

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or as to what action to take, you should immediately seek personal financial advice from your stockbroker, bank manager, solicitor, accountant or any other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in your own jurisdiction.

If you have sold or transferred all your Ordinary Shares, please forward this document immediately to your stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such an act might constitute a violation of the relevant laws or regulations in such jurisdiction. If you sell or transfer or have sold or transferred only part of your holding of 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 with registered number 02641001)

Proposed disposal of NexSys Solutions Limited 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 Financial Plc, One Bartholomew Close, London, EC1A 7BL at 10.00 a.m. on 19 December 2024 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 the registrar's website at <https://investorcentre.linkgroup.co.uk/Login/Login> by following the instructions on the website. Electronic proxy appointments must be received by not later than 10.00 a.m. on 17 December 2024.

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 10.00 a.m. on 17 December 2024.

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 10.00 a.m. on 17 December 2024 in order to be considered valid.

Should you wish to vote using a hard copy proxy form please contact our Registrars, Link Group via email at shareholderenquiries@linkgroup.co.uk 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, Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by not later than 10.00 a.m. on 17 December 2024.

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 Directors consider 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.

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PART I

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	3 December 2024
Latest time and date for receipt of Forms of Proxy for the General Meeting	10.00 a.m. on 17 December 2024
General Meeting	10.00 a.m. on 19 December 2024
Announcement of the results of the General Meeting	19 December 2024
Anticipated Completion of Disposal	8 January 2025

Notes:

1. References in this document are to London times unless otherwise stated and are subject to change.
2. Completion of the Disposal is conditional on the approval by Shareholders of the Resolution.
3. Each of the times and dates above are indicative only and are subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a Regulatory Information Service.

PART II

DEFINITIONS

The following definitions apply throughout this document and the Form of Proxy unless the context otherwise requires:

“Act”	Companies Act 2006
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange (as amended from time to time)
“Board” or “Directors”	the directors of the Company or any duly appointed committee thereof
“Company” or “K3”	K3 Business Technology Group plc, a public limited company incorporated in England and Wales with registered number 02641001
“Completion”	completion of the Disposal under the terms of the Share Purchase Agreement
“Consideration”	the cash consideration to be paid by the Purchaser to K3 on Completion
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & International Limited is the Operator (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (as amended)
“Disposal”	the proposed sale of NexSys to the Purchaser in accordance with the Share Purchase Agreement
“Form of Proxy”	the form of proxy relating to the General Meeting
“General Meeting”	the general meeting of the Company, notice of which is set out in Part IV of this document and including any adjournment(s) thereof
“Group”	the Company and its subsidiaries and subsidiary undertakings (in each case as defined in the Act)
“Latest Practicable Date”	29 November 2024 being the latest practicable date prior to the publication of this document
“London Stock Exchange”	London Stock Exchange plc
“Market Capitalisation”	calculated as the total number of Ordinary Shares in issue multiplied by the price per Ordinary Share
“NexSys”	the Company’s subsidiary, NexSys Solutions Limited, a private limited company incorporated in England and Wales with registered number 01748035
“Notice of General Meeting”	the notice of General Meeting, set out at the end of this document
“Offer”	the offer for NexSys by the Purchaser for total cash consideration of £36.0 million

“Ordinary Shares”	ordinary shares of £0.25 each in the capital of the Company
“Purchaser”	Safari UK Bidco Limited, a company controlled by funds managed and/or advised by Advent International, LP (“ Advent ”), which wholly-owns (directly and indirectly) certain of the companies that operate the business known as “SYSPRO”
“Registrars”	Link Group
“Resolution”	the resolution to be proposed at the General Meeting which is set out in full in the Notice of General Meeting
“Shareholders”	holders of Ordinary Shares
“Share Purchase Agreement”	the conditional share purchase agreement dated 29 November 2024, entered into between the Purchaser and the Company in respect of the Disposal
“Transitional Services Agreement”	the transitional services agreement between the Company and NexSys
“UK”	the United Kingdom of Great Britain and Northern Ireland

PART III

LETTER FROM THE CHAIRMAN OF THE COMPANY

K3 Business Technology Group plc

(incorporated and registered in England and Wales 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

3 December 2024

Dear Shareholder

Proposed Disposal of NexSys and Notice of General Meeting

1. INTRODUCTION

Further to the announcement by the Company yesterday, the Board is pleased to announce that it has conditionally agreed to sell NexSys to the Purchaser for total cash consideration of £36.0 million.

The Board believes the Consideration for the Disposal represents an attractive valuation for NexSys and is at a premium of 28.8 per cent. to the Market Capitalisation of K3 of approximately £28.0 million as at 29 November 2024 (being the Latest Practicable Date) and a 30.5 per cent. and 15.6 per cent. premium to K3's average Market Capitalisation over the past one and three months, respectively¹. After adjustments and after deducting associated transaction costs the Company expects to receive net proceeds from the Disposal of approximately £34.4 million upon Completion.

It is anticipated that a substantial proportion of the net proceeds will be returned to Shareholders during the first half of 2025 once the Board has had a chance to consider the optimal way of achieving this from a technical, legal and tax perspective, with the remainder of the proceeds kept within the Group for working capital purposes.

The purpose of this letter is to explain the background to, and reasons for, the proposed Disposal, and to explain why the Directors consider it to be in the best interests of K3 and its Shareholders as a whole and unanimously recommend that Shareholders vote in favour of the Resolution set out in the Notice of General Meeting.

In view of the size of the Disposal relative to the Company, the Disposal will result in a fundamental change of business of the Company for the purposes of Rule 15 of the AIM Rules and is therefore conditional upon the approval of Shareholders. That approval will be sought at a General Meeting of the Company to be held at 10.00 a.m. on 19 December 2024 at the offices of Cavendish Financial Plc, One Bartholomew Close, London, EC1A 7BL.

The notice convening the General Meeting is set out at the end of this document. The actions that you should take to vote on the Resolution and the recommendation of the Directors is set out at paragraphs 9, 10 and 11 of this letter.

¹ Based on the volume weighted average price over the relevant period.

The Purchaser has received irrevocable undertakings or letters of intent from the Directors and certain Shareholders to vote in favour of the Disposal in respect of a total of 41,427,138 Ordinary Shares, representing, in aggregate, approximately 92.6 per cent. of the Company's issued share capital.

2. BACKGROUND TO, AND REASONS FOR, THE DISPOSAL

Since management changes in late 2023 the Board has been highly focused on creating separate business units, with their own focus on cash generation and value drivers, while reducing central group costs and devolving greater responsibility to the business unit leadership teams which now separately manage and respectively address different market sectors. This reflects the Board's strategy to simplify the Group's operations, more effectively address the opportunities within their respective market sectors, to reduce central costs and to drive shareholder value, whilst also having regard to the interests of other key stakeholders. The Proposed Transaction is a clear outcome from this process.

During the course of 2024, the Board has had a number of conversations with parties expressing interest in parts of Group with a view to ascertaining whether or not the Director's strategic ends might be best met through selling individual parts of the Group. The announcement therefore in August 2024 of Advent's agreement (through newly incorporated companies controlled by funds managed and/or advised by Advent) to acquire a majority ownership stake in the group of companies that operates the business known as "SYSPRO", a leading global ERP software provider for the manufacturing and distribution industries of which NexSys is the UK and Ireland leading reseller, provided a valuable catalyst to leverage the strategic value within NexSys. The Directors believe that under Advent's ownership and as part of its wider SYSPRO offering, the business, customers, operations and staff of NexSys will be well served, as part of a larger global business under the stewardship of owners with the resources and market experience to fully capitalise on its strategic value. Advent is an experienced software investor with investments in ERP, financial and manufacturing software. In addition to a 34 year track record in technology investing, Advent brings a depth of experience in the manufacturing and industrial space, having invested \$21 billion within the sector globally in the last 33 years.

The Directors believe that the Market Capitalisation of K3 has suffered from the variance between the financial characteristics of the constituent parts of the Group and the heavy burden of the Group's complexity and associated central costs, so the opportunity to realise more than the current K3 Market Capitalisation from the Disposal represents an attractive opportunity to deliver shareholder value:

- The Consideration represents a 28.8 per cent. premium to K3's Market Capitalisation (as at the Latest Practicable Date) and a 30.5 per cent. and 15.6 per cent. premium to K3's average Market Capitalisation over the past one month and three months, respectively¹.
- The Disposal should enable K3 to undertake a significant return of cash to Shareholders during the first half of 2025 (assuming the Resolution is approved).

Following the Disposal, Shareholders will retain their interest in K3 which will include the Group's K3 Products Division and the remaining parts of the Third-party Solutions Division (excluding NexSys), being principally the Global Accounts business (together "**the Remaining Group**"), further details of which are set out below.

NexSys overview

NexSys is currently a substantial element within the Group's Third Party Solutions Division. NexSys provides, integrates, implements and supports business software solutions for manufacturers and distributors. It is a SYSPRO elite partner in the UK and has over 40 years' experience of delivering specialised ERP solutions. NexSys enables its customers to manage, monetise and control business-critical processes, inventory and production, and take decisions made on accurate and reliable real-time insights. This helps NexSys customers to maximise their opportunities by optimising their financial returns, innovating more easily, improving operational efficiencies, and improving their competitive edge. NexSys is headquartered in Manchester and currently employs approximately 80 people.

¹ Based on the volume weighted average price over the relevant period.

NexSys also accounts in large part for the Group's current second-half bias in terms of earnings and cash inflows, with annual software licence fee and maintenance and support contract renewals occurring in the Group's fourth quarter.

Including the small Integrated Business Solutions ("IBS") business unit merged with NexSys during 2023 and excluding allocations of Group central overheads, the trading performance of NexSys for the 2 years to 30 November 2023 was, on a proforma basis, as follows:

<i>£ million</i>	<i>Year to 30 November 2023</i>	<i>Year to 30 November 2022</i>
Revenue	12.1	12.5
Adjusted EBITDA	3.8	3.5
Adjusted operating profit	3.6	3.4

3. SUMMARY TERMS OF THE DISPOSAL

Pursuant to the Share Purchase Agreement entered into between the Company and the Purchaser on 29 November 2024, the Purchaser has conditionally agreed to acquire NexSys for total cash consideration of £36.0 million on a debt-free, cash-free basis, and with a normalised level of working capital. The net cash proceeds arising from the Disposal (after anticipated transaction costs on behalf of K3) are expected to be approximately £34.4 million.

The proposed Disposal is conditional upon approval of the Resolution. The General Meeting for approval of the Resolution is on 19 December 2024 and Completion is expected on or around 8 January 2025. The Consideration is determined by using a locked box mechanism based on a 30 September 2024 accounts date and is subject to customary adjustments for any leakage (excluding permitted leakage).

The Share Purchase Agreement includes customary warranties and covenants and a customary tax indemnity. On completion of the Disposal, K3 will provide transitional services to NexSys as agreed in the Transitional Services Agreement. This agreement covers items around payroll, HR, office space and IT.

4. USE OF FUNDS AND RETURN OF CAPITAL

It is expected that upon Completion, expected to be on or around 8 January 2025, the Company will receive total cash consideration of £36.0 million (£34.4 million after deducting transaction costs).

It is anticipated that a substantial proportion of the proceeds from the Disposal will be returned to Shareholders in the first half of 2025 once the Board has had a chance to consider the optimal way of achieving this from a technical, legal and tax perspective. The remainder of the proceeds will be kept within the Group for working capital purposes and to ensure the remaining parts of the Group are appropriately funded going forward. The Company will make an announcement in due course setting out the terms and timetable of the capital return.

5. K3 POST DISPOSAL

Post Completion, the Company will continue to be a public company quoted on AIM with the principal operating divisions comprising:

- K3 Products Division: This division provides software products and solutions that are powered by the Group's own software intellectual property. They comprise strategic products focused on the fashion and apparel market, specialist solutions for the visitor attractions market and other stand-alone point-of-sale and ERP solutions, which are mainly legacy products; and
- Third Party Solutions Division: This division, in which NexSys currently sits, will comprise principally the Group's Global Accounts business unit which includes the Group's relationship with Inter IKEA Systems B.V. (the owner and franchisor of the Inter IKEA concept) and certain Inter IKEA concept overseas franchisees. As well as supporting IKEA franchisee customers with their IKEA solution, K3 also provides and supports those overseas IKEA franchisees with integrations, additional solutions, localisations, development, consultancy and system enhancements, which is key to the smooth functioning of such franchisees's IKEA stores and back-office solutions.

(Together, the “**Remaining Group**”).

In the year to 30 November 2023 the Remaining Group generated revenue of £31.7 million and an adjusted operating loss of £2.3 million. The Board has subsequently developed the Remaining Group and now expects it to become month on month cash break even, after full allocation of central overhead, during the first quarter of FY2025. The Remaining Group will retain a small proportion of the net cash proceeds, which the Directors will determine in due course, in order to leave the Remaining Group with sufficient working capital and restructuring funding to operate debt-free.

A small proportion of central overhead costs will be shared between NexSys and the Remaining Group pursuant to the Transitional Services Agreement.

6. FINANCIAL IMPACT OF THE DISPOSAL ON NEXSYS

The Disposal will involve K3 selling NexSys, which for FY23 generated £12.1 million of revenue and £3.6 million of adjusted operating profit (before central cost allocation), representing 28 per cent. and 286 per cent. of Group revenue and Group adjusted operating profit respectively. As at 31 May 2024 NexSys had a total asset value of £2.57 million and a net asset value of £(0.15) million, representing 18.6 per cent. and (0.6) per cent. of Group total asset value and net asset value respectively. As a result of the Disposal, ongoing revenue and profitability for the Group will be reduced and there is expected to be a large one-off profit on disposal which will be recognised in the Group’s accounts for the year ending 30 November 2025.

K3 expects to publish its results for the year ended 30 November 2024 in March 2025. Under IFRS the accounts will be presented on a continuing and discontinued basis.

7. IRREVOCABLE UNDERTAKINGS AND LETTERS OF INTENT

Excluding Oliver Scott, whose beneficial holding is presented via Kestrel Partners LLP, the other Directors who hold Ordinary Shares in the Company, being Tom Crawford, Lavinia Alderson and Gabrielle Hase have irrevocably undertaken to vote in favour of the Resolution at the General Meeting in respect of their own beneficial holdings of, in aggregate, 64,201 Ordinary Shares, representing approximately 0.14 per cent. of the Company’s issued share capital.

<i>Board irrevocable undertakings</i>	<i>Number of Ordinary Shares</i>	<i>% Holding</i>
Tom Crawford	61,445	0.14
Gabrielle Hase	2,500	0.01
Lavinia Alderson	256	0.00
Total	64,201	0.14%

In addition, the following Shareholders have provided irrevocable undertakings to vote in favour of the Resolution, representing, in aggregate, 77.1 per cent. of the Company’s issued share capital.

<i>Irrevocable undertakings</i>	<i>Number of Ordinary Shares</i>	<i>% Holding</i>
Kestrel Partners LLP (Note 1)	12,990,869	29.04%
PJ Claesson	10,721,780	23.97%
Richard Griffiths	4,943,750	11.05%
Lombard Odier Investment Managers	5,831,538	13.04%
Total	34,487,937	77.10%

- (1) Oliver Scott is a partner of and holds a beneficial interest in Kestrel Partners LLP (“Kestrel”) and in Kestrel Opportunities, a fund managed by Kestrel. He is therefore deemed to have a beneficial interest in Kestrel Opportunities’ entire legal holding in the Company, amounting to 8,631,682 of the above disclosed holding of Kestrel Partners LLP.

In addition, Canaccord Genuity Wealth Management has provided a non-binding letter of intent to vote in favour of the Resolution, in respect of 6,875,000 Ordinary Shares representing 15.4 per cent. of the Company's issued share capital.

The Purchaser has therefore received irrevocable undertakings and letters of intent in respect of a total of 41,427,138 Ordinary Shares, representing, in aggregate, approximately 92.6 per cent. of the Company's issued share capital.

8. CURRENT TRADING AND PROSPECTS

The Board confirms that the Group's results for the year to 30 November 2024 are in line with the Board's expectations with Group adjusted operating profit of no less than £1.9 million (before exceptional items and charges for share based payments), up approximately 50 per cent. on the prior period. The Group's net cash position (pre-IFRS 16) as at 30 November 2024 is expected to exceed £8.3 million (30 November 2023: £8.3 million) and the Remaining Group is expected to reach month-on-month operating profitability during the first quarter of FY2025.

All above references to figures for the financial year ended 30 November 2024 are approximate and subject to final close and audit.

9. GENERAL MEETING

Shareholder approval is being sought to proceed with the Disposal pursuant to Rule 15 of the AIM Rules.

Part IV of this document contains the Notice of a General Meeting that is being convened at 10.00 a.m. on 19 December 2024 at Cavendish Financial Plc, One Bartholomew Close, London, EC1A 7BL, at which General Meeting the relevant Resolution (set out in full in the Notice of General Meeting) will be proposed.

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.

The Disposal is deemed a fundamental change for the purposes of Rule 15 of the AIM Rules, and consequently completion of the Disposal is dependent upon approval of the Resolution by Shareholders. For the avoidance of doubt, K3 will, on Completion, continue to be classified as an operating company and not as an AIM cash shell pursuant to AIM Rule 15.

10. ACTION TO BE TAKEN IN RESPECT OF THE GENERAL MEETING

Shareholders are advised to cast their vote online via the registrar's website at <https://investorcentre.linkgroup.co.uk/Login/Login> by following the instructions on the website. Electronic proxy appointments must be received by not later than 10.00 a.m. on 17 December 2024.

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 at the end of this document). Proxies submitted via CREST must be received by the Company's agent (RA10) by not later than 10.00 am on 17 December 2024.

Should you wish to vote using a hard copy proxy form please contact our Registrars, Link Group via email at shareholderenquiries@linkgroup.co.uk 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, Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by not later than 10.00 a.m. on 17 December 2024.

Institutional investor you 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 10:00 a.m. on 17 December 2024 in order to be considered valid.

11. BOARD RECOMMENDATION

The Directors consider that the Disposal is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolution to be proposed at the General Meeting.

The Directors have irrevocably committed to vote in favour of the Resolution in respect of their aggregate beneficial shareholdings of 8,695,883 Ordinary Shares representing approximately 19.4 per cent. of the Ordinary Shares in issue at the date of this document.

Yours faithfully,

Oliver Scott

Non-Executive Chairman

PART IV

NOTICE OF GENERAL MEETING

K3 Business Technology Group plc

(incorporated and registered in England and Wales with registered number 02641001)

Notice is hereby given that a general meeting ("**Meeting**") of K3 Business Technology plc (the "**Company**") is to be held at 10.00 a.m. on 19 December 2024 at the offices of Cavendish Financial Plc, One Bartholomew Close, London, EC1A 7BL.

You will be asked to consider and vote on the resolution below which is proposed as an ordinary resolution.

1. **THAT**, for the purposes of Rule 15 of the AIM Rules for Companies, the Disposal (as defined and more particularly described in the circular to the shareholders of the Company dated 3 December 2024 (the "**Circular**")), be and is hereby approved and the Board (as defined in the Circular) (or a duly constituted committee of the Board) be and are hereby authorised to take such steps as they may in their absolute discretion think fit in order to implement and give effect to the share purchase agreement dated 29 November 2024 (the "**Share Purchase Agreement**"), and any related documentation to give effect to the Disposal, including approving such variations or amendments to the Share Purchase Agreement (or any transaction documents referred to therein) that are not of a material nature and doing such other acts and things as they may in their absolute discretion consider to be necessary or desirable in order to implement and give effect to the Disposal and/or any matter incidental to the Disposal.

Dated 3 December 2024

BY ORDER OF THE BOARD

Eric Dodd

Company Secretary

K3 Business Technology plc
Baltimore House,
50 Kansas Avenue,
Manchester,
M50 2GL

NOTES TO THE NOTICE OF GENERAL MEETING

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:
 - 6.00 p.m. on 17 December 2024; 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 Link 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, Link Group, and requesting a hard copy form 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.
4. 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. 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.
5. 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.

Appointment of proxies via the web

6. Shareholders are encouraged to cast their vote online via the registrar's website at <https://investorcentre.linkgroup.co.uk/Login/Login>. Link Investor Centre is a free app for smartphone and tablet provided by Link Group (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

7. 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 Proximity

8. If you are an institutional investor you 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 10:00 a.m. on 17 December 2024 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 Proximity'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 Proximity 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

9. Should you wish to vote using a hard copy proxy form please contact our Registrars, Link Group, via email at shareholderenquiries@linkgroup.co.uk 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, Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by not later than 10.00 a.m. on 17 December 2024.

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, Proximity 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 2 December 2024, 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 2 December 2024 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.