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# Notice of Annual General Meeting

If you have sold or otherwise transferred all of your ordinary shares in Hornby PLC, please forward this document as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through or to whom the sale or transfer was effected for transmission to the purchaser or transferee of your ordinary shares.

We look forward to welcoming shareholders in person at the Annual General Meeting ("AGM"), which is again being held at the Company's offices. Any shareholder who is unable to attend the AGM can submit questions for the Board relating to the business of the meeting by 15:00 BST on Friday 8 September 2023 by email to [AGM2023@hornby.com](mailto:AGM2023@hornby.com). The Board will, where appropriate, post answers on our website as soon as practicable after the AGM.

You can appoint your proxy electronically by visiting [www.signalshares.com](http://www.signalshares.com) where full details of the procedure can be found. You will need your investor code ("IVC"). This is printed on dividend stationery and share certificates or can be obtained by contacting the Company's Registrar, Link Group. You may also use Link Group's shareholder app, LinkVote+, which you can download on the Apple App Store and Google Play. The app is free to download and use and gives shareholders the ability to access their records at any time and allows users to submit a proxy appointment quickly and easily online. You may also request a hard copy proxy form directly from the Company's Registrars. Instructions on how to do this are provided on page 4 of this document. Your proxy appointment(s) and instructions, whether submitted by hard copy or made electronically, must be received by Link Group by no later than 11:00 BST on Monday 11 September 2023. Any appointments and instructions received after this time, or sent to any address other than that provided, will not be valid. A proxy may also be appointed by CREST members by using the CREST electronic proxy appointment service.

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the forty second Annual General Meeting ("AGM") of Hornby PLC (the "Company") will be held at the Company's offices, Enterprise Road, Westwood Industrial Estate, Margate, Kent CT9 4JX on Wednesday 13 September 2023 at 11.00 BST.

The Meeting will consider and, if thought fit, pass the following resolutions, of which numbers 1 to 10 (inclusive) will be proposed as ordinary resolutions and numbers 11 to 13 (inclusive) as special resolutions.

## ORDINARY RESOLUTIONS

### Reports and Accounts

1. To receive and adopt the Company's Annual Report and Accounts for the financial year ended 31 March 2023, together with the Report of the Directors and Auditors.

### Remuneration of Director

2. To approve the Directors' Remuneration Report, as set out within the Directors' Report on pages 25 to 29 of the Company's Annual Report and Accounts for the financial year ended 31 March 2023.

### Election and re-election of Directors

3. To elect Oliver Raeburn as a Director of the Company.
4. To re-elect Daniel Carter as a Director of the Company.
5. To re-elect Lyndon Davies as a Director of the Company.
6. To re-elect Kirstie Gould as a Director of the Company.
7. To re-elect John Stansfield as a Director of the Company.

### Re-appointment of Auditor

8. To reappoint Crowe U.K. LLP as auditor of the Company to hold office from the conclusion of the 2023 Annual General Meeting to the conclusion of the next meeting at which accounts are laid before the Company.

### Remuneration of Auditor

9. To authorise the Audit Committee to agree the Auditor's remuneration.

### Directors' Authority to Allot Shares

10. That, in place of the equivalent authority given to the Directors at the last Annual General Meeting (but without prejudice to the continuing authority of the Directors to allot shares pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made), the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £565,613.05, provided that this authority shall expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the Company's Annual General Meeting to be held in 2024, but so that the Company may, before the expiry of such period, make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the expiry of such period and the Directors may allot shares or grant rights to subscribe for or convert securities into shares pursuant to such an offer or agreement as if this authority had not expired.

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# Notice of Annual General Meeting continued

## SPECIAL RESOLUTIONS

### Disapplication of Pre-emption Rights

11. That, if resolution 10 is passed, the Board be authorised to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited:

- (a) to allotments for rights issues and other pre-emptive issues;
- (b) to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £169,853.77; and
- (c) to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) or (b) above) up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph (b) above, such authority to be used only for the purposes of making a following-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 Section 2B of the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice;

such authority to expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the Company's Annual General Meeting to be held in 2024 but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

12. That, if resolution 10 is passed, the Board be authorised in addition to any authority granted under resolution 10 to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be:

- (a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £169,853.77, such authority to be used only for the purposes of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or a specified capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice; and
- (b) limited to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to the nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph (a) above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice;

such authority to expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the Company's Annual General Meeting to be held in 2024 save that, in each case, the Company may before such expiry make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

### Authority to Purchase own Shares

13. That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of its ordinary shares of 1 pence each ("Ordinary Shares") on such terms as the Directors think fit, and where such Ordinary Shares are held in treasury, the Company may use them for the purposes set out in section 727 of the Act, including for the purpose of its employee share schemes, provided that:

- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 16,985,377;
- (b) the minimum price, exclusive of any expenses, which may be paid for an Ordinary Share is 1 pence;
- (c) the maximum price, exclusive of any expenses, which may be paid for each ordinary share is an amount equal to the higher of:
  - (i) 105% of the average of the middle market quotations for an Ordinary Share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and
  - (ii) the amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share, as derived from the London Stock Exchange trading service SETS;
- (d) the authority hereby conferred shall, unless previously revoked or varied, expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the Annual General Meeting of the Company to be held in 2024 (except in relation to the purchase of ordinary shares, the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry).

By order of the Board

**K Gould**

**Company Secretary**

Dated: 31 July 2023

Registered office: Enterprise Road, Westwood Industrial Estate, Margate, Kent CT9 4JX  
Registered in England and Wales with company number 01547390

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# Explanatory notes on the resolutions

Resolutions 1 to 10 are ordinary resolutions; resolutions 11 to 13 are special resolutions. To be passed, ordinary resolutions require more than 50% of votes cast to be in favour of the resolution whilst special resolutions require at least 75% of the votes cast to be in favour of the resolution.

## ORDINARY RESOLUTIONS

### To receive the Annual Report and Accounts 2023

Resolution 1 is a standard resolution. The Companies Act 2006 requires the Directors to lay before the Company in a general meeting the Company's Annual Accounts, and the Directors' Report and Auditor's report on those Annual Accounts. The Annual Report and Accounts for the financial year ended 31 March 2023 will be available online at <http://www.hornby.plc.uk/annual-reports>.

### Remuneration Report

Resolution 2 seeks shareholders' approval for the Directors' Remuneration Report, as set out within the Directors' Report on pages 25 to 29 of the Company's Annual Report and Accounts for the financial year ended 31 March 2023. The vote is advisory only.

### Election and re-election of Directors

The Articles of Association of the Company (the "Articles") require any director appointed by the Board since the previous annual general meeting to retire and be re-elected by shareholders. Oliver Raeburn was appointed by the Board as Chief-Executive Officer on 23 January 2023. Accordingly, he will retire from the Board and is seeking re-election under resolution 3.

The Articles require that a minimum of one third of directors retire by rotation at each Annual General Meeting but in accordance with best corporate governance practice resolutions 4 to 7 seek approval for the re-election of all remaining Directors.

Biographical information for each of the Directors is provided on pages 14 to 15 of the Annual Report and Accounts for the financial year ended 31 March 2023.

The Board has no hesitation in recommending the election and re-election of the Directors to shareholders. In making these recommendations, the Board confirms that it has given careful consideration to the Board's balance of skills, knowledge and experience and is satisfied that each of the Directors putting themselves forward for election and re-election has sufficient time to discharge their duties effectively, taking into account their other commitments.

### Re-appointment of Auditor

The auditor of a company must be appointed or re-appointed at each general meeting at which the Annual Accounts are laid. Resolution 8 seeks approval to appoint Crowe U.K. LLP as the Company's Auditor until the conclusion of the next general meeting of the Company at which Annual Accounts are laid.

### Remuneration of Auditor

Resolution 9 seeks consent for the Audit Committee to determine the remuneration of the auditor.

### Directors' authority to allot shares

Resolution 10 grants the Directors authority to allot shares or grant rights to subscribe for or convert securities into shares, up to a maximum aggregate nominal value of £565,613.05, which is approximately one third of the nominal value of the issued Ordinary Share capital of the Company as at 15 July 2023, being the latest practicable date prior to the publication of this notice. The authority will expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the Company's Annual General Meeting to be held in 2024. The Directors have no current intention of exercising such authority, other than in connection with employee share incentive plans, and will exercise this power only when they believe that such exercise is in the best interests of the shareholders.

## SPECIAL RESOLUTIONS

### Disapplication of pre-emption rights

Resolutions 11 and 12 will be proposed as special resolutions. If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

Resolution 11 deals with the authority of the Directors to allot new shares or other equity securities pursuant to the authority given by resolution 10, or sell treasury shares, for cash without the shares or other equity securities first being offered to shareholders in proportion to their existing holdings. Such authority shall only be used in connection with a pre-emptive offer, or otherwise, up to an aggregate nominal amount of £169,853.77, being approximately 10% of the total issued ordinary share capital of the Company as at 15 July 2023.

In addition, the Pre-Emption Group Statement of Principles issued in November 2022 supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities (and sales of treasury shares for cash) representing no more than a further 10% of issued ordinary share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment. The Pre-Emption Group's Statement of Principles defines 'specified capital investment' as meaning one or more specific capital investment related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets, the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-Emption Group, Resolution 12 seeks to authorise the Directors to allot new shares and other equity securities pursuant to the authority given by Resolution 10, or sell treasury shares, for cash up to a further nominal amount of £169,853.77, being approximately 10% of the total issued ordinary share capital of the Company as at 15 July 2023, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If these resolutions are passed, the authority will expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the Annual General Meeting of the Company to be held in 2024.

The Board considers the authorities in resolutions 11 and 12 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a rights issue or other pre-emptive offer without the need to comply with the strict requirements of the statutory pre-emption provisions.

### Authority to purchase own shares

Resolution 13 is a special resolution and seeks authority for the Company to make market purchases of its own ordinary shares up to a maximum number of 16,985,377 ordinary shares, representing approximately 10% of the issued ordinary share capital at 15 July 2023. The authority will expire on the earlier of 15 months from the date this resolution is passed and the conclusion of the Annual General Meeting of the Company to be held in 2024.

In reaching a decision to purchase Ordinary Shares, the Directors will take account of the Company's cash resources and capital and the general effect of such purchase on the Company's business. The authority would only be exercised by the Directors if they considered it to be in the best interests of the shareholders generally and if the purchase could be expected to result in an increase in earnings per Ordinary Share.

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# General notes relating to the Notice of AGM

The following notes explain your general rights as a shareholder and your right to vote at this Meeting or to appoint someone else to vote on your behalf.

1. Only holders of Ordinary Shares, or their duly appointed representatives, are entitled to vote and speak at the AGM. A member so entitled may appoint a proxy or proxies, who need not be a member, to speak and vote on their behalf. A member may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by them. In normal circumstances, the appointment of a proxy will not preclude a shareholder from attending and voting in person at the meeting.
  2. A vote withheld option is provided on the form of proxy to enable you to instruct your proxy to abstain on any particular resolution. However, it should be noted that a 'vote withheld' is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' and 'Against' a resolution. If you select 'Discretionary' or fail to select any of the options, your proxy can vote as they choose or can decide not to vote. Your proxy can also do this on any other resolution that is put to the AGM. A shareholder must inform the Company's registrars in writing of any termination of the authority of a proxy.
  3. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders on the register of members of the Company as at close of business on 11 September 2023 (or, if the AGM is adjourned, shareholders on the register of members not later than 48 hours (excluding any part of a day which is not a working day) before the time fixed for the adjourned meeting) are entitled to vote at the AGM (or any adjournment thereof) in respect of the number of shares registered in their name at that time. Subsequent changes to the register of securities shall be disregarded in determining the rights of any person to vote at the AGM (or any adjournments thereof).
  4. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
  5. In order to facilitate voting by corporate representatives at the AGM, arrangements will be put in place so that if a corporate member has appointed the Chair of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that member at the meeting, then on a poll those corporate representatives will give voting directions to the Chair and the Chair will vote (or withhold a vote) as corporate representative in accordance with those directions. Corporate members are referred to the guidance issued by the Chartered Governance Institute on proxies and corporate representatives – visit <http://www.cgi.org.uk/> for further details of this procedure. The guidance includes a sample form of representation letter if the Chair is being appointed as described above.
  6. You can vote either by:
    - submitting your proxy vote electronically by accessing the shareholder portal at [www.signalshares.com](http://www.signalshares.com) logging in and selecting the 'Vote Online Now' link. You will require your username and password in order to log in and vote. If you have forgotten your username or password you can request a reminder via the shareholder portal. If you have not previously registered to use the portal you will require your IVC which can be found on your share certificate or dividend notification; or
    - by using Link Group's Shareholder app, LinkVote+, which you can download on the Apple App Store and Google Play. The app is free to download and use and gives shareholders the ability to access their records at any time and allows users to submit a proxy appointment quickly and easily online; or
    - requesting a hard copy form of proxy directly from the registrar, Link Group, on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales; or
    - In the case of CREST members, utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
- In order for a proxy appointment to be valid, a form of proxy must be completed. In each case the form of proxy must be received by Link Group at PXS 1, Link Group, Central Square, 29 Wellington Street, Leeds, LS1 4DL by 11.00 BST on 11 September 2023.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a 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.
  8. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 11.00 BST on 11 September 2023. For this purpose, the time of receipt will be taken to mean 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. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
  9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. 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 system 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.
  10. You may not use any electronic address provided in this Notice of AGM or in any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.