

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

If you are in any doubt as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other independent professional adviser who is duly authorised pursuant to the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your ordinary shares in Checkit plc you should pass this document and the accompanying form of proxy for use in relation to the Annual General Meeting (AGM) to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.



### **Checkit plc**

Registered Office  
Broers Building  
21 JJ Thomson Avenue  
Cambridge CB3 0FA

**Registered in England and Wales number: 00448274**

**Checkit plc**

Broers Building  
21 JJ Thomson Avenue  
Cambridge CB3 0FA

7 July 2020

**To the holders of the Company's ordinary shares**

Dear shareholder

**Letter from the Chairman and Notice of Annual General Meeting**

I am writing to you with details of the Annual General Meeting (AGM) of Checkit plc (the "Company"), which will be held at 12 noon on Friday 31 July 2020 at 93 Fleet Road, Fleet GU51 3PJ. The formal Notice of AGM is set out on page 4 of this document.

**Important Information: impact of the Covid-19 pandemic on the AGM**

In light of the Covid-19 pandemic and the United Kingdom Government's (the "Government's") measures to restrict travel and public gatherings currently in force, please note that it will not be possible to hold the Company's 2020 Annual General Meeting in its usual format and that, in particular, **physical attendance in person by shareholders of the Company will not be possible**. Please refer to the Company's Covid-19 measures and to the further information (including as to how to ensure that your vote is counted) detailed in the **"Action to be taken by shareholders" section below**. Further updates may be issued by the Company via a Regulatory News Service and on the Company's website prior to the AGM.

In the circumstances it will not be possible to deal with shareholders questions at the AGM but any questions received before the AGM will be answered on the Company's website.

The business of the AGM includes the consideration of the 2020 annual report and accounts, the approval of the Directors' remuneration report, the re-appointment of the auditor and approval of its fees and the appointment and re-appointment of Directors. In accordance with the Company's Articles of Association, all Directors are required to submit themselves for re-appointment at regular intervals and, in line with the provisions of the UK Corporate Governance Code, all the Directors will be putting themselves forward for re-election at this AGM. I would like to draw your attention in particular to resolution 9, which merits special comment. Further information is provided in the explanatory notes on page 5 of this document.

**Action to be taken**

Enclosed with this letter is a form of proxy for use in relation to the AGM. The form of proxy should be completed in accordance with the instructions printed thereon and returned to the Company's registrars, Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible and in any event not later than 48 hours before the time appointed for the AGM, therefore by 12 noon on 29 July 2020.

**Action to be taken by shareholders**

The Board has been closely monitoring the Covid-19 situation. The health of our shareholders, employees and stakeholders remains of paramount importance and, accordingly, the Board has taken into consideration the Government's measures to restrict travel and public gatherings currently in force and the Guidance Note issued by the Chartered Governance Institute in March 2020 <https://www.icsa.org.uk/knowledge/resources/agms-and-impact-of-covid-19>.

The Board recognises that the AGM represents an opportunity to engage with shareholders, and provides a forum that enables shareholders to ask questions of, and speak directly with, the Board. However, in light of the Government's measures, the AGM this year will be run as a closed meeting. Regrettably therefore, it will not be possible for shareholders to attend the AGM being held on 31 July 2020 and the Company will be unable to allow entry to anyone seeking to attend the AGM in person. Our advisers and guests have also been instructed not to attend.

Shareholders are therefore strongly encouraged to vote by proxy. The Company will convene the AGM with the minimum necessary quorum of two shareholders (which the Company will facilitate) and will include all valid proxy votes in its polls at the AGM. The format of the meeting will be purely functional and will comprise only the formal votes.

Questions to the Board should be sent by email to [cosec@checkit.net](mailto:cosec@checkit.net) so as to be received before 12 noon on Friday 31 July 2020.

The current situation is evolving and the Government may change current restrictions or implement further measures relating to the holding of general meetings during the affected period. The Company will make any further announcements that may be required by way of a Regulatory News Service and on the Company's website.

A proxy may be appointed by either:

- returning the accompanying form of proxy; or
- submitting your instruction electronically via [www.signalshares.com](http://www.signalshares.com) – select Checkit plc and follow the instructions; or
- using the CREST electronic proxy appointment service (for CREST members only).

Where possible, the Board encourages shareholders to submit their form of proxy electronically.

Once printed, please complete the proxy form in the usual way and in accordance with the instructions thereon. Please ensure that you also add your full name, post code and shareholder reference number if known.

To be valid, your proxy instruction must be received by no later than 12 noon on Wednesday 29 July 2020.

Please remember that if you are the beneficial owner of shares who has been nominated by a registered holder to enjoy information rights, in order to vote you must contact the registered holder of the shares, i.e. the nominee or custodian who looks after your shares on your behalf.

## Recommendation

Your Directors consider that the proposed resolutions in the Notice of AGM are in the best interests of the Company and shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of each of the resolutions to be proposed at the AGM as the Directors intend to do so in respect of their own beneficial holdings.

Yours faithfully



**Keith Daley**  
Chair

**Checkit plc**  
Broers Building  
21 JJ Thomson Avenue  
Cambridge CB3 0FA

to the members of Checkit plc

Notice is hereby given that the Annual General Meeting (AGM) of Checkit plc (the "Company") will be held at 12 noon on Friday 31 July 2020 at 93 Fleet Road, Fleet GU51 3PJ to transact the following business:

### **Ordinary business**

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the annual accounts of the Company for the financial year ended 31 January 2020 together with the Directors' and auditor's reports thereon (the "Annual Report and Accounts").
2. To receive and approve the Directors' remuneration report set out on pages 38 to 43 of the Company's Annual Report and Accounts for the year ended 31 January 2020. This is an advisory vote only.
3. To re-appoint Grant Thornton UK LLP as auditor of the Company for the year ending 31 January 2021 to hold office until the conclusion of the next period for appointing an auditor in accordance with the provisions of Part 16 of the Companies Act 2006 and to authorise the Directors to determine the remuneration of the auditor.
4. To re-elect Keith Daley as a Director of the Company.
5. To re-elect Andy Weatherstone as a Director of the Company.
6. To re-elect John Wilson as a Director of the Company.
7. To re-elect Ric Piper as a Director of the Company.
8. To elect Rachel Neaman as a Director of the Company.

### **Special business**

To consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution:

9. That:
  - 9.1 the Directors be and are generally and unconditionally authorised, in accordance with the provisions of Section 551 of the Companies Act 2006, to exercise all powers of the Company to allot relevant securities (as defined in the said section) up to an aggregate nominal amount of £310,168.10, such authority to expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution but to be capable of previous revocation or variation from time to time by the Company in general meeting;
  - 9.2 the Company may make any offer or agreement before the expiry of this authority that would or might require relevant securities to be allotted after this authority has expired and that the Directors may allot relevant securities in pursuance of any such offer or agreement as if this authority had not expired; and
  - 9.3 all previous authorities to allot relevant securities conferred by resolution of the Company pursuant to Section 551 of the Companies Act 2006 or otherwise be and they are hereby revoked, but without prejudice to any allotment, offer or agreement made or entered into prior to the passing of this resolution.

By order of the Board



**Andy Weatherstone**  
Director and CFO

### **Checkit plc**

Broers Building  
21 JJ Thomson Avenue  
Cambridge CB3 0FA  
7 July 2020

The notes on this page give an explanation of the proposed resolutions.

Resolutions 1 to 9 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

## Ordinary resolutions

### Resolution 1 – Receipt of 2020 Annual Report and Accounts

In accordance with the Companies Act 2006 (the “Act”) the Directors must present the audited accounts of the Company together with their report and the Independent auditor’s report thereon before shareholders each year at a general meeting. Those to be presented at the AGM are in respect of the financial year ended 31 January 2020.

### Resolution 2 – Directors’ remuneration report

Shareholders are asked to approve the Directors’ remuneration report in the Company’s Annual Report and Accounts for the financial year ended 31 January 2020. This resolution is advisory and the Directors’ entitlement to receive remuneration is not conditional on it. In the event that the advisory vote is not carried the Remuneration Committee will consult with shareholders before implementing any changes to Directors’ remuneration.

### Resolution 3 – Appointment of auditor

Resolution 3 proposes the appointment of Grant Thornton UK LLP as the Company’s auditor and authorises the Directors to fix the remuneration of the auditor.

### Resolutions 4 to 8 (inclusive) – Appointment and re-appointment of Directors

In line with the UK Corporate Governance Code (the “Code”) all of the Directors retire annually and they offer themselves for re-election at the AGM (to take effect at the conclusion of the AGM). Company law requires that each Director is voted on separately and, accordingly, each Director will be proposed for re-election by a separate resolution. Brief biographical details of all the Directors, including those standing for re-appointment, appear on pages 30 and 31 of the Annual Report and Accounts.

**Keith Daley** – Appointed to the Board in 2004 and as Chairman in 2008, Keith originally trained as a corporate banker. He is an experienced serial entrepreneur and chairman with a strong sales and marketing focus. He has bought, invested in, managed and sold numerous businesses over the past 37 years.

Keith chairs the Checkit Board in an executive capacity. He leads on all corporate finance transactions such as acquisitions and disposals.

**Andrew “Andy” Weatherstone** – Appointed to the Board in January 2014, Andy is a Chartered Accountant with considerable experience at main board level within the small UK public quoted companies arena, working across a variety of sectors. He initially developed his career with KPMG before moving into industry, where he has built up significant experience in both financial and operational management of global-based manufacturing. His areas of expertise are business improvement and value realisation.

Andy leads the finance function and prior to the sale of Bulgin was responsible for the Group’s manufacturing operations as COO. Andy was appointed as Company Secretary in October 2016 and stepped down from this role in May 2020 when Sara Coate was appointed as Company Secretary.

**John Wilson** – Appointed to the Board in an Executive capacity in August 2010, John led the MBO of Bulgin from the Group whilst serving as its CEO. John transitioned to the role of Non-Executive Director upon the sale in September 2019. He has extensive experience of North American markets and channel management, generating sales outside of the UK and specialises in the commercialisation of innovative, fast track, product development.

**Ric Piper** – Ric qualified as a Chartered Accountant in 1977. He held senior finance roles in ICI, Citicorp, Logica and WS Atkins, where he was group finance director from 1993 to 2002. He was a member of the Financial Reporting Review Panel from 2009 to 2019. In recent years he has been chairman or non-executive director of a number of Main Market and AIM businesses. He is currently a non-executive of AIM quoted GRC International and a partner at Restoration Partners.

Having been an Elektron Technology Director from 2012–2015, Ric re-joined the Board in December 2018.

**Rachel Neaman** – Appointed to the Board in February 2020, Rachel is an award-winning technology leader with extensive experience in the public, private and not-for-profit sectors in the UK and internationally. She has held senior digital leadership positions with both the European Union and Department for Health. A former CEO, she specialises in digital transformation, leadership, health tech and inclusion.

Rachel is director of Neaman Consulting and devotes considerable time to public speaking, mentoring and strategic advisory services. She chaired the Digital Leaders programme for three years and continues to serve as an adviser, as well as championing Tech4Good initiatives. She is regularly listed as one of the most influential women in IT.

### Resolution 9

This resolution seeks shareholder approval to grant the Directors of the Company the authority to allot shares in the Company so that they can be in a position to take advantage of available opportunities that may arise from time to time. The authority will be limited to an aggregate nominal amount of £310,168.10 (6,203,362 ordinary shares of the Company), being approximately one-tenth of the Company’s issued share capital as at 1 May 2020, the latest practicable date prior to publication of this notice. The authority conferred in respect of this resolution will expire (unless previously revoked, varied or renewed) at the conclusion of the next Annual General Meeting. However, the Company may make an offer or agreement prior to the expiry of this authority which would or might require relevant securities to be allotted after the expiry of this authority. In this case, the Directors will be permitted to allot relevant securities pursuant to such offer or agreement as if this authority had not expired.

## **Entitlement to attend and vote – but see notes in bold on page 2 of this document**

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 the close of business on the day two days prior to the day appointed for holding the AGM or, in the event that the AGM is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time.

## **Appointment of proxies – but see notes in bold on page 2 of this document**

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 AGM and you should have received a form of proxy with this Notice of AGM. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please photocopy the form of proxy. Multiple proxies for one shareholder should be returned together in the same envelope.
3. 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.

As explained in the notice convening the Annual General Meeting, given the current coronavirus (Covid-19) situation shareholders are urged to appoint the Chairman of the meeting as his or her proxy as any other person so appointed will not be permitted to attend the meeting. Shareholders are also encouraged to submit their proxy form electronically.

4. Details of how to appoint the Chairman of the meeting or another person as your proxy using the form of proxy are set out in the notes to the form of proxy. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
5. To direct your proxy how to vote on the resolutions, mark the appropriate box on your proxy form with an "X". To abstain from voting on a resolution, select the relevant "Vote withheld" box. 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 AGM.

## **Appointment of proxy using hard-copy form of proxy – but see notes in bold on page 2 of this document**

6. The notes to the form of proxy explain how to direct your proxy on how to vote on each resolution or how to withhold their vote. To be valid, the form of proxy and any power of attorney or other authority (if any) under which it is executed (or a duly certified copy of such power or authority) must be duly completed, executed and deposited with Link Asset Services at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU or completed online at [www.signalshares.com](http://www.signalshares.com) by following the instructions on screen to submit it, in each case by 12 noon on Wednesday 29 July 2020. In the case of a member that is a corporation, the form of proxy must be executed under its common seal or signed on its behalf by an officer, attorney or other person duly authorised by the corporation.

## **Appointment of proxies through CREST – but see notes in bold on page 2 of this document**

7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by utilising 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 must be transmitted so as to be received by the issuer's agent, Link Asset Services (CREST participant ID: RA10), by no later than 48 hours before the time appointed for the AGM. 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 Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

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 sponsor(s) or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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

## **Appointment of proxy by joint members – but see notes in bold on page 2 of this document**

8. 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 – but see notes in bold on page 2 of this document

9. To change your proxy instructions simply submit a new proxy appointment using the methods set out on page 6. Note that the cut-off time for receipt of proxy appointments (see Note 6) also applies 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 form of proxy and would like to change the instructions using another hard-copy form of proxy, please contact Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

## Termination of proxy appointments – but see notes in bold on page 2 of this document

10. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

- by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Link Asset Services (address above). In the case of a member which is a corporation, the revocation notice must be executed under its common seal or signed on its behalf by an officer, attorney or other person authorised to sign the same. 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; or
- you may call Link on 0371 664 0391. 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.

In either case, the revocation notice must be received by Link Asset Services by 29 July 2020.

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 AGM and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.

## Issued shares and total voting rights

11. As at close of business on 24 June 2020 (being the latest practicable date prior to the publication of this document) the Company's issued share capital comprised 62,033,617 ordinary shares of 5 pence 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 close of business on 24 June 2020 is 62,033,617.

## Communication

12. You may not use any electronic address provided either:

- in this Notice of AGM; or
- any related documents (including the Chairman's letter and form of proxy),

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

## Inspection of documents

13. The following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (public holidays excepted) from the date of this notice until the date of the AGM, and at the place of the AGM from 11.00am until its conclusion:

- the constitutional documents of the Company, comprising the Articles of Association;
- copies of the service contracts of the Executive Directors of the Company; and
- copies of the letters of appointment of the Non-executive Directors of the Company.

## Form of Proxy

14. Checkit plc is committed to reducing paper and improving efficiency in its shareholder communications. From 2021 we will no longer be sending paper proxy cards to shareholders unless specifically asked to do so. We will provide advice on how to request a paper proxy at the appropriate time.

A copy of this Notice of AGM can be found on the Company's website: [www.checkit.net](http://www.checkit.net).

## Checkit plc

Registered Office  
Broers Building  
21 JJ Thomson Avenue  
Cambridge CB3 0FA

Email: [legal@checkit.net](mailto:legal@checkit.net)



**Checkit plc**

Registered office

Broers Building, JJ Thomson Avenue, Cambridge CB3 0FA, United Kingdom

**t:** +44 (0)1223 371 000 **w:** [www.checkit.net](http://www.checkit.net)

Registered in England number: 448274