

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 act would constitute a violation of the relevant laws 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.

DIGITALBOX PLC

(Incorporated and registered in England and Wales under number 04606754)

PROPOSED CAPITAL REDUCTION

AND

NOTICE OF GENERAL MEETING

You are recommended to read the whole of this document, but your attention is drawn, in particular, to the letter from the chairman of the Company which is set out on pages 8 to 10 (inclusive) of this document. This letter recommends that you vote in favour of the Resolution to be proposed at the General Meeting. The Directors of Digitalbox plc accept individual and collective responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. The Company and the Directors, whose names appear on page 8 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and this document makes no omission likely to affect the import of such information.

Notice convening a General Meeting of the Company, to be held at Jubilee House, 92 Lincoln Road, Peterborough, PE1 2SN on 15 November 2024 at 8.00 a.m., is set out at the end of this document.

If you hold your Ordinary Shares in certificated form, whether or not you plan to attend the General Meeting, you are encouraged to vote online via the share portal at www.signalshares.com. Votes must be cast and received by the Registrars, Link Group,

by no later than 8.00 a.m. on 13 November 2024 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). Hard copy Forms of Proxy are available upon request from the Registrars and are to be returned to 10th Floor, Central Square, 29 Wellington St, Leeds, LS1 4DL.

If you hold your existing Ordinary Shares in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company's agent (CREST ID: RA10) by no later than 8.00 a.m. on 13 November 2024 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). The completion and return of the Form of Proxy will not prevent you from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so.

Link's Customer Support Centre is available to answer any queries you have in relation to your shareholding or to request a Form of Proxy by phone:

- a. from United Kingdom call 0871 664 0300;
- b. from overseas call +44 (0) 371 664 0300 (calls cost 12p per minute plus your phone company's access charge); and
- c. for calls outside the United Kingdom, you will be charged at the applicable international rate.

Link's Customer Support Centre is open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

The distribution of this document and/or any accompanying documents into jurisdictions other than the United Kingdom may be restricted by law or regulation and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. This document should not be distributed, forwarded to or transmitted in or into the United States, Australia, Canada, the Republic of South Africa, Japan or any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

Copies of this document are available, free of charge, at the registered office of Digitalbox plc and on the Company's website www.digitalbox.com.

Cautionary note regarding forward-looking statements

This document contains statements about Digitalbox plc that are or may be deemed to be "forward-looking statements".

All statements, other than statements of historical facts, included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of Digitalbox plc.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous

assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the Prospectus Regulation Rules and/or the FSMA), Digitalbox plc does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Digitalbox plc or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors of Digitalbox plc at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

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PART I: EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	18 October 2024
Latest time and date for receipt of Forms of Proxy for the General Meeting	8.00 a.m. on 13 November 2024
General Meeting	8.00 a.m. on 15 November 2024
Expected date of initial directions hearing of the Court	29 November 2024
Expected date of Court Hearing to confirm the Capital Reduction	17 December 2024
Expected effective date for the Capital Reduction	Expected to be around 24 December 2024

Notes

1. The expected dates for the confirmation of the Capital Reduction by the Court and the Capital Reduction becoming effective are based on provisional dates that have been obtained for the required Court hearings of the Company's application. These provisional hearing dates are subject to change and dependent on the Court's timetable.
2. The expected effective date for the Capital Reduction assumes the Registrar of Companies registers the court order and the statement of capital by such date.
3. The timetable assumes that there is no adjournment of the General Meeting. If there is an adjournment, all subsequent dates are likely to be later than those shown.
4. References in this document are to London times unless otherwise stated.

PART II: DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

"Act"	Companies Act 2006;
"AIM Rules"	the AIM Rules for Companies, published by the London Stock Exchange plc from time to time;
"Board" or "Directors"	the directors of the Company or any duly appointed committee thereof;
"Business Day"	any day on which banks are usually open in England and Wales for the transaction of sterling business, other than a Saturday, Sunday or public holiday;
"Capital Reduction"	the proposed cancellation of the Company's Share Premium Account pursuant to the resolution 1 as set out in the Notice of General Meeting;
"Capital Reduction Resolution"	the resolution to be proposed at the General Meeting in relation to the proposed Share Premium Account Reduction which is set out in full in the Notice of General Meeting at resolution 1;
"Company" or "Digitalbox"	Digitalbox plc, a company incorporated in England and Wales with registered number 04606754;
"Court"	the High Court of Justice in England and Wales;
"Court Hearing"	the hearing by the Court to confirm the Capital Reduction;
"Court Order"	the order of the Court confirming the Capital Reduction;
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (as amended);
"Effective Date"	the date of the Court Order;
"Form of Proxy"	the form of proxy if requested) this document relating to the General Meeting;

"FSMA"	the Financial Services and Markets Act 2000, as amended;
"General Meeting"	the general meeting of the Company, notice of which is set out at the end of this document and including any adjournment(s) thereof;
"Notice of General Meeting"	the notice of General Meeting, set out in Part V of this document;
"Ordinary Shares"	ordinary shares of 1 pence each in the capital of the Company;
"Registrars"	Link Group, registrars to the Company;
"Resolution"	the resolution to be proposed at the General Meeting in relation to the proposed Share Premium Account Reduction which is set out in full in the Notice of General Meeting at resolution 1;
"Shareholders"	holders of Ordinary Shares;
"Share Premium Account"	the share premium account of the Company;
"Share Premium Account Reduction"	the cancellation of the full amount outstanding to the credit of the Share Premium Account;
"UK"	the United Kingdom of Great Britain and Northern Ireland.

PART III: LETTER FROM THE CHAIRMAN OF THE COMPANY

DIGITALBOX PLC

(Incorporated and registered in England and Wales under number 04606754)

Directors:

Marcus Rich (Non-Executive Chairman)
James Carter (Chief Executive Officer)
Jim Douglas (Chief Operating Officer)
David Joseph (Chief Finance Officer)
Phil Machray (Non-Executive Director)

Registered Office:

Jubilee House,
92 Lincoln Road,
Peterborough,
PE1 2SN

18 October 2024

To Shareholders

Dear Shareholder

PROPOSED CAPITAL REDUCTION

AND

NOTICE OF GENERAL MEETING

1. Introduction

On 2 October 2024 the Company announced that it intended to reduce its Share Premium Account to put the Company in a position where it would have positive distributable reserves.

Under the Act, the Capital Reduction requires the approval of Shareholders through the passing of a special resolution at the General Meeting, and confirmation by the Court.

The General Meeting that will be held at Jubilee House, 92 Lincoln Road, Peterborough, PE1 2SN on 15 November 2024 at 8.00 a.m., to consider the Resolution that will be put to Shareholders to approve.

The purpose of this document is to provide you with information about the Capital Reduction and to explain why the Board considers the Capital Reduction to be in the best interests of the Company and its Shareholders as a whole and unanimously recommends that you vote in favour of the Resolution to be proposed at the General Meeting. Shareholders should note that, unless the Resolution is approved at the General Meeting (and the Court subsequently confirms the Capital Reduction), the Company will not be in a position to have positive distributable reserves available to it.

Part II of this document contains definitions of words and terms that have been used throughout it. Please refer to Part II as you review this document.

2. Background to, and reasons for, the Capital Reduction

Under the Act, a company may, with the sanction of a special resolution passed by its shareholders and confirmation of the Court, reduce or cancel its share capital, share premium account and other reserves. It may then apply the sums resulting from such reduction to its distributable reserves. These sums may then be treated as distributable for the purposes of making future returns to Shareholders.

The Company currently has a Share Premium Account standing to the credit of £11,167,513.

The Act requires that if a company issues shares at a premium to the nominal value of those shares for cash or otherwise, a sum equal to the aggregate amount of the premium must be transferred to the company's share premium account. A share premium account can only be used in very limited circumstances.

The Company plans to reduce the Share Premium Account in full. The Share Premium Account is a statutory reserve which the Court has the power to sanction the reduction or cancellation of.

The Capital Reduction, if approved, will provide the Company with positive distributable reserves.

3. The Capital Reduction

In addition to the approval by Shareholders of the Capital Reduction Resolution, the Capital Reduction requires the approval of the Court. Accordingly, following the General Meeting, an application will be made to the Court in order to confirm and approve the Capital Reduction.

In providing its approval of the Capital Reduction, the Court may require measures to be put in place for the protection of creditors (including contingent creditors) of the Company whose debts remain outstanding on the relevant date, except in the case of creditors which have consented to the Capital Reduction. Such creditor protection measures may include seeking the consent of the Company's creditors to the Capital Reduction or the provision by the Company to the Court of an undertaking to deposit a sum of money into a blocked account created for the purpose of discharging the non-consenting creditors of the Company or an undertaking to treat as undistributable for the time being certain sums representing the realisation of "hidden value" in the balance sheet as at the Effective Date.

It is anticipated that the initial directions hearing in relation to the Capital Reduction will take place on 29 November 2024, with the final Court Hearing taking place on 17 December 2024 and the Capital Reduction becoming effective following the necessary registration of the Court Order at Companies House.

There will be no change in the number of Ordinary Shares in issue (or their nominal value) following the implementation of the Capital Reduction and no new share certificates will be issued as a result of the Capital Reduction. The Capital Reduction itself will not involve any distribution or repayment of capital or share premium by the Company and will not reduce

the underlying net assets of the Company.

Shareholders should note that if, for any reason, the Court declines to approve the Capital Reduction, the Capital Reduction will not take place. The Board reserves the right to abandon or to discontinue (in whole or in part) the application to the Court in the event that the Board considers that the terms on which the Capital Reduction would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or its Shareholders as a whole. The Board has undertaken a thorough and extensive review of the Company's liabilities (including contingent liabilities) and considers that the Company will be able to satisfy the Court that there is no real likelihood that any creditor of the Company would be prejudiced by the Capital Reduction.

4. General Meeting and Resolution

The Notice of General Meeting is set out in Part IV of this document.

The General Meeting that will be held at Jubilee House, 92 Lincoln Road, Peterborough, PE1 2SN on 15 November 2024 at 8.00 a.m. At the General Meeting, the Resolution set out in Part V of this document will be proposed to Shareholders.

The Resolution is a special resolution and will be passed if 75% or more of the votes cast (in person or by proxy) at the General Meeting are in favour of it and provides that subject to confirmation of the Court, Share Premium Account be cancelled.

5. Action to be taken in respect of the General Meeting

Shareholders are encouraged to vote online at www.signalshares.com for the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to vote online in accordance with the instructions printed thereon as soon as possible. To be valid, completed Proxy instructions must be received by the Company's Registrars, Link Group, by not later than 8.00 a.m. on 13 November 2024 or 48 hours (excluding any part of a day that is not a Business Day) before any adjourned General Meeting. Completion of the Form of Proxy in hard copy or online will not preclude you from attending the meeting and voting in person if you so wish.

6. Recommendation

The Directors consider that the Capital Reduction to be 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, as they intend to do in respect of their aggregate shareholdings, of 22,966,156 Ordinary Shares representing approximately 19.5% of the Ordinary Shares in issue at the date of this document.

Yours faithfully

Marcus Rich

Non-executive Chairman

PART IV: NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Digitalbox plc ("the Company") will be held at Jubilee House, 92 Lincoln Road, Peterborough, PE1 2SN on 15 November 2024 at 8.00 a.m. for the following business will be proposed as a special resolution:

Special Resolution

- 1 That, subject to the confirmation of the High Court of Justice in England and Wales, the amount standing to the credit of the Company's share premium account be cancelled in its entirety and the amount of such cancellation be and is hereby credited to the reserves of the Company.

Registered Office
Jubilee House,
92 Lincoln Road,
Peterborough
PE1 2SN

By Order of the Board

David Joseph
*Chief Financial Officer and Company
Secretary*

Dated 18 October 2024

Notes to the Notice of General Meeting

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting and at any adjournment of it. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. If a proxy appointment is submitted without indicating how the proxy should vote on any resolution, the proxy will exercise his discretion as to whether and, if so, how he votes.
2. A proxy need not be a member of the Company. However, members are encouraged to appoint the chairman of the meeting as their proxy **online** or request a proxy form from the Registrars, which may be used to make such appointment and give proxy instructions. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Link Group. Members may also appoint a proxy through the CREST electronic proxy appointment service as described in note 9 below.

3. To be valid, any vote cast or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand by Link Group no later than 8.00 a.m. on 13 November 2024 (or, in the event of any adjournment, no later than 2 p.m. on the date which is two days before the time of the adjourned meeting (weekends and public holidays excluded)), together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or authority.
4. The return of a completed proxy form, other such instrument or any CREST proxy instruction (as described in note 9(a) below) will not prevent a member attending the meeting and voting in person if he/she wishes to do so.
5. A vote withheld option is provided on the form of proxy or via the portal to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'for' and 'against' a resolution.
6. To be entitled to attend and vote at the meeting (and for the purpose of the determination by the company of the votes they may cast), members must be registered in the register of members of the Company by 5:30 p.m. on 13 November 2024 (or, in the event of any adjournment, 5:30 p.m. on the date which is two days before the time of the adjourned meeting (weekends and public holidays excluded)). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. 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).
8. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for this meeting 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. You may appoint a proxy by completing and transmitting a CREST Proxy Instruction to the Registrars (Crest Participant ID: **RA10**) so that it is received no later than 8.00 a.m. on 13 November 2024. Please note the following:
 - (a) in order for a proxy appointment or instruction made using the CREST service 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, regardless of whether it constitutes the appointment of a proxy or is 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 issuer's agent by the latest time(s) for receipt of proxy appointments specified in this notice. For this purpose, the time of receipt will be taken to be the

time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means;

- (b) 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 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; and
 - (c) 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. Shareholders can submit their vote electronically at www.signalshares.com by completing the authentication requirements on the website so as to be received by 8.00 a.m. on 13 November 2024 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a business day)).
 11. As at the close of business on the date immediately preceding this notice, the Company's issued share capital comprised 117,923,393 Ordinary Shares. Each Ordinary Share carries the right to vote at the meeting and, therefore, the total number of voting rights in the Company as at close of business on the date immediately preceding this notice is 117,923,393.
 12. 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.
 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's registrars. In the case of a member which is a company, the revocation notice must be executed in accordance with note 12 above. 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 and must be received by the Company's registrars not less than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the holding of the meeting or any adjourned meeting (or in the case of a poll before the time appointed for taking the poll) at which the proxy is to attend, speak and to vote. 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.

14. Any Shareholder attending the meeting has the right to ask questions. Pursuant to section 319A of the Act, the Company must cause to be answered at the meeting any question relating to the business being dealt with at the meeting that is put by a Shareholder attending the meeting, except in certain circumstances (for example if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information).