

# CHALLENGER ENERGY GROUP PLC

*(Incorporated in the Isle of Man under the Companies Acts 1931-2004 and with Company Number 123863C)*

## NOTICE OF ANNUAL GENERAL MEETING (“AGM”)

**Notice is hereby given that the Annual General Meeting (the “Meeting” or “AGM”) of Challenger Energy Group PLC (“CEG” or the “Company”) will be held at the Company’s registered office at The Engine House, Alexandra Road, Castletown, Isle of Man IM9 1TG on Tuesday 30 July 2024 at 11.00 a.m. British Summer Time, for the purpose of considering and, if thought fit, passing the following resolutions (“Resolutions”):**

**Resolution One:** As an ordinary resolution, that the Directors’ Report and the Financial Statements for the year ended 31 December 2023, together with the Independent Auditor’s Report, be received.

**Resolution Two:** As an ordinary resolution, that Mr. Eytan Uliel, who retires by rotation and, being eligible, offers himself for reappointment, be reappointed as a director of the Company.

**Resolution Three:** As an ordinary resolution, that Mr. Robert Bose, who was appointed by the directors during the year pursuant to Article 87 of the Company’s Articles of Association, be reappointed as a director of the Company.

**Resolution Four:** As an ordinary resolution, that every fifty (50) of the ordinary shares of 0.02 pence each in the issued and unissued share capital of the Company be consolidated into one (1) ordinary share of 1 pence each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing ordinary shares of 0.02 pence each in the capital of the Company as set out in the Company’s articles of association for the time being.

**Resolution Five:** As a special resolution,  
subject to and conditional on the passing of Resolution Four, that any existing authority for the allotment of shares be revoked, and the Directors be granted new authority for the allotment, pursuant to Article 6.7 of the Company’s Articles of Association, of up to 200,000,000 new ordinary shares of 1 pence each in the capital of the Company, as if the pre-emption provisions contained within Article 6.3 of the Company’s Articles of Association did not apply to such allotment and issue, such authority to expire on 31 December 2025 but that authority shall extend to the making, before such expiry, of an offer or agreement which would or might require ordinary shares to be allotted after such expiry and the Directors may allot ordinary shares in pursuance of such an agreement as if the authority conferred hereby had not expired.

**Resolution Six:** As an ordinary resolution, that Grant Thornton LLC of 13-18 City Quay, Dublin, D02 ED70, Ireland, be appointed as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid, and to authorise the directors to determine their remuneration.

## EXPLANATORY STATEMENTS

### **BOARD STATEMENT / RESOLUTION FOUR (SHARE CONSOLIDATION)**

The Board is of the view that it would benefit the Company and shareholders at this time to reduce the number of ordinary shares in issue with a resulting adjustment in the market price of such shares (the “Share Consolidation”).

The ordinary shares of the Company have recently been trading at a market price of less than one penny, and the Company has a large number of ordinary shares in issue. Going forward, the Directors believe that the existing share capital structure is no longer appropriate, as the high number of shares in issue, combined with the relatively low par value per share, is thought to result in excess volatility and reduced liquidity in the Company's shares. The relatively low share par value is also a bar to investment in the Company by a number of parties, including in particular many institutional investors, given that a number of leading global share custodians are not permitted in accordance with their custody rules to hold shares in the Company given its share trading value is below 1 pence per ordinary share.

By proceeding with the Share Consolidation, the Directors therefore anticipate that a higher trading value per share will improve the marketability of the Company and could increase interest from institutional investors in the UK and overseas which should improve the liquidity of the Company's shares. This is also expected to assist in reducing the volatility in the Company's share price and enable a more consistent valuation of the Company, thus making the Company's shares more attractive to long-term institutional shareholders whilst not impacting overall liquidity. Furthermore, conversion of the £1.5m loan from Charlestown Equity Partners LLP, which was announced on 18 April 2024, into a shareholding in the Company is conditional on the Share Consolidation.

Pursuant to the Share Consolidation it is proposed that the existing 10,494,066,144 issued ordinary shares of 0.02 pence per share will be subject to a 1 for 50 consolidation, resulting in the total number of ordinary shares in issue being reduced to 209,881,322 ordinary shares with a new ISIN of IM00BPLZ1D89 and SEDOL of BPLZ1D8, with a nominal value of 1 pence each.

As all ordinary shareholdings in the Company will be consolidated, the number of ordinary shares held by each Shareholder will reduce, but the proportion of the total issued ordinary share capital of the Company held by each Shareholder immediately before and following the Share Consolidation will, save for fractional entitlements, remain unchanged. Apart from having a different nominal value, each ordinary share will carry the same rights as set out in the Company's Articles of Association that currently attach to the ordinary shares.

Fractional entitlements arising from the Share Consolidation will be aggregated and sold in the market and, in accordance with the Articles, be retained for the benefit of the Company. The value of any one Shareholder's fractional entitlement will not exceed the value of one ordinary share post the Share Consolidation.

The Company's Articles of Association provide, in Article 43, that the Company may consolidate its share capital by way of an ordinary resolution. Accordingly, Resolution Four will be proposed as an ordinary resolution at the AGM.

Subject to the passing of Resolution Four, all outstanding options and warrants to subscribe for ordinary shares in the Company will be correspondingly adjusted (in accordance with their respective terms of conditions), such that the number of ordinary shares the subject of the respective option or warrant will be reduced on a 1 for 50 basis, and the strike price of the respective option or warrants will be increased by 50 times.

#### ***BOARD STATEMENT / RESOLUTION FIVE (GENERAL ISSUANCE AUTHORITY)***

In accordance with Article 6.8 of the Company's Articles of Association, the Board unanimously recommends Resolution Five. The share allotment authorities granted to the Board by the shareholders on 15 August 2023 have not been fully utilised to date, and the board considers it prudent to have in place an authority to enable the Company to quickly and flexibly secure funding necessary for the development of its project portfolio over the course of 2024 and 2025, and/or to consider transactional opportunities that may arise from time to time. However, to the extent Resolution Four is passed and the Company's shares are consolidated, the existing authority in place granted on 15 August 2023 would likewise need to be reduced and refreshed – Resolution Five essentially provides for this. The amount that would be received by the Company on exercise of such authority is presently unable to be determined, as it will depend on the terms and conditions governing any such allotment, the number of shares issued in any such allotment, and the price of the shares so allotted, at the time of allotment.

**The Directors consider the approval of the resolutions to be proposed at the Annual General Meeting to be in the best interests of the Company and its Shareholders as a whole and, accordingly, unanimously recommend Shareholders to vote in favour of all of the resolutions, as they and their associated parties intend to do in respect of their beneficial holdings, which in aggregate total 779.2 million ordinary shares (on a pre-consolidation basis), representing approximately 7.4 per cent. of the current issued share capital.**

This Notice of Annual General Meeting will be dispatched to Shareholders by no later than 30 June 2024 and has on 27 June 2024 been posted on the Company's website ([www.cegplc.com](http://www.cegplc.com)). Copies can also be obtained in person at the Registered Office.

Dated 27 June 2024

**BY ORDER OF THE BOARD**

Jonathan Gilmore  
Company Secretary

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| <b>Event</b>   | <b>Time and/or date<sup>(1)(2)</sup></b> |
|--|--|
| Publication and posting of this Document   | By 30 June 2024                          |
| Latest time for receipt of proxy appointments in respect of the Annual General Meeting                             | 11.00 a.m. on 26 July 2024               |
| Annual General Meeting   | 11.00 a.m. on 30 July 2024               |
| Record Date in respect of the Share Consolidation  | 6.00 p.m. on 6 August 2024               |
| Admission to AIM of New Ordinary Shares  | 8.00 a.m. on 7 August 2024               |
| Date CREST accounts credited with New Ordinary Shares  | 8.00 a.m. on 7 August 2024               |
| Expected date of dispatch of share certificates in respect of any New Ordinary Shares held in certificated form by | 21 August 2024                           |

### Notes:

- (1) All of the times referred to in this Document refer to London time, unless otherwise stated.
- (2) Each of the times and dates in the timetable is subject to change. If any of the times and/or dates change, the revised times and/or dates will be notified to Existing Shareholders by an announcement through a Regulatory Information Service.
- (3) The current number of ordinary shares in issue (pre-consolidation) is 10,494,066,144 with ISIN IM00BN2RD444. Following the proposed 50:1 share consolidation the number of shares will be 201,881,322 with ISIN IM00BPLZ1D89.

## Notes:

1. Any Shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need to be given if: (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.
2. Shareholders, or their proxies, intending to attend the AGM in person are requested, if possible, to arrive at the AGM venue at least 30 minutes prior to the commencement of the meeting at 11.00 British Summer Time on 30 July 2024, so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to vote on their behalf at the AGM. A Shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that Shareholder. A proxy need not be a shareholder of the Company.
4. 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).
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 AGM.
6. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion or withhold from voting.
7. You can appoint a proxy to vote on your behalf either:
  - online via the Link Investor Centre. 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. Alternatively, you may access the Link Investor Centre via a web browser at: <https://investorcentre.linkgroup.co.uk/Login/Login>;



- by requesting a hard copy form of proxy directly from the registrars, Link Group by emailing [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk) or calling 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 (GMT), Monday to Friday excluding public holidays in England and Wales; or
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
  - if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 11.00 a.m. on 26 July 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 Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
8. In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy and any power of attorney or other authority under which it is signed (or a notarially certified copy of such authority) must be received by Link Group, PXS1, Link Group, Central Square, 29 Wellington Street, Leeds, LS1 4DL by no later than 11.00 a.m. (GMT) on 26 July 2024.
  9. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the registrars before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all Shareholders and those who use them will not be disadvantaged.
  10. The return of a completed form of proxy, electronic filing, any CREST Proxy Instruction (as described in note 11 below) or appointment of a proxy via Proxymity will not prevent a Shareholder from attending the Meeting and voting in person if he/she wishes to do so.

11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM (and any adjournment of the AGM) by using the procedures described in the CREST Manual (available from [www.euroclear.com](http://www.euroclear.com)). 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.
12. 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'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 a.m. (GMT) on 26 July 2024. 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.
13. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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 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 18(a) of the Uncertificated Securities Regulations 2005 of the Isle of Man (SD No. 754/05).
14. Completion and return the Form of Proxy will not prevent a member from attending the Annual General Meeting and voting in person.
15. If you have any questions relating to return of the Form of Proxy, please contact the Company's registrars via email at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk) or on 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 (GMT), Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the proposals described in this circular nor give any financial, legal or tax advice.
16. Every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative (not being himself a member entitled to vote), shall on a show of hands have one vote and on a poll every member present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote for each share of which he is the holder. An ordinary resolution is passed either (i) on a show of hands by a majority of more than 50 per cent. of the votes cast by such members as are present and eligible to vote at the relevant meeting; or (ii) on a poll of members of the Company by a majority of more than 50 per cent. of the votes cast by members present and eligible to vote at the meeting.
17. Pursuant to Regulation 22(1) of the Uncertificated Securities Regulations 2005 of the Isle of Man (SD No. 754/05), the Company has specified that only those members registered on the register of members of the Company at close of business on 26 July 2024 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the register of members after close of business on 26 July 2024 shall be disregarded in determining the rights of any person to attend and vote at the meeting.
18. Where a corporation is to be represented at the Annual General Meeting by a personal representative, such personal representative must, if requested, provide a certified copy of the resolution of its directors or other governing body authorising the appointment of the representative before being permitted to exercise any power on behalf of the corporation, and the Company has determined that for these purposes such copy of the resolution must be deposited at the Company's registered office address not later than 48 hours before the time appointed for the Annual General Meeting.
19. If the Chairman of the Annual General Meeting, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the UK Financial Conduct Authority ("FCA"). As a result, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the FCA.
20. As at 30 June 2024, being the last practicable date prior to the printing of this Notice of Annual General Meeting, the Company's issued share capital consisted of 10,494,066,144 ordinary shares carrying one vote each.
21. Terms defined in the document of which this Notice form part have the same meaning when used in the Notice including these notes.
22. You may not use any electronic address provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice and supporting information can be found on the Company's website at [www.cegplc.com](http://www.cegplc.com).

