

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or about what action to take, you should immediately seek your own professional advice from your stockbroker, solicitor, accountant, bank manager or other appropriately qualified independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended), if you are in the United Kingdom, or from another appropriately authorised independent financial adviser, in your own jurisdiction.

If you sell or transfer, or have sold or transferred, all of your Existing Ordinary Shares, please send this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you sell or transfer, or have sold or transferred, only part of your holding of Existing Ordinary Shares you should retain this document and consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

K3 BUSINESS TECHNOLOGY GROUP PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 02641001)

Proposed Share Capital Reduction Proposed Cancellation of the Share Premium Account and Notice of General Meeting

This document should be read as a whole. Your attention is drawn to the Letter from the Chairman of K3 Business Technology Group plc which is set out in Part III of this document and includes a recommendation from the Board that you vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company to be held at the offices of Cavendish, One Bartholomew Close, London, EC1A 7BL at 11.00 a.m. on Thursday, 24 April 2025, is set out in Part IV of this document.

SHAREHOLDERS WISHING TO VOTE ON THE RESOLUTION ARE STRONGLY URGED TO DO SO THROUGH COMPLETION OF AN ELECTRONIC PROXY APPOINTMENT which must be completed and submitted in accordance with the instructions provided in connection therewith.

Shareholders are advised to cast their vote online via Investor Centre app or web browser at <https://uk.investorcentre.mpms.mufig.com/> following the instructions. All proxy appointments must be received by not later than 11.00 a.m. on 22 April 2025.

If you hold your Ordinary Shares in uncertificated form (that is, in CREST) you may appoint a proxy or proxies through the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of General Meeting set out in Part IV of this document). Proxies submitted via CREST must be received by the Company's agent (ID RA10) by not later than 11.00 a.m. on 22 April 2025.

Institutional investors may also be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to www.proximity.io. Your proxy must be lodged by 11.00 a.m. on 22 April 2025 in order to be considered valid.

Should you wish to vote using a hard copy proxy form please contact our Registrars, MUFG Corporate Markets via email at shareholderenquiries@cm.mpms.mufig.com or on 0371 664 0300 or, if calling from overseas, on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00-17:30, Monday to Friday excluding public holidays in England and Wales. To be valid, the Form of Proxy must be completed and returned as soon as possible so as to be received by the Company's Registrars, MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by not later than 11.00 a.m. on 22 April 2025.

NOTICE IN RELATION TO OVERSEAS PERSONS

The distribution of this document and the Form of Proxy in or into jurisdictions other than the UK may be restricted by law and therefore any person into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions might constitute a violation of the relevant laws or regulations of such jurisdiction.

FORWARD-LOOKING STATEMENTS

This document includes “forward-looking statements” which include all statements other than statements of historical fact, including, without limitation, those regarding the Group’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or similar expressions or negatives thereof. Such forward- looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group’s control that could cause the actual results, performance or achievements of the Group to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. Whilst the Board considers these statements to be reasonable based upon information currently available, they may prove to be incorrect. However, the Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

NO PROFIT FORECAST OR ESTIMATES

Unless otherwise stated, no statement in this document is intended as a profit forecast or estimate for any period and no statement in this document should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Group, for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operation or free cash flow from the Group.

Reference in this document are to London (UK) time.

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PART I

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	3 April 2025
Latest time for receipt of online proxy votes and Forms of Proxy for the General Meeting	11.00 a.m. on 22 April 2025
General Meeting	11.00 a.m. on 24 April 2025
Expected date of initial directions hearing of the Court	21 May 2025
Expected date of Court Hearing to confirm the Share Capital Reduction	10 June 2025
Registration of Court Order and Expected Effective Date for the Share Capital Reduction	by 13 June 2025

Notes

The expected dates for the confirmation of the Share Capital Reduction by the Court and the Share Capital reduction becoming effective are based on provisional dates that have been obtained for the required Court hearings of the Company's application. These provisional hearing dates are subject to change and dependent on the Court's timetable. If the expected dates of the Court hearings are changed (and consequently the expected effective date for the Share Capital Reduction), the Company will make further notifications via a Regulatory Information Service.

The timetable assumes that there is no adjournment of the General Meeting. If there is an adjournment, all subsequent dates are likely to be later than those shown.

PART II

DEFINITIONS

Act	the Companies Act 2006, as amended from time to time
AIM	AIM, a market of that name operated by the London Stock Exchange
AIM Rules	AIM Rules for Companies, as issued by the London Stock Exchange
Board or Directors	the directors of the Company whose names appear at the top of the page of the Letter from the Chairman of the Company in this document
Company	K3 Business Technology Group plc
Company's Group	means the Company, any subsidiary or any holding company, from time to time, of the Company
Court	The High Court of England and Wales
CREST	the paperless share settlement system and system for the holding and transfer of shares in uncertified form in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
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 Member	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
CREST Participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended
CREST Sponsor	a CREST Participant admitted to CREST as a CREST Sponsor
Effective Date	the date on which the Share Capital Reduction becomes effective, being the date on which the Court order relating to the proposed Share Capital Reduction and the statement of capital in respect of the proposed Share Capital Reduction have both been registered by the Registrar of Companies at Companies House
Euroclear	Euroclear UK & International Limited, a company incorporated in England and Wales with registered number 02878738, whose registered office is at 33 Cannon Street, London EC4M 5SB, the operator of CREST
Existing Ordinary Shares	ordinary shares of £0.25 each in the capital of the Company prior to the Share Capital Reduction
Form of Proxy	the form of proxy for use, by Shareholders, at the GM

General Meeting or GM	the general meeting of the Company convened for 11.00 a.m. on 24 April 2025, the notice of which is set out at the end of this document
London Stock Exchange	London Stock Exchange Group Plc
Member	a CREST Member admitted to CREST as a Sponsored Member
New Ordinary Shares	ordinary shares of £0.05 each in the capital of the Company resulting from the Share Capital Reduction
Overseas Shareholders	Shareholders who are citizens or nationals of, or who are resident in, jurisdictions outside of the United Kingdom
Register of Members	the Company's register of members
Registrars	MUFG Corporate Markets, the Company's registrars
Resolution	the special resolution to be proposed at the General Meeting as set out in the Notice of General Meeting at Part IV of this document
Share Capital Reduction	the proposed reduction of the nominal value of Company's issued share capital and the cancellation of the Share Premium Account as described in this document
Share Premium Account	the share premium account of the Company to be reduced to nil as described in this document.
Shareholders	holders of Existing Ordinary Shares and, on the Share Capital Reduction taking effect, holders of New Ordinary Shares
Tender Offer	the offer to Shareholders to tender shares in the Company up to an aggregate value of approximately £29 million, as currently in the Board's contemplation for proposal to Shareholders in due course
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland

For the purposes of this document, all references to "GBP", "£" and "pence" are to the lawful currency of the United Kingdom unless otherwise stated.

PART III

LETTER FROM THE CHAIRMAN OF THE COMPANY

K3 Business Technology Group plc

(incorporated and registered in England and Wales under the Companies Act 1985 with registered number 02641001)

Directors

Oliver Scott, *Non-executive Chairman*
Eric Dodd, *Chief Executive Officer*
Lavinia Alderson, *Chief Financial Officer*
Tom Crawford, *Non-executive Director*
Gabrielle Hase, *Non-executive Director*

Registered Office

Baltimore House
50 Kansas Avenue
Manchester
M50 2GL

To the holders of Existing Ordinary Shares

3 April 2025

Dear Shareholder,

**Proposed Share Capital Reduction
(including the Proposed Cancellation of the Share Premium Account)
and
Notice of General Meeting**

1 Introduction

The Board has previously stated its intention to return a substantial portion of the net proceeds from the NexSys Sale (as defined in Part II) to Shareholders. Based on the Group's current cash balances and expectations as to the Group's future requirements, the Board is of the current opinion that it could return up to approximately £29 million in cash to Shareholders by way of a Tender Offer later this year, subject to a separate general meeting and following the completion of the necessary Share Capital Reduction outlined in this Circular.

This Circular explains that following the Tender Offer, Group pro forma cash balances would be approximately £6 million. It also describes the Group's current trading and prospects, the Board's future plans, which are expected to include ongoing cash distributions, and the possibility of a future de-listing from AIM.

The purpose of this document is to explain the details of and reasons for the proposed Share Capital Reduction that the Board is proposing to undertake and why it is required in order to facilitate a return of capital to Shareholders in the future.

This Circular also explains why the Board considers the Share Capital Reduction to be in the best interests of the Company and its Shareholders as a whole and unanimously recommends that you vote in favour of the Resolution to be proposed at the General Meeting. Shareholders should note that, unless the Resolution is approved at the General Meeting (and the Court subsequently confirms the Share Capital Reduction), the Capital Reduction will not take place.

The Company currently has distributable reserves of £718,000 and is prohibited under the Act from making distributions, including dividends, to its Shareholders above this amount. Accordingly, to facilitate returns above this amount to Shareholders, as described more fully in section 2 below, your approval is being sought to carry out the Share Capital Reduction so as to create additional distributable reserves.

The Share Capital Reduction is conditional upon, amongst other things, the Company obtaining approval of the Shareholders at the General Meeting. Part IV of this document contains a Notice of General Meeting, convening the General Meeting for 11.00 a.m. on 24 April 2025 at the offices of Cavendish at One Bartholomew Close, London, WC1A 7BL.

Part II of this document contains definitions of words and terms that are used throughout it. Please refer to Part II as you review this document.

2 Background to and reasons for the Share Capital Reduction

The Board is recommending the Share Capital Reduction in order to help to create distributable reserves in the future to enable the Company to pay Shareholders dividends, make purchases of its own shares or to be used for other valid corporate purposes to create a return of value for Shareholders.

On 2 December 2024, the Company announced the proposed disposal of its entire shareholding in NexSys Solutions Limited (a wholly-owned subsidiary) to SYSPRO (a business operated by Safari UK Bidco Limited, a company controlled by funds managed by and /or advised by Advent International LP) for a total consideration of c. £36 million in cash (“NexSys Sale”). The NexSys Sale was approved by the Company’s shareholders on 19 December 2024 and completed on 6 January 2025, with receipt of the cash consideration on that date.

In the announcement of 2 December 2024, the Board noted that it anticipated that a substantial proportion of the net proceeds from the NexSys Sale would be returned to Shareholders in the first half of 2025, once the Board had considered the most effective and practicable way of achieving the return. The remainder of the net proceeds would be kept within the Group for working capital purposes and to ensure that the remaining parts of the Group are appropriately funded.

On 27 February 2025 the Company announced final audited results for the year ended 30 November 2024, and the Board indicated to shareholders that it anticipated “returning a substantial proportion of the net proceeds of the NexSys Sale via a Tender Offer to shareholders in due course”.

In light of this, the Board believes it is appropriate to undertake the proposed Share Capital Reduction and thereby create additional distributable reserves, enabling the return of value to the Company’s Shareholders in due course.

3 The Share Capital Reduction

Proposal

The Company does not currently have sufficient distributable reserves to enable the Board to recommend payment of material dividends or to recommend that the Company undertakes a material purchase of its own shares, should it be desirable to do so in the future. The Board, therefore, proposes that the Share Capital Reduction be affected in order to increase the distributable reserves of the Company.

As at the date of this document, the balance standing to the credit of the Share Premium Account is £31,450,094. It is proposed that the Share Premium Account be reduced in its entirety from £31,450,094 to £nil through the Share Capital Reduction and that the nominal value of each ordinary share in issue is reduced by £0.20 on each issued ordinary share of £0.25, reducing the nominal value of each ordinary shares to £0.05. Following the implementation of the Share Capital Reduction, there will be no change in the number of ordinary shares in issue.

If approved by Shareholders, and subsequently confirmed by the Court in the terms proposed by the Board, the effect of the Share Capital Reduction, as regards the proposed reduction of the Share Premium Account, will be to release all of the amount standing to the credit of the Share Premium Account so that £31,450,094 is credited to the distributable reserves of the Company increasing the surplus on the retained profit and loss account reserve from £718,000 (as at 28 February 2025 based on unaudited unconsolidated figures) to £32,168,094.

The surplus on the profit and loss account will be further increased by the reduction in nominal value from £0.25 per Existing Ordinary Share to £0.05 per New Ordinary Share as part of the Share Capital Reduction making a further £8,946,476 available to the Company as set out below, and taking the surplus to £41,114,570 (based on the unaudited unconsolidated figures as at 28 February 2025).

Implementation of the Share Capital Reduction is subject to a number of criteria and legal processes, which are explained further below.

Share premium is treated as part of the capital of the Company and arises on the issue by the Company of shares at a premium to their nominal value. The premium element is credited to the Share Premium Account. The Company is generally precluded from the payment of any dividends or other distributions or the

redemption or buyback of its issued shares in the absence of sufficient distributable reserves, and the Share Premium Account can be applied by the Company only for limited purposes.

In particular, the Share Premium Account is a non-distributable capital reserve and the Company's ability to use any amount credited to that reserve is limited by the Act. However, with the approval of its Shareholders, by way of a special Resolution, and subsequent confirmation by the Court, a Company may reduce or cancel its Share Premium Account and, in certain circumstances, either return all or part of the sum arising to Shareholders as a return of capital, or credit some or all of such sum arising to its profit and loss account. To the extent that the release of such a sum from a Share Premium Account creates or increases a credit on the profit and loss account, that sum represents distributable reserves of the Company.

Other than the change in nominal value, the New Ordinary Shares will have the same rights as the Existing Ordinary Shares including voting, dividend and other rights.

The table below set out the current number of Shares and their nominal amount both before and after the proposed Capital Reduction.

	<i>Number of Shares</i>	<i>Issued Nominal Amount</i>
Current:		
Existing Ordinary Shares	44,732,379 shares of 25 pence each	£11,183,095
Proposed:		
New Ordinary Shares	44,732,379 shares of 5 pence each	£2,236,619

Approval and Consent of Shareholders

In order to affect the Share Capital Reduction, the Company requires formal approval of its Shareholders in the manner described in this section. The Share Capital Reduction cannot be affected unless the Company receives the approval by the requisite majority of Shareholders and in the requisite manner as set out in this section of this document.

The Shareholders, being holders of the Existing Ordinary Shares, are entitled to receive notice of, attend, speak, and vote at the General Meeting. The votes of Shareholders will be added together at the General Meeting and the Resolution to approve the Capital Reduction, which will be proposed as a special resolution, requires a majority of at least 75 per cent.

Court Approval

If a special resolution to reduce the Company's share capital is passed by Shareholders, the Company will seek the Court's assent to the Share Capital Reduction. It is expected that the final hearing of the application will take place on 10 June 2025.

The Court will only confirm a reduction of a Company's share capital if it is satisfied that this will not prejudice the interests of the creditors (including contingent creditors) of the Company whose debts remain outstanding on the relevant date, except for the case of creditors who have consented to the Share Capital Reduction. The Company and the Board will take such steps to satisfy the Court in this regard as they consider appropriate.

It is anticipated that the initial directors hearing in relation to the Share Capital Reduction will take place on 21 May 2025, with the final Court Hearing taking place on 10 June 2025. The Share Capital Reduction becomes effective when the order has been registered by the Registrar of Companies. This is expected to take place by 13 June 2025, depending on processing times at Companies House. Further announcements will be notified via a Regulatory Information Service when this date is clarified or if any of the expected dates referred to above are changed.

The Board has undertaken a thorough and extensive review of the Company's liabilities (including prospective and contingent liabilities) and considers, as at the date of this document, that the Company will be able to satisfy the Court that, as at the date on which the Court Order relating to the Share Capital Reduction and the statement of capital in respect of the Share Capital Reduction have both been registered by the Registrar of Companies at Companies House, the Company's creditors will not be prejudiced and/or will be sufficiently protected to the satisfaction of the Court.

The Share Capital Reduction will not involve any distribution or repayment of capital and will not reduce the underlying net assets of the Company.

The Board reserves the right to abandon or discontinue (in whole or in part) the Share Capital Reduction and the application to the Court in the event that the Board considers that the terms on which the Share Capital Reduction would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or the Shareholders as a whole.

4 Return of value to Shareholders

As referred to in the Group's final results announcement in respect of the year ended 30 November 2024, and made on 27 February 2025, one of the Board's principal areas of focus is on shareholder value and cash returns.

Unaudited net cash balances at 28 February 2025 were approximately £35 million, of which £3.3 million is recorded as restricted cash pending the completion of the NexSys Sale warranty period, which expires in July 2026. After assessing the Group's future cash requirements, including the retention of £3.3m as restricted cash, the Board is currently of the view that it could return up to approximately £29 million in cash to Shareholders. Assuming the Court approves the Proposed Share Capital Reduction, it is the Board's current intention to proceed with plans to launch a Tender Offer later this year to buy up to approximately £29 million of its share capital. On completion of the Court process for the Share Capital Reduction, a separate circular and notice of general meeting will be issued to Shareholders setting out in detail the Tender Offer procedure, including the price at which the Tender Offer will be made.

5 Current Trading and Future Prospects

Following the NexSys Sale, the Group's continuing operations comprise:

- the K3 Fashion portfolio, with annual recurring revenue ("ARR") of c.£6.0 million at 30 November 2024 (2023: £5.8m);
- the K3 Retail Solutions Business, with ARR of £5.8m at 30 November 2024 (2023: £5.8m); and
- the K3 Global Accounts services business, with revenue of £10.9m for the year ended 30 November 2024 (2023: £18.6m).

The Board is pleased to reconfirm that it expects the Group's continuing operations to trade on a cash breakeven basis from March 2025 onwards. This expectation was set out in the Group's final results statement for the financial year ended 30 November 2024, which was announced on 27 February 2025.

Assuming that £29 million of capital is returned to shareholders, the Group's pro forma cash balances as at 28 February 2025 would be £6.1 million (including £3.3 million of restricted cash, restricted until July 2026).

The Board's focus remains on delivering value to Shareholders. It is expected that this will be achieved by maintaining strong financial discipline, continuing to simplify the Group, as appropriate, through the sale of non-core businesses and to judiciously invest in profitable growth opportunities. As further value is realised and cash generated, the Board intends to return this to Shareholders on a timely basis.

6 Future plans for the Group and Possible de-listing from AIM

Following the NexSys Sale, and consistent with the Board's ongoing strategy to reduce costs and simplify the Group, the Board and certain Shareholders have raised the question as to whether the Company and Shareholder's best interests are served by its continued admission to AIM, following the planned return of value to Shareholders.

Accordingly, the Board will consult further with Shareholders on this subject before recommending any course of action. Where the Board concludes that a de-listing from AIM is the appropriate course of action, a separate general meeting will be convened for a later date in order that Shareholders can consider and vote on a special resolution proposing a de-listing from AIM. Should such a de-listing be agreed, it would be organised to become effective as soon as practicable after the planned return of value to Shareholders.

7 Overseas Shareholders

The implications of the Share Capital Reduction on Overseas Shareholders may be affected by the laws of their respective jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements in such jurisdictions. It is the responsibility of Overseas Shareholders to satisfy themselves as to the full observance of the laws of each relevant jurisdiction in connection with the Share Capital Reduction, including the obtaining of any governmental, exchange control or other consents which may be required, compliance with other necessary formalities which are required to be observed and/or the payment of any taxes due in each jurisdiction. Overseas Shareholders who are in any doubt about their position should consult their professional advisers in the relevant territory.

8 Taxation

The Board has been advised that for the purposes of UK taxation of chargeable gains, the receipt of the New Ordinary Shares arising from the Share Capital Reduction will result from a reorganisation of the share capital of the Company. Accordingly, a Shareholder should not be treated as making a disposal of all or part of his holding of Existing Ordinary Shares by reason of the Share Capital Reduction.

9 General Meeting

Your attention is drawn to the notice convening the General Meeting of the Company, set out at the end of this document, to be held at 11.00 a.m. on 24 April 2025. At the General Meeting, the following Resolution, as set out in Part IV of the document, will be proposed to the Shareholders.

10 Action to be taken

A physical copy of the Form of Proxy has not been sent to you. Whether or not you propose to attend the General Meeting in person, you are requested to vote electronically via the Investor Centre app or web browser at <https://uk.investorcentre.mpms.mufg.com/>. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with procedures set out in the CREST Manual and institutional investors may also be able to appoint a proxy electronically via the Proxymity platform. You can request a physical Form of Proxy directly from the Registrars via email at shareholderenquiries@cm.mpms.mufg.com or by calling 0371 664 0300 or, if calling from overseas, using this telephone number, +44 (0) 371 664 0300.

All proxy appointments must be received by Company's registrars, MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL by no later than 11.00 a.m. on 22 April 2025 (or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). Completion and return of the Form of Proxy (including an electronic proxy appointment or an appointment via the CREST electronic proxy appointment service or Proxymity) will not preclude you from attending and voting at the General Meeting in person if you wish.

11 Recommendation

The Board unanimously considers that the Share Capital Reduction is in the best interests of the Company and the Shareholders as a whole.

Accordingly, your Board unanimously recommends that you vote in favour of the Resolution to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings which, in aggregate, amount to 61,701 Existing Ordinary Shares, representing approximately 0.14 per cent. of the Company's existing issued ordinary share capital.

The Company has also received irrevocable undertakings from Kestrel Partners LLP ("Kestrel") to vote in favour of the Resolution to be proposed at the General Meeting in respect of, in aggregate, 12,674,493 Existing Ordinary Shares, representing approximately 28.33 per cent. of the Company's existing issued ordinary share capital.

Yours faithfully

Oliver Scott
Chairman

PART IV

K3 Business Technology Group plc

(incorporated and registered in England and Wales under the Companies Act 1985 with registered number 02641001)

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of K3 Business Technology Group PLC (**Company**) will be held at Cavendish, One Bartholomew Close, London, EC1A 7BL at 11.00 a.m. on 24 April 2025 for the purposes of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution.

SPECIAL RESOLUTION

- 1 THAT, subject to an appropriate Order of His Majesty's High Court of Justice in England:
 - 1.1.1 the share premium account of the Company standing at a credit of £31,450,094 be cancelled; and
 - 1.1.2 the issued share capital be reduced by cancelling paid up capital to the extent of £0.20 on each issued ordinary share of £0.25 thereby reducing the nominal value of each such share to £0.05 each.

BY ORDER OF THE BOARD

Eric Dodd
Company Secretary

Dated: 3 April 2025

Registered Office
Baltimore House
50 Kansas Avenue
Manchester
M50 2GL

Notes:

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:
 - 11.00 a.m. on 22 April 2025; or,
 - if the Meeting is adjourned, at the close of business on the date which is two business days prior to the adjourned meeting,shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting. You can only appoint a proxy: (a) via the Investor Centre; or (b) by using the CREST Proxy Voting Service, or (c) if you are an institutional investor you may also be able to appoint a proxy electronically via the Proximity platform; or (d) by contacting our Company's Registrars, MUFG Corporate Markets, and requesting a physical Form of Proxy, which is to be received no later than 48 hours (not taking into account any part of a day that is not a working day) before the time for holding the meeting or any adjournment of it or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used.
3. A proxy does not need to be a member of the Company, but must attend the Meeting to represent you. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

- You may appoint more than one proxy, provided that each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. Please indicate the proxy holder's name and the number of shares in relation to which he or she is authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. Failure to specify the number of shares to which each proxy appointment relates or specifying more shares than the number of shares held by you at the time set out in note 1 above will result in the proxy appointments being invalid.
- 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 that is put before the Meeting.

Appointment of proxies via the web

- Shareholders are encouraged to cast their vote online via Investor Centre app or web browser at <https://uk.investorcentre.mpms.mufg.com/>. Investor Centre is a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below.



Appointment of proxies through CREST

- CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International 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 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 Company's agent (ID: RA 10) by not later than 48 hours (not taking into account any part of a day that is not a working day) prior to the time appointed for the Meeting or adjourned 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 Company'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 EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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

Appointment of proxies through Proxymity

- If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process that has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 11.00 a.m. on 22 April 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Appointment of proxies using hard copy form

- Should you wish to vote using a hard copy proxy form please contact our Registrars, MUFG Corporate Markets, via email at shareholderenquiries@cm.mpms.mufg.com or on 0371 664 0300 or, if calling from overseas, on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00-17:30, Monday to Friday excluding public holidays in England and Wales. To be valid, the Form of Proxy must be completed and returned as soon as possible so as to be received by the Company's Registrars, MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by not later than 11.00 a.m. on 22 April 2025.

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

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

In each case the proxy appointment must be received not less than 48 hours (not taking into account any part of a day that is not a working day) before the time for the holding of the Meeting or adjourned meeting together (except in the case of appointments made electronically) with any authority (or notarially certified copy of such authority) under which it is signed.

10. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity voting or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

Appointment of proxy by joint members

11. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company Secretary at CompanySecretarial@k3btg.com.

If you submit more than one valid proxy appointment in respect of the same shares, the appointment received last before the latest time for the receipt of proxies will take precedence. If the Company is unable to determine which was last deposited or received, none of them shall be treated as valid.

Termination of proxy appointments

13. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company Secretary at Baltimore House, 50 Kansas Avenue, Manchester, M50 2GL and we would also suggest that you send an email copy of that notice to the Company Secretary at CompanySecretarial@k3btg.com. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by the Company Secretary not less than two hours before the time for holding the Meeting or adjourned meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

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

Issued shares and total voting rights

15. As at 11.00 a.m. on 24 April 2025, the Company's issued share capital comprised 44,732,379 ordinary shares of £0.25 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 11.00 a.m. on 24 April 2025 is 44,732,379.

Attendance at the meeting

16. If you wish to attend the meeting by virtual means (using the video conference facilities to be provided), please pre-register in advance for the virtual meeting by contacting the Company Secretary by email at CompanySecretarial@k3btg.com.

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the general meeting. You may be asked to provide evidence of your interest in the Company so as to obtain access to the meeting.

Communication

17. Except as provided above, members who have general queries about the Meeting should use the following means of communication:

- calling the Company Secretary on 0161 876 4498; or
- emailing the Company Secretary at CompanySecretarial@k3btg.com

You may not use any electronic address provided either:

- in this notice of general meeting; or
- any related documents (including the proxy form if requested),

to communicate with the Company for any purposes other than those expressly stated.

