

# Notice of Annual General Meeting – Explanatory Notes

## Report and Accounts (Resolution 1)

The Directors of Bango must present the accounts to the meeting.

## Re-election of Directors (Resolutions 2 – 6 inclusive)

The Bango Articles of Association require that one third of the Board, and any Director newly appointed since the last Annual General Meeting, retire and seek re-election at each Annual General Meeting. Furthermore, in line with good corporate governance practice, it is Bango practice that any non-executive Director having been in post for nine years or more is subject to annual re-election.

At this meeting, Anil Malhotra and Gianluca D'Agostino will retire and stand for re-election as Directors. Having considered the performance of, and contribution made by, Anil Malhotra and Gianluca D'Agostino, the Board remains satisfied that their performance continues to be effective and to demonstrate commitment to the role and, as such, recommends their re-election. Paul Larbey, Eric Peacock and Frank Bury were appointed as Directors since the last Annual General Meeting, and so will retire and seek re-election. No non-executive Directors have been in post for nine years or more.

## Reappointment and remuneration of auditors (Resolution 7)

Resolution 7 proposes the re-appointment of RSM UK Audit LLP as auditors of Bango and authorizes the Board to determine the auditors' remuneration. Following a thorough tender process, the Board determined that RSM UK Audit LLP was the strongest candidate and appointed them as auditors. The Board recommends their re-appointment as auditors of Bango.

## Adoption of new Articles of Association (Resolution 8)

Resolution 8, which is a special resolution, proposes the adoption of a new set of Articles of Association of Bango. On 22 January 2020 David Sear resigned as Chair and as a Director of Bango after nine years, in line with corporate governance best practice. At the same time, Paul Larbey was appointed CEO, Raymond Anderson became Executive Chair and Eric Peacock was appointed Senior Independent Director. To ensure continued strong and effective corporate governance and an independent Board, the Board has decided that Bango's Articles of Association should be amended as follows:

1. To formally recognize the Board role of Senior Independent Director. Although Bango has had a role of Senior Independent Director for a number of years, this role was not recognized in Bango's constitution. In light of the recent changes to the composition of the Board it is important to formalize the Senior Independent Director's role and responsibilities. This change is incorporated in updated Article 21.3 of the proposed new Articles of Association.
2. Where the Chair, or any Deputy Chair, holds an executive office:
  - a. all corporate governance matters (including matters relating to nominations) as well as the resolution of matters of directors' conflicts of interest must be overseen by the Senior Independent Director where the Chair, or any Deputy Chair, holds an executive office. This change is incorporated into updates to Articles 21.3 and 21.9 of the proposed new Articles of Association; and
  - b. their casting vote is removed. This is incorporated into updated Article 21.5 of the proposed new Articles of Association.
3. In line with corporate governance good practice and Bango policy, all references to "Chairman" / "Chairmen" have been amended so that they now read "Chair".

Aside from these changes and limited updates to reflect statutory changes, the Articles of Association remain unmodified from the version previously adopted on 19 September 2008 and subsequently amended on 5 January 2010. The current and proposed Articles are available on the Bango website at <https://bangoinvestor.com/key-financial-documents/> and for inspection at the registered office of Bango during normal business hours from the date of this document and at the AGM from at least 15 minutes before the Annual General Meeting until it ends.

## Directors' authority to allot shares (Resolution 9)

Directors may only allot shares or grant rights to subscribe for or to convert any security into shares ("Rights") if authorized to do so by the shareholders. Such authorization is not required for the grant of options (or the issue of shares on exercise of such options) under an employee share scheme. The authority granted at the last Annual General Meeting is due to expire at the conclusion of this year's Annual General Meeting. Accordingly, this resolution, which complies with guidance issued by the Investment Association, seeks to grant a new authority to the Directors to allot shares and/or grant Rights and will expire at the conclusion of the next Annual General Meeting of Bango or, if earlier, on 22 August 2021 (the date which is 15 months after the date of passing of the resolution). There is no present intention of exercising this authority, which would give Directors authority to allot shares and/or grant Rights up to an aggregate nominal value of £4,712,500 (approximately one-third of Bango's issued ordinary share capital as at 13 March, 2020) and up to an aggregate nominal value of £9,425,000 (approximately two-thirds of Bango's issued ordinary share capital as at 13 March 2020) in connection with an offer by way of a rights issue or other pre-emptive offer.

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### Disapplication of pre-emption rights (Resolutions 10 and 11)

Under section 561(1) of the Act, if the Directors wish to allot equity securities (as defined in section 560 of the Act) (other than following an exercise of options granted under an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights.

Resolution 10 asks the shareholders to do this and, apart from rights issues or any other pre-emptive offer concerning equity securities and the grant of share options, the authority will be limited to the issue of equity securities for cash up to a maximum nominal value of £706,900 (being 3,534,500 ordinary shares of £0.20 each ("**Ordinary Shares**")), which is equivalent to approximately 5 per cent of Bango's issued ordinary share capital as at 13 March 2020, in line with the Pre-Emption Group 2015 Statement of Principles ("**Statement of Principles**") for the disapplication of pre-emption rights. Resolution 10 also seeks a disapplication of the pre-emption rights on a rights issue so as to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas shareholders.

Resolution 11 seeks additional approval for the disapplication of pre-emption rights on shares issued for cash up to a further nominal value of £706,900 (being 3,534,500 Ordinary Shares), which is equivalent to approximately 5 per cent of Bango's issued ordinary share capital as at 13 March 2020. This authority can only be exercised in connection with one or more acquisitions or specified capital investments that the Directors determine fall within the Statement of Principles. The Directors confirm that the additional 5 per cent authority will only be used in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

The Directors will also have regard to the guidance in the Statement of Principles concerning cumulative usage of authorities within a three-year period. Accordingly, the Board confirms that it does not intend to issue shares for cash representing more than 7.5 per cent. of Bango's issued ordinary share capital in any rolling three-year period other than to existing shareholders, save as permitted in connection with an acquisition or specified capital investment as described above, without prior consultation with shareholders.

If resolutions 10 and 11 are passed, the authorities will expire at the conclusion of the next Annual General Meeting of Bango or, if earlier, 22 August 2021 (the date which is 15 months after the date of passing of the resolution). Shareholders will note that these resolutions will be proposed as special resolutions.

## Notice of Annual General Meeting –Shareholder Information

1. Only those shareholders registered in the register of members of Bango at 2:00 pm on Wednesday, 20 May 2020 (or not later than 48 hours (excluding days that are not a working day) before the start of any adjournment of the meeting) shall be entitled to attend, speak and vote at this Annual General Meeting in respect of such number of shares registered in their name at that time. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. If you wish to attend the Annual General Meeting in person, please ensure you have identification documentation with you in order to gain admission.
3. As at 5:00 pm on Friday, 13 March 2020, which is the latest practicable date before publication of this notice, the issued share capital of Bango was 70,692,867 ordinary shares of £0.20 each and the total number of voting rights was 70,692,867.
4. Only holders of Ordinary Shares are entitled to attend and vote at this meeting. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting and at any adjournment of it. Such a member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A member may only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. A proxy need not be a member. Completion and return of a form of proxy will not preclude a member from attending and voting in person at the meeting or any adjournment of the meeting.
5. A form of proxy is provided with this notice and instructions for use are shown on the form. To be effective, the completed form of proxy must be deposited at the registered office of Bango, 5 Westbrook Centre, Cambridge, CB4 1YG, by not later than 2:00 pm on Wednesday, 20 May 2020 (or not later than 48 hours (excluding days that are not a working day) before the start of any adjournment of the meeting) together with, if appropriate, the original power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power of authority.
6. A vote withheld option is provided on the form of proxy to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
7. In order to revoke a proxy appointment you will need to inform Bango by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the registered office of Bango, 5 Westbrook Centre, Cambridge, CB4 1YG, by not later than 2:00 pm on Wednesday, 20 May 2020 (or not later than 48 hours (excluding days that are not a working day) before the start of any adjournment of the meeting) together with, if appropriate, the original power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power of authority. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, unless you attend the meeting in person, your proxy appointment will remain valid.
8. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.
9. Copies of the service agreements of the Executive Directors and the letters of appointment of the Non-Executive Directors will be available for inspection during normal business hours from the date of dispatch of this notice until the date of the meeting (Saturdays, Sundays and public holidays excepted) at the registered office of Bango and will also be made available for inspection at the place of the Annual General Meeting for a period of 15 minutes prior to and during the continuance of the meeting.
10. Copies of this notice, and information regarding this Annual General Meeting, including the information required by section 311A of the Companies Act 2006, can be found at <https://bangoinvestor.com/announcements/>.
11. Except as provided above, members who wish to communicate with Bango in relation to the meeting should do so by calling Bango's Company Secretary on +44 333 077 0222 or +44 7824 145 731. No other methods of communication will be accepted.