excluding non-working days).
- A “vote withheld” option is provided on the Form of Proxy to enable Shareholders to instruct their proxy not to vote on each of Resolutions. 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 votes “For” and “Against” each Resolution.
- In the case of joint holders, the vote of the senior who tenders a vote by proxy will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand on the Register of Members in respect of the relevant joint holdings.
- Pursuant to Regulation 41 of the CREST Regulations, the Company specifies that only those Shareholders registered on the Register of Members of the Company by 2:30 p.m. on 26 February 2022 or, in the case of an adjourned meeting, 48 hours before the time fixed for the adjourned meeting shall be entitled to vote in respect of the number of shares registered in their names at that time. Changes to entries on the Register of Members after 2:30 p.m. on 26 February 2022 or, in the case of an adjourned meeting (excluding non-working days), 48 hours before the time fixed for the adjourned meeting, shall be disregarded in determining the rights of any person to vote at the Extraordinary General Meeting.
- CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Extraordinary General 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. 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 specifications of Euroclear 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 so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in the Notice of Extraordinary General 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 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. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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 an 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)(a) of the CREST Regulations.

11. The quorum for the Extraordinary General Meeting will be two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a Shareholder.
12. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Shareholder provided that they do not do so in relation to the same shares.
13. Any electronic address provided either in this Notice of Extraordinary General Meeting or in any related documents may not be used to communicate with the Company for any purposes other than those expressly stated.
14. A copy of the Company's existing Articles and the proposed New Articles will be available for inspection (on request to Clive Birch at info@sareum.co.uk) during normal business hours (excluding Saturdays, Sundays and bank holidays) at the Company's registered office from the date of this Notice of Extraordinary General Meeting until the close of the Extraordinary General Meeting and will also be available for inspection at the Extraordinary General Meeting from at least 15 minutes prior to the start of the meeting up until the close of the meeting. A copy of the Company's existing Articles and the proposed New Articles are also available on the Company's website at www.sareum.com.
15. A summary of the proposed principal changes to the Articles are set out in the Appendix to this Notice of Extraordinary General Meeting.
16. A copy of this Notice of Extraordinary General Meeting can be found at www.sareum.com.
17. As at 3 February 2022 (being the last practicable day before the publication of this Notice of Extraordinary General Meeting), the Company's issued share capital consisted of 3,403,470,791 Ordinary Shares carrying one vote each. The Company does not hold any shares in treasury.

APPENDIX

SUMMARY OF THE PRINCIPAL CHANGES TO THE COMPANY'S ARTICLES

The New Articles contain, amongst others, the following principal changes:

1. Combined physical and electronic general meetings

The New Articles provide that the Directors may decide to hold a “hybrid” general meeting as a combined physical and electronic general meeting (including an annual general meeting) in such a way that enables Shareholders to attend and participate in the business of the meeting by attending a physical location or by attending by means of an electronic platform (article 47). Voting in respect of all resolutions at a hybrid general meeting must be decided on a poll (article 59.3). These provisions do not permit a general meeting to be held in an electronic only format.

This change is intended to make it easier for Shareholders and other attendees to attend and participate in future general meetings and to facilitate better engagement, whilst providing the Directors with the flexibility should they need to make alternative arrangements for participation in meetings (including where physical participation may be prevented or restricted). The New Articles also include a number of consequential changes to provide for a general meeting to be held as a physical general meeting or a combined physical and electronic general meeting.

2. Satellite meetings

The New Articles further provide for general meetings to be held as “satellite meetings” (article 55) meaning that there will be one or more venues available. Shareholders attending one of the “satellite” locations (i.e. not the principal location, most likely where the chair is present) may participate in the general meeting as if they were at the principal location. As in paragraph one above, this change is intended to make it easier for Shareholders and other attendees to attend and participate in general meetings, in particular when there are restrictions on physical participation or capacity limits.

3. Postponement of general meetings

The New Articles contain new provisions in relation to the Directors’ power to postpone a properly convened general meeting after notice of that meeting has been sent out but before the time at which the meeting is to be held (article 50). The New Articles allow Directors to take reasonable steps to ensure that the change is announced on the Company website or by a regulatory news service.

4. Remuneration of non-executive Directors

The New Articles include an aggregate cap on non-executive Directors’ fees of £250,000, which may be increased by an ordinary resolution of the Company (article 79). The inclusion of a cap is in line with market practice.

5. Borrowing powers

The New Articles contain an amendment to the borrowing powers provision (article 92) such that the limits under which the Directors can authorise borrowing without Shareholder approval is capped at three times the Company’s adjusted capital and reserves, along with the provision of a more detailed description as to what constitutes borrowing, to reflect the customary market practice and better to reflect the levels that companies equivalent to the Company may require.

6. Directors’ interests

The New Articles allow a Director who has declared his/her interest to the Board to be interested in shares or other securities issued by the Company (article 100.1), as is permitted under the Companies Act 2006. Article 101 also provides for the ability of the Board to authorise matters, subject to the conditions set out in article 101.2, that would otherwise involve a Director being in breach of duty under section 175 of the Companies Act 2006 to avoid conflicts of interest.

7. Alternate directors

The New Articles allow an alternate director to cease to be an alternate director if they resign (article 82.4), which is in line with market practice.

8. Scrip dividends

The New Articles reduce the period for scrip dividend authorities to be renewed from five years to three years in line with Investment Association guidance (article 121.1.1). The New Articles also provide the Directors with additional powers to decide whether an enhanced scrip dividend is made available, whereby Shareholders are entitled to new Ordinary Shares of a value in excess of the cash amount such Shareholders would otherwise have received by way of dividend, subject to a special resolution approving the exercise of such power (article 122).

9. Alteration of capital

The New Articles provide for a number of changes to the way in which the capital of the Company can be altered, including:

- the deletion of provisions to increase share capital or to cancel shares by ordinary resolution on the basis that the procedures set out in the Companies Act 2006 for increasing or reducing share capital must be followed;
- that a Company may only purchase its own shares where sanctioned by a special resolution (article 46); and
- an additional explanation of when net proceeds generated from the sale of fractional entitlements of shares may be retained for the benefit of the Company (being where such net proceeds are £5.00 or less) (article 45.2).

10. Authorised share capital

The New Articles remove the reference to an authorised share capital, in accordance with market practice, because the requirement is no longer required under the Companies Act 2006. This means that the Company can seek an authority at each annual general meeting for the Directors to allot new shares without any limitation in its articles but only limited by the relevant authority sought from Shareholders from time to time in general meeting.

11. Capitalisation of profits and reserves

The New Articles have been amended to provide that treasury shares can participate in a bonus issue unless the ordinary resolution to approve the capitalisation provides otherwise (article 129.2). This change brings the New Articles in line with market practice and allows the Company the benefit of the full flexibility allowed by the Companies Act 2006.

12. Transmission

The provisions in the New Articles which deal with transmission (article 42) have been updated to include a member's bankruptcy and transmissions that occur by operation of law whereas, in the Articles, the equivalent provisions only cover a member's death.

13. Notice provisions

The notice provisions of the New Articles have been updated and simplified such that any information or documentation sent or supplied must be done so in accordance with the Companies Act 2006 (article 135). Shareholders will lose their entitlement to receive communications if, on two consecutive occasions, notices, documents or other information sent to their registered address have been undelivered (article 141).

14. Power to establish local boards

The New Articles allow the Board to establish divisional, departmental, regional, local or area boards for managing all or any of the business of the Company (article 89), subject to conditions as the Board may think fit. No appointee to a local board shall be a Director and the Board has the discretion to remove any persons or revoke any delegations as and when they deem necessary.

15. Strategic report

Under the New Articles the Company may, to the extent produced, send or supply copies of its strategic report (with prescribed supplemental material) to the members, debenture holders and Auditors in place of its annual accounts and reports (article 132).

16. Removal of Company objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and Articles. The Company's memorandum contains (among other things) the objects clause, which sets out the scope of the activities that the Company is authorised to undertake. The Companies Act 2006, when it came into force, significantly reduced the constitutional significance of a company's memorandum by providing that it

will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Companies Act 2006, with effect from 1 October 2009, the objects clause and all other provisions contained in an existing company's memorandum, were deemed to be contained in the company's articles of association. Alternatively, a company can remove these provisions by special resolution.

As the Companies Act 2006 states that unless a company's articles provide otherwise, a company's objects are unrestricted (which abolishes the need for companies to have specific objects clauses, as used to be required), the Company is proposing to remove its objects clause together with all those other provisions of its memorandum that, by virtue of the Companies Act 2006, are now treated as forming part of the Company's articles of association.

17. General

The opportunity has been taken generally to incorporate amendments of a minor, technical or clarifying nature, or to clarify minor inconsistencies in certain other parts of the Articles. The New Articles also reflect current statutory and regulatory rules and redundant provisions have been removed. Examples of these updates are as follows:

- gender neutral language has been adopted throughout the New Articles;
- specific references to sections in the Companies Act 1985 have been amended to refer to their counterparts in the Companies Act 2006;
- the concept of "extraordinary general meetings" has been removed as it no longer exists under the Companies Act 2006. Reference is instead made to "general meetings";
- the obligation on the Company to provide its annual accounts has been removed as this is prescribed for under the Companies Act 2006;
- the ability for Shareholders to execute a written resolution has been removed as this is not permitted under the Companies Act 2006 (although the common law position remains whereby if unanimous written consent of all members is received, such resolution shall be passed); and
- the concepts of "extraordinary resolution" and "special business" have been removed as they no longer exist under the Companies Act 2006. Where the Articles referred to an "extraordinary resolution", the New Articles substitute a special resolution.