

**CLOUDCALL GROUP PLC**  
**(company number 05509873)**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 2021 Annual General Meeting of Cloudcall Group plc ("the Company") will be held as a virtual closed meeting on 24<sup>th</sup> May 2021 at 11.00am to consider, and if thought fit, to pass the following resolutions, of which resolutions 1 to 4 and 6 will be proposed as ordinary resolutions and resolution 5 will be proposed as a special resolution.

**Ordinary Business**

1. To receive and adopt the report of the directors and the financial statements for the year ended 31<sup>st</sup> December 2020 and the report of the auditors thereon.
2. To re-elect, as a director of the Company, Simon Cleaver who retires in accordance with Article 25.2 of the Company's Articles of Association and offers himself for re-election
3. To re-appoint RSM UK Audit LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company and that their remuneration be determined by the directors.

**Special Business**

4. THAT the directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company ("Rights") up to an aggregate nominal amount of £3,201,947.00 such authority shall, unless previously revoked or varied by the Company in general meeting, expire on the conclusion of the Annual General Meeting of the Company to be held in 2022 provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the directors may allot shares or grant Rights pursuant to any such offer or agreement as if the authority conferred hereby had not expired.
5. THAT the directors be and they are hereby empowered pursuant to Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 4 above as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:-
  - a. the allotment of equity securities in connection with an issue in favour of shareholders where the equity securities respectively attributable to the interests of all such shareholders are proportionate (or as nearly as may be practicable) to the respective number of ordinary shares in the capital of the Company held by them on the record date for such allotment, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange, in any territory;
  - b. the allotment of equity securities arising from the exercise of options and warrants or the conversion of any other convertible securities outstanding at the date of this resolution; and

- c. the allotment (otherwise than pursuant to sub-paragraphs (a) and (b) above) of further equity securities up to an aggregate nominal amount of £960,584.20;

and this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire at the conclusion of the Annual General Meeting of the Company to be held in 2022. The Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors are hereby empowered to allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

6. THAT the CloudCall Group plc Group Share Incentive Plan (the 'GSIP'), the principal terms of which are summarised in Appendix I to this Notice of AGM and explained further in a letter to shareholders from the Chair of the Remuneration Committee in Appendix 2 to this Notice of AGM, and the rules of which are produced in draft to this meeting (and for the purposes of identification are initialled by the Chairman of the meeting) are approved and the directors are authorised to:

- (a) make such modifications to the GSIP as they may consider appropriate to take account of the requirements of best practice and for the implementation of the GSIP and to adopt the GSIP as so modified and to do all such other acts and things as they may consider appropriate to implement the GSIP; and
- (b) establish further plans based on the GSIP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the GSIP.

**BY ORDER OF THE BOARD**

B Harber  
Company Secretary  
28<sup>th</sup> April 2021

**REGISTERED OFFICE**

1 Colton Square  
Leicester  
LE1 1QH

**COVID-19**

**Given the current COVID-19 pandemic and the associated UK Government's restrictions on public gatherings and non-essential travel, which are in place at the time of issuing the Notice, the AGM will only address the formal matters contained in the Notice of Meeting. Attendance by shareholders is not considered as 'essential for work purposes' and so would not be permitted under the current restrictions. Shareholders may not attend the meeting in person.**

**All shareholders are urged to appoint the Chairman of the meeting as their proxy, with voting instructions. Please refer to the Notes to this Notice of Meeting for more information regarding proxy voting.**

**Should you wish to raise any questions ahead of the AGM please do so via email to the Company Secretary at [ben.harber@shma.co.uk](mailto:ben.harber@shma.co.uk).**

**Explanation of Resolutions**

1. **Resolution 2** — Article 25.2 of the Company's Articles of Association require that one third of the directors of the Company who have held office since the last Annual General Meeting, must retire by rotation. The number of directors to retire by rotation this year shall be one. Simon Cleaver will retire by rotation in accordance with Article 25.2.
2. **Resolution 3** — In accordance with the Act, resolution 4 proposes the re-appointment of RSM UK Audit LLP as auditors and authorises the directors to determine the auditors' remuneration.
3. **Resolution 4** — As required by the Act, this resolution, to be proposed as an Ordinary Resolution, relates to the grant to the directors of authority to allot unissued Ordinary Shares and grant rights to subscribe for or convert securities into Ordinary

Shares until the conclusion of the Annual General Meeting to be held in 2022, unless the authority is renewed or revoked prior to such time. This authority is limited to a maximum of £3,201,947.60 being 16,009,738 Ordinary Shares (representing approximately one third of the total issued share capital of the Company as at the date of this Notice).

4. **Resolution 5** — The Act requires that if the directors decide to allot unissued Ordinary Shares in the Company the shares proposed to be issued be first offered to existing shareholders in proportion to their existing holdings. This is known as shareholders' pre-emption rights. However, to act in the best interests of the Company the directors may require flexibility to allot shares for cash without regard to the provisions of Section 561(1) of the Act. Therefore this resolution, to be proposed as a Special Resolution, seeks authority to renew the director's authority to allot equity securities. The authority is limited to the issue of up to a maximum of £960,584.20 being 4,802,921 Ordinary Shares (representing approximately 10 per cent. of the total issued share capital of the Company as at the date of this Notice) and will expire at the conclusion of the Annual General Meeting to be held in 2022.
5. **Resolution 6** - This resolution seeks shareholders' approval for a new CloudCall Group plc Group Share Incentive Plan (the 'GSIP') in place of the about to expire Zenenergy Power plc 2011 Discretionary Share Option Plan Rules. The GSIP provides a flexible framework for the Committee to approve the grant of share options as incentives to the employees of the Group (including to employees in the US) on a selective basis and tax efficiently where possible. A summary of the principal terms of the GSIP is set out in Appendix 1 to this Notice of AGM together with a letter from the Chair of the Remuneration Committee in Appendix 2. A copy of the draft rules of the GSIP will be available for inspection at the offices of CloudCall Group plc at 1 Colton Square, Leicester LE1 1QH.

## Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. You can vote either:
  - by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions. Please note that if not already registered for The Share Portal; you will need your Investor Code which can be found on your share certificate;
  - by requesting a hard copy form of proxy directly from the registrar, Link Group, on Tel: 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 and 17:30, Monday to Friday excluding public holidays in England and Wales; or
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
3. In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Group at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by 11.00am on 20<sup>th</sup> May 2021.
4. 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 or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
5. The completion and return of a form of proxy will not preclude a member from attending in person at the meeting and voting should he wish to do so. If you attend the meeting in person, your proxy appointment will automatically be terminated.
6. The Company has specified that only those members entered on the register of members at close of business on 20<sup>th</sup> May 2021 shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares of £0.20 each in the capital of the Company held in their name at that time. Changes to the register after close of business on 20<sup>th</sup> May 2021 shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. In the case of CREST members utilising the CREST electronic proxy appointment service in accordance with the procedures set out below, each proxy appointment must be received by the Company not less than 48 hours before the time of the meeting (excluding any day which is not a business day).
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment 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.
9. In order for a proxy appointment, or instruction, 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 regardless of whether it relates to the appointment of a proxy or to 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 RA 10) by the latest time(s) for receipt of proxy appointments specified in the Notice of 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. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. 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 therefore 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 or her 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.

## **APPENDIX 1**

### **Summary of the proposed new GSIP**

#### **The CloudCall Group plc Group Share Incentive Plan (GSIP)**

##### **1. General**

The GSIP is a discretionary plan which provides for the grant to selected employees and executive directors of the Group, of rights to acquire Ordinary Shares in the form of:

- (a) Enterprise Management Incentives Options (**EMI Options**)
- (b) Company Share Option Plan options (**CSOP Options**);
- (c) Unapproved Options (**Unapproved Options**)
- (d) Incentive Stock Options (**ISOs**); and
- (e) Non-Statutory Stock Options (**NSOs**)

(together the **Options**).

Options are non-transferable (except on death) and are not pensionable.

##### **2. Administration**

The GSIP will be operated and administered by the Remuneration Committee (**Committee**) which will make all decisions about participation, form, size and timing of grants of Options.

##### **3. Eligibility**

The Committee has complete discretion as to the selection of employees and executive directors of the Group to whom Options may be made.

EMI Options, CSOP Options and ISOs may only be granted to those selected employees who meet the legislative requirements.

##### **4. Grant of Options**

Options may be granted within 42 days following the adoption of the GSIP and after the announcement of the Company's interim or preliminary results. They may also be granted at other times in exceptional circumstances which the Committee considers justify the granting of Options, but not during a 'closed period'.

No Option may be granted more than 10 years after the adoption date of the GSIP.

No consideration is payable for the grant of an Option.

The GSIP rules permit the Company to determine whether any liability for UK employer NICs arising in connection with any Option shall be transferred to the option holder, to the extent legally permissible.

The price per Ordinary Share (which is intended to be no less than the market value of the Ordinary Shares at the date of grant) payable on the exercise of an Option shall be determined by the Committee when the Option is granted.

CSOP Options, ISOs and NSOs will have an exercise price that represents the market value of the Ordinary Shares on the date of grant. The exercise price of an ISO awarded to a shareholder holding 10% or more of the shares of the Company would be 110% of the market value.

## **5. Individual limits**

The maximum aggregate market value of the Ordinary Shares subject to subsisting EMI Options held by an individual at any time may not exceed £249,999 (or such other limit as prescribed by legislation less £1).

The maximum aggregate market value of the Ordinary Shares subject to subsisting CSOP Options held by an individual at any time may not exceed £30,000 (or such other limit as prescribed by legislation).

The aggregate market value of the Ordinary Shares under an ISO that can be exercised for the first time in a calendar year by an individual cannot exceed US\$ 100,000.

For the purpose of these limits, the market value is determined at the date of grant of an Option.

## **6. Limits on the issue of Ordinary Shares**

The number of Ordinary Shares which may be issued under the GSIP together with all the other share plans of the Group will be restricted to 15% of the Company's issued share capital in any rolling ten-year period.

Ordinary Shares which are purchased from the market to satisfy Options or Ordinary Shares subject to awards which are released or lapsed without being exercised are excluded for the purposes of calculating the limit.

The number of Ordinary Shares that may be issued under ISOs shall not exceed 7 million.

## **7. Vesting and Performance Conditions**

An Option will normally vest on the date that is specified in the Option Agreement of an option holder.

The Committee may at its discretion set performance conditions to determine whether or the extent to which an Option will vest. Any performance conditions may be adjusted if any event occurs which causes the Committee to decide that the adjusted conditions will measure performance more fairly and provide a more effective incentive.

The vesting of the initial grant of Options under the GSIP to the executive management team will be conditional on meeting stretching revenue and EBITDA growth targets to be achieved over the three financial years ending on 31 December 2023 and to a share price underpin being reached or exceeded for at least thirty (30) consecutive Dealing Days at any time during the period of two financial years ending on 31 December 2025. Further information about the proposed initial grant of Options to the executive management team are set out in a letter from the Chair of CloudCall's Remuneration Committee in Appendix 2 below.

Further details of the vesting and performance conditions attached to the initial grant of Options under the GSIP to the executive management team will be disclosed in the Annual Report of the Company for the current year and the extent to which the performance conditions have been achieved, will be disclosed in the Annual Report of the Company for the relevant year end.

## **8. Cessation of Employment**

If an option holder ceases to be employed by any member of the Group by reason death:

- (a) after the Base Period (i.e. a period specified in the Option Agreement, which normally is intended to be a period of three years from the date of grant of the Option), the Option shall vest in full; or
- (b) before the Base Period, a portion of the Option shall vest based on the time that has elapsed between the grant of the Option and date of death

The number of the Shares over which Options can be exercised will be determined by the Committee based on the extent to which it determines that any performance conditions on which vesting is dependent have been satisfied. The personal representatives of the option holder may exercise such vested Option within a period of twelve months from the date of death of the option holder.

If an option holder ceases to be employed by any member of the Group by reason of injury or disability, redundancy, retirement or any other reason at the discretion of the Committee:

- (a) after the Base Period, the Option shall vest in full; or
- (b) before the Base Period, a portion of the Option shall vest based on the time that has elapsed between the grant of the Option and date of cessation of employment.

The number of the Shares over which Options can be exercised will be determined by the Committee on the normal vesting date based on the extent to which any performance conditions have been satisfied. Such vested Options may be exercised at any time within a period of two years from the normal vesting date.

If an option holder (who has not been summarily dismissed) ceases to be employed after the end of the Base Period, his Option will vest in full. The number of the Shares over which the Option can be exercised will be determined by the Committee on the normal vesting date based on the extent to which any performance conditions have been satisfied. Such vested Option may be exercised at any time within a period of two years from the normal vesting date.

An Option, whether vested or otherwise will lapse immediately on the cessation of an option holder's employment with the Group and shall not be capable of being exercised, in circumstances other than those referred to above.

## **9. Corporate events**

In the event of a change of control of the Company:

- (a) after the Base Period, the Option shall vest in full; or
- (b) before the Base Period, a portion of the Option may vest at the discretion of the Committee.

The number of the Shares that can be exercised will be determined by the Committee and the option holders may exercise their vested Options within a limited time.

Alternatively, the Committee may, with the consent and agreement of the option holder and the acquiror determine that an Option shall be exchanged for an equivalent option which relates to shares in the acquiring company.

## **10. Malus and clawback**

The Committee may take such steps as it considers appropriate to reduce the number of Ordinary Shares subject to an Option (to nil if applicable) and/or impose further conditions (including repayment to the Company of the value of Ordinary Shares acquired by the option holder (or cash paid to the option holder) on the exercise of the Option in certain circumstances, including but not limited to a material misstatement in any published results of the Group, the option holder being dismissed for misconduct or reputational damage to the Company.

## **11. UK MAR**

The grant and exercise of an Option are subject to any restrictions on dealing set out in the UK MAR or otherwise imposed by statute, order, regulation or government directives.

## **12. Variation of capital**

In the event of any rights or capitalisation issue, sub-division, consolidation, reduction or other variation of the ordinary share capital of the Company, the Committee may make such adjustments as it

considers appropriate to the number of Ordinary Shares subject to an Option and/or the price payable on the exercise of an Option.

### **13. Exercise of Options**

An Option may be exercised in whole or in part, to the extent that it has vested at any time until it lapses in accordance with the GSIP rules. To exercise an Option, the option holder must pay (or make alternative arrangements with the Company for the payment of) the aggregate exercise price, if any and the tax and NIC liabilities arising on the exercise of the Option.

### **14. Satisfying the vesting of Options**

The vesting of an Option may be satisfied by issue of shares or by transfer of treasury shares or by other transfer of shares.

Within 30 days of the exercise of an Option, the Company will issue or procure the transfer of Ordinary Shares in satisfaction of the Option. Instead of the issue of Ordinary Shares, the Company may decide to satisfy the exercise of an Unapproved Option by the payment of cash for an amount equal to the market value of the Ordinary Shares (less the Option Price).

### **15. Amendment and termination**

The GSIP may at any time be altered by the Board on the recommendation of the Committee. However, any alterations to the advantage of option holders to the rules governing eligibility, individual and dilution limits on participation, terms of the Options and adjustment of Options must be approved in advance by shareholders in general meeting unless the alteration or addition is minor in nature and made to benefit the administration of the GSIP, to comply with the provisions of any existing or proposed legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for option holders or Group companies.

An amendment may not adversely affect the existing rights of an option holder except with the prior consent of the option holder.

No amendment to a key feature of the CSOP part of the GSIP may be made if it would cause the relevant requirements of the CSOP legislation to be breached.

The GSIP will terminate on the tenth anniversary of the date the GSIP is adopted or on such earlier date as the Board may determine.

## **APPENDIX 2**

### **Note to shareholders from the Chairman of the Remuneration Committee of CloudCall Group plc.**

I am writing as Chairman of the Remuneration Committee, to provide details of our proposed grant of share-based incentive Options to the executive management team under the Cloudcall Group plc Group Share Incentive Plan ("GSIP") which are designed to focus management on the drivers of growth in the business and on returns to investors. An essential feature of the proposed grant of incentive Options is that no awards will vest unless the Company's share price reaches and stays, for at least thirty (30) consecutive dealing days, at or above £2.50.

### **Reasons for the proposals**

The Remuneration Committee has carried out a detailed review of the Company's incentive remuneration policy, with advice from independent professional advisers. The Remuneration Committee has decided that current long-term incentives are no longer properly aligned with the Company's growth strategy, as they are not aligned with the drivers of growth in the business. The existing executive long



term incentive plan expires in August 2021 and the current incentive remuneration policy does not, therefore, provide an appropriate incentive for management to grow the business for the benefit of all stakeholders.

Management is pursuing a growth strategy and the Company is spreading geographically. The Committee believes that long-term incentives should also recognise practice in overseas territories, particularly the Company's growing US presence and the recent hiring of senior US executives, who will be eligible to participate.

Historically, the Company's policy has been to make share awards to employees on joining the Company, which places additional strain on the number of shares available for executive and employee share plans.

The Committee believes share participation should continue to extend beyond directors and senior managers. As a result, the proposals for the new GSIP set out in Appendix 1 above contain a request to increase the number of new shares which may be issued under employees' share plans in any 10-year period from 10% to 15% of the Company's issued share capital from time to time. This is a limit which has been adopted by a number of AIM-traded growth companies. After the initial allocation of Options under the proposed GSIP and the expiry of the existing scheme, the 10-year dilution level will be at 11.98%, leaving headroom for future awards of 3.02%. This GSIP includes the six Senior Executives in CloudCall including the CEO, who has a maximum stake under the scheme of 1.56%

### Summary of the proposals

The table below summarises the principal features of the proposed grant of initial Options to the executive management team under the GSIP.

Type of award	<ul style="list-style-type: none"> <li>Market-priced share options</li> </ul>
Timing of awards	<ul style="list-style-type: none"> <li>Initial award: within 42 days following approval at AGM</li> <li>No subsequent award until after 31 December 2023</li> </ul>
Individual award limits	<ul style="list-style-type: none"> <li>At Committee's discretion but must operate within approved dilution limits (see below)</li> </ul>
Vesting conditions	<ul style="list-style-type: none"> <li>75% based on revenues</li> <li>25% based on EBITDA</li> <li>£2.50 share price underpin</li> </ul>
Performance measurement	<ul style="list-style-type: none"> <li>Revenue and EBITDA targets to be achieved in financial year ending 31 December 2023</li> <li>Share price underpin to be achieved in period 1 January 2024 to 31 December 2025</li> </ul>
Target setting and vesting levels	<ul style="list-style-type: none"> <li>"Threshold", "Target" and "Stretch" targets to be set for revenues and EBITDA</li> <li>No vesting below "Threshold"</li> <li>25% vesting at "Threshold"</li> <li>50% vesting at "Target"</li> <li>100% vesting at "Stretch"</li> <li>Zero vesting if underpin is not achieved, regardless of revenue and EBITDA performance</li> </ul>
Dilution	<ul style="list-style-type: none"> <li>Limited to 15% of issued share in a rolling 10-year period</li> </ul>

Leavers	<ul style="list-style-type: none"> <li>Rules to include “good” and “bad” leaver provisions</li> </ul>
Malus and clawback	<ul style="list-style-type: none"> <li>Rules to include malus and clawback provisions</li> </ul>
Holding period	<ul style="list-style-type: none"> <li>CEO to hold shares with a value to x2 salary. Other executives must have a holding of x1 salary</li> </ul>

The Remuneration Committee supports participation in the Company’s shares by executive directors, senior managers and employees and believes that the proposed new plan will be in the best interests of the Company and its stakeholders.

**Proposals in the context of executive remuneration policy**

The Company has adopted the QCA Corporate Governance Code.

The objective of the Group’s remuneration policy is to attract, motivate and retain high quality individuals who will contribute fully to the success of the Group. To achieve this objective, the Group provides competitive, but not excessive, salaries and benefits to its senior executives.

Executive Directors’ remuneration is set to create an appropriate balance between both fixed and performance-related elements. Remuneration is reviewed each year in light of the Group’s business objectives.

The proposals are consistent with the Committee’s intention that remuneration should reward achievement of objectives and that these are aligned with shareholders’ interests over the medium-term.

**Gary Browning**

Chairman of the Remuneration Committee  
CloudCall Group plc