

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS DOCUMENT CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE TRADING OF ORDINARY SHARES ON AIM.**

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

If you have sold or transferred all of your Ordinary Shares in SEC Newgate S.p.A., please send this document and other relevant documents immediately to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. This document and other relevant accompanying documents should not, however, be forwarded or transmitted in or into the United States, Canada, Republic of South Africa, Japan or to any jurisdiction in which the distribution of this document may be restricted by law. This document does not constitute personal advice for the purposes of the Corporations Act 2001 (Cth). The Company does not hold an Australian Financial Services Licence and is not licensed to provide financial product advice in relation to its Ordinary Shares.

The distribution of this document in jurisdictions other than the UK and Italy may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of these restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities law of any such jurisdiction.

The Directors (whose names and functions appear on page 5 of this document) and the Company (whose registered office is Via Ferrante Aporti 8, 20125 Milan, Italy) accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (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 does not omit anything likely to affect the import of such information.

This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Companies Act 2006 or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the prospectus rules made by the FCA pursuant to section 73A of the FSMA or approved by the FCA or any other competent authority.

---

## **SEC Newgate S.p.A.**

*(Incorporated under the laws of Italy and registered in Italy with registered number 09628510159)*

### **Cancellation of admission of Ordinary Shares to trading on AIM Buy-back to purchase up to 9,168,882 Ordinary Shares**

**and**

### **Notice of General Meeting**

---

**This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 of this document and which contains, amongst other things, details of the Delisting, the Buy-back and the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.**

The return of cash to Shareholders is being implemented, in the period prior to Delisting, by way of an on-market Share Purchase Plan programme for Ordinary Shares. Should any Minority Shareholders remain in the corporate capital of the Company after completion of the Delisting, the Buy-back will continue post-Delisting (for an overall period of 90 days).

Arden Partners plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as nominated adviser and broker to the Company in connection with the matters described in this document and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Arden Partners plc or for advising any other person in respect of any transaction, matter or arrangement referred to in this document. Arden Partners plc's responsibilities as the Company's nominated adviser and broker are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire or sell shares in the Company in reliance on any part of this document.

No person has been authorised to give any information or make any representation other than those contained in this Circular and if given or made, such information or representations must not be relied upon as having been so authorised. The delivery of this Circular shall not, under any circumstances, create any implications that there has been no change in the affairs of the Company since the date of this Circular or that the information in it is correct as of any subsequent time.

Apart from the responsibilities and liabilities, if any, which may be imposed on Arden Partners plc by the FSMA or the regulatory regime established thereunder, Arden Partners plc does not accept any responsibility whatsoever for the contents of this document, and no representation or warranty, express or implied, is made by Arden Partners in relation to the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Ordinary Shares. To the fullest extent permissible Arden Partners plc accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

**Holders of Ordinary Shares and CDIs should review this Circular carefully.**

Notice of a General Meeting of SEC Newgate S.p.A., to be held at 11:00 a.m. (CET) / 10:00 a.m. (UK) on 10 February 2022, is set out at the end of this document. Shareholders with voting rights have the right to attend the Shareholders' Meeting. Pursuant to article 83-sexies of Legislative Decree no. 58/98, the entitlement to participate in the Shareholders' Meeting and to vote is subject to the receipt by the Company of the notice issued by an authorised intermediary in accordance with current legislation. Therefore, we invite the Shareholders holding CDIs, representing SEC Newgate S.p.A. Ordinary Shares, listed on AIM to contact the intermediary where the CDIs are deposited ("CDI Intermediary"). The Company must receive voting instructions from the CDI Intermediary by no later than 1 February 2022, being the end of the seventh trading day prior to the date set for the Shareholders' Meeting on first call. However, the right of CDI Holders to attend and vote remains unaffected if the communications are received by the Company from the CDI Intermediary after the aforesaid deadline, provided that they are received before the beginning of the proceedings of the shareholders' meeting of the first call.

Pursuant to Article 106, paragraph 2, of D. L. no. 18 of March 17, 2020 on "Measures to strengthen the National Health Service and economic support for families, workers and businesses related to the epidemiological emergency from COVID-19", converted with amendments into Law no. 27 of April 24, 2020, whose effectiveness has been last extended by Decree-Law no. 228 of December 20, 2021 (the "Decree"), the Shareholders' Meeting will be held exclusively by means of telecommunications that will ensure the identification of participants, their participation and the exercise of voting rights, without in any case the need for the chairman and the secretary taking the minutes to be in the same place. Voting procedures by correspondence or electronic means are not envisaged. The Company will provide the shareholders' entitled to attend the Shareholders' Meeting and exercise their voting rights with appropriate instructions to allow access to the meeting after identifying the participants. Those entitled to participate in the Shareholders' Meeting and exercise their voting rights must send a request to the address [segrp@legalmail.it](mailto:segrp@legalmail.it) enclosing the aforementioned documentation certifying their entitlement to participate in the Shareholders' Meeting and exercise their voting rights pursuant to Article 83-sexies of Legislative Decree no. 58/98, with an Identification Document (in case of a legal entity, copies of the documentation proving the powers of representation to be attached). To facilitate the verification activities, the Company recommends that the documentation should be sent promptly and in any case by 9 February 2022. The Company may ask for further documentation for the purpose of identifying shareholders entitled to take part in the shareholders' meeting and exercise voting rights.

#### VOTING BY PROXY

Those entitled to vote may appoint a representative in the Shareholders' Meeting by providing a written proxy, in accordance with the laws and regulations in force. To this end, a proxy form is available on the website [www.secnewgate.com](http://www.secnewgate.com) (section "Investors" / in RECENT SHAREHOLDER COMMUNICATIONS) or at the Company's registered office. The proxy must be notified to the Company, by 9 February 2022 and in sufficient time to enable it to collect the proxies, by sending it by registered mail to the Company's registered office, via Ferrante Aporti 8, 20125 Milan, or by sending it to the certified mail address [segrp@legalmail.it](mailto:segrp@legalmail.it). It is necessary that the original proxy form is sent to the Company.

The terms and conditions of the participation at the Shareholders' Meeting described in this Circular and the Notice of General Meeting may be subject to changes and/or additions in relation to the COVID-19 (CoronaVirus) health emergency measures. Any change and/or addition to the information contained in this notice of call will be made available through the website [www.secnewgate.com](http://www.secnewgate.com) (section "Investors" / in Shareholders' Meetings) and in the other ways required by law.

Hard copies of this Circular will be made available at the registered office of the Company.

Dated: 25 January 2022

A copy of this document is available at the Company's website [www.secnewgate.com](http://www.secnewgate.com).

## IMPORTANT NOTICE

### Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this document.

### Notice to overseas persons

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

### Presentation of financial information

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to "pounds sterling", "£", "pence" and "p" are to the lawful currency of the United Kingdom and references to "Euro" or "€" are to the lawful currency of the European Union.

### Presentation of market, economic and industry data

Where information contained in this document originates from a third party source, it is identified where it appears in this document together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### No incorporation of website information

The contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this document and Shareholders should not rely on them.

### Interpretation

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading "Definitions".

All times referred to in this document are, unless otherwise stated, references to Central European Time (CET).

All references to legislation in this document are to the legislation of England and Wales or Italy (as applicable) unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

## CONTENTS

DIRECTORS, SECRETARY AND ADVISERS .....	5
EXPECTED TIMETABLE OF PRINCIPAL EVENTS.....	6
DEFINITIONS .....	7
PART 1 LETTER FROM THE CHAIRMAN OF SEC NEWGATE S.p.A. ....	9
PART 2 FURTHER INFORMATION ON THE SHARE PURCHASE PLAN .....	19
NOTICE OF GENERAL MEETING .....	21

## DIRECTORS, SECRETARY AND ADVISERS

### Directors

John Foley  
Fiorenzo Tagliabue  
Luigi Ferdinando Roth  
Emma Kane  
Brian Tyson  
Tom Parker  
Sergio Penna  
Andrea Cornelli  
Mark Henry Glover  
Paola Bruno  
David Mathewson

All of whose business address is at the Company's registered and head office

### Registered and Head Office

Via Ferrante  
Aporti 8  
20125 Milan  
Italy

### Company website

[www.secnewgate.com](http://www.secnewgate.com)

### Company Secretary

Maurizio Maione

### Nominated Adviser and Broker

Arden Partners plc  
125 Old Broad Street  
London  
EC2N 1AR

### English Legal Advisers to the Company

Osborne Clarke LLP  
One London Wall  
London  
EC2Y 5EB

### Italian Legal Advisers to the Company

ADVANT Nctm  
Nctm Studio Legale  
Via Agnello 12  
20121 – Milano

### Registrar

Monte Titoli S.P.A.  
P.za degli Affari, 6,  
20123 - Milano

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2022

Announcement of the proposed De-Listing and Share Buy-back	19 January 2022
Date of this document	25 January 2022
Latest date for receipt of voting instructions from CDI Holders	1 February 2022
Latest date for receipt of proxy form from Shareholders holding shares in certificated form	9 February 2022
General Meeting	10 February 2022 at 11:00 a.m.
Commencement of Buy-back	17 February 2022
End of Buy-back through on-market purchases	2 March 2022
Cancellation of admission of Ordinary Shares to trading on AIM (Delisting)	7 March 2022
Commencement of Buy-back through off-market facility	8 March 2022
End of Buy-back Period <sup>3</sup>	18 May 2022

### Notes:

1. *Each of the above times and/or dates is subject to change at the absolute discretion of the Company and Arden Partners. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.*
2. *References to times in this timetable are to CET time unless otherwise stated.*
3. *The Company reserves the right to extend the Buy-back following the end of the Buy-back Period.*

## DEFINITIONS

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

"AIM"		the AIM Market operated by the London Stock Exchange
"AIM Rules"		the AIM Rules for Companies published by the London Stock Exchange from time to time
"Arden Partners"		Arden Partners plc, the Company's nominated adviser and broker
"Buy-back"		purchase by the Company, pursuant to a share purchase plan, of up to 9,168,882 Ordinary Shares at 111.32p per Ordinary Share
"Buy-back Period"		90 days period from the commencement of the Buy-back
"Buy-back Price"		111.32p per Ordinary Share
"Bylaws"		the bylaws of the Company, as amended from time to time
"CDI Holders"		the holder(s) of CDIs from time to time and "CDI Holder" means any one of them
"CDIs"		CREST depository interests issued by CREST Depository Limited in respect of Ordinary Shares
"Company" or "Newgate"	"SEC"	SEC Newgate S.p.A., a company incorporated under the laws of Italy and registered in Italy with registered number 09628510159
"Contributing Shareholders"		certain existing management and key shareholders of SEC Newgate holding, in aggregate, 76.57% of the Existing Ordinary Shares
"CREST"		the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
"CREST Regulations"		the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755)
"CTA 2010"		the Corporation Tax Act 2010, as amended
"Delisting"		the cancellation of admission of the Ordinary Shares to trading on AIM
"Directors" or "Board"		the directors of the Company whose names are set out on page 5 of this document, or any duly authorised committee thereof
"Euroclear"		Euroclear UK & Ireland Limited, the operator of CREST
"Existing Ordinary Shares"		the 24,710,922 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
"FCA"		the UK Financial Conduct Authority
"Framework Contribution Agreement"	and	the framework and contribution agreement that contains the terms and conditions of the Transaction signed on 18 January 2022 by and between THCP, TH Ambrogio, Fiorenzo Tagliabue, Retro Grand, Hawk and the Company
"FSMA"		the Financial Services and Markets Act 2000 (as amended)

"General Meeting"	the general meeting of the Company to be held at 11.00 a.m. (CET) / 10:00 a.m. (UK) on 10 February 2022, notice of which is set out at the end of this document
"Group"	the Company, its subsidiaries and its subsidiary undertakings
"Hawk"	Hawk Investment Holdings Limited
"Independent Directors"	Paola Bruno, Luigi Ferdinando Roth, David Mathewson, Sergio Penna and Tom Parker
"TA 2007"	the Income Tax Act 2007, as amended
"London Stock Exchange"	London Stock Exchange plc
"Minority Shareholders"	holders of Ordinary Shares excluding the Contributing Shareholders
"NewCo"	a newly-incorporated private vehicle into which the Contributing Shareholders will contribute their SEC Newgate's shares
"Notice of General Meeting"	the notice convening the General Meeting which is set out at the end of this document
"Ordinary Shares"	ordinary shares in the capital of the Company
"Overseas Shareholder"	a Shareholder who is resident in, or a citizen of, a jurisdiction outside the UK
"Regulatory Information Service"	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA's website
"Resolutions"	the resolution set out in the Notice of General Meeting
"Retro Grand"	Retro Grand Limited
"Shareholders"	holders of Ordinary Shares or CDIs
"Takeover Code"	The City Code on Takeovers and Mergers
"TH Ambrogio"	TH Ambrogio S.r.l.
"THCP"	Three Hills Capital Partners S.A., acting as general partner of the Three Hills Capital Solutions III fund
"Transaction"	has the meaning given to it in Part 1
"UK"	the United Kingdom of Great Britain and Northern Ireland
"US" or "United States"	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction

**PART 1**  
**LETTER FROM THE CHAIRMAN OF SEC NEWGATE S.p.A.**

## SEC Newgate S.p.A.

*(Incorporated under the laws of Italy and registered in Italy with registered number 09628510159)*

*Directors:*

John Foley	<i>Non-Executive Chairman</i>
Luigi Ferdinando Roth	<i>Deputy Non-Executive Chairman</i>
Fiorenzo Tagliabue	<i>Chief Executive Officer</i>
Emma Kane	<i>Deputy Chief Executive Officer</i>
Brian Tyson	<i>Deputy Chief Executive Officer</i>
Tom Parker	<i>Deputy Chief Executive Officer</i>
Sergio Penna	<i>Deputy Group Chief Financial Officer</i>
Andrea Cornelli	<i>Executive Director</i>
Mark Henry Glover	<i>Executive Director</i>
Paola Bruno	<i>Non-Executive Director</i>
David Mathewson	<i>Non-Executive Director</i>

*Registered office:*

Via Ferrante  
Aporti 8  
20125 Milan

25 January 2022

*To all Shareholders*

Dear Shareholder,

**Cancellation of admission of Ordinary Shares to trading on AIM**  
**Buy-back to purchase up to 9,168,882 Ordinary Shares**

and

**Notice of General Meeting**

**1. Introduction and summary**

On 19 January 2022, the Company announced its intention to seek shareholder approval for the cancellation of the Company's Ordinary Shares to trading on AIM.

It also announced that it had entered into financing arrangements and certain related agreements with Three Hills Capital Partners S.A., acting as general partner of the Three Hills Capital Solutions III fund to provide €49 million funding for the future strategy and growth of SEC Newgate and its subsidiaries (inclusive of the Buy-back financing) conditional upon the Delisting (the "**Transaction**"). In addition, the Company has entered into agreements to restructure the Inveready convertible bonds, Retro Grand convertible loan and Hawk discounted capital bond.

The Transaction is conditional upon Delisting. Delisting is expected to occur on or around 7 March 2022, with completion of the Transaction to follow thereafter.

In addition the Company proposes to provide Shareholders with an opportunity to realise all or some of their investment in the Company. Subject to the approval of the Resolutions to be proposed at the General Meeting, SEC Newgate will establish a share purchase plan to buy back Ordinary Shares for a period of 90 days. Under the Buy-back SEC Newgate will instruct Arden Partners to make, in the period before Delisting, on-market purchases of the Company's Ordinary Shares at a fixed price of 111.32p per share. Following Delisting, the Buy-back shall continue through a matched bargain facility or a similar facility to be implemented by the Company. Further details of the Buy-back are set out in this Circular. The Company reserves the right to extend the Buy-back following the end of the Buy-back Period.

The Company requires authority from Shareholders for Delisting and to purchase Ordinary Shares pursuant to the Buy-back and this is being sought at the General Meeting to be held at 11:00 a.m. (CET) on 10 February 2022.

Minority Shareholders are not obliged to sell any or all of their Ordinary Shares in the Buy-back if they do not wish to do so. **However, Minority Shareholders should be aware that if the Resolutions are approved by the requisite majority and they do not sell their Ordinary Shares pursuant to the Buy-back (or otherwise) prior to the Delisting they will not receive cash for their Ordinary Shares prior to the Delisting and the admission of the Ordinary Shares to trading on AIM will be cancelled. Accordingly, they will hold their Ordinary Shares in an unlisted company. While, following Delisting, the Buy-back will continue until the end of the Buy-back Period and Ordinary Shares will remain freely transferable, it is likely that the liquidity and marketability of the Ordinary Shares will, in the future, be constrained and the value of the Ordinary Shares may be adversely affected as a consequence.**

Shareholders should note that irrevocable commitments have been received for 76.57% of SEC Existing Ordinary Shares to contribute their Ordinary Shares into NewCo, a private vehicle to be incorporated, and to vote in favour of the Delisting.

Should any Minority Shareholders remain in the corporate capital of SEC after completion of the Delisting, the Buy-back will continue post-Delisting (for an overall period of 90 days) as further described in this Circular.

Any Ordinary Shares purchased by the Company pursuant to the Buy-back will either be cancelled or retained in Treasury and eventually disposed of in accordance with the resolution that will be taken by the shareholders' meeting. The Board is making no recommendation to Shareholders in relation to Buy-back. The Board is unanimously recommending Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares.

**The purpose of this document is, amongst other things, to provide you with information about the background to and the reasons for the proposed Delisting and return of capital pursuant to the Buy-back, certain action to be taken by Shareholders and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.**

## **2. Background, Proposals and Future Strategy**

Following the merger of SEC S.p.A. with Porta Communications Plc in September 2019 to create SEC Newgate, a primary objective of the Group has been to establish a strong presence in the United States and Latin America, to complement the Group's continuing acquisition strategy and organic growth momentum in strategic areas of the world, in particular in Europe and Asia Pacific.

The US comprises the world's largest market for the communications industry, where many major global players are head-quartered or maintain a robust business base. A strong presence in the United States would allow SEC Newgate to provide a consistent and seamless service in the corporate and institutional domains along the Washington-New York-London-Brussels-Hong Kong-Beijing axis.

In order to pursue this strategic ambition, the Company has entered into a "Framework and Contribution Agreement" with THCP, a European mid-market private equity investment firm, to provide the capital and resources to, inter alia, pursue potential acquisitions in these key markets.

The Transaction is conditional upon, *inter alia*, the Delisting, further details of which are set out below.

Pursuant to the Transaction: (i) certain SEC Newgate shareholders comprising, in aggregate, 76.57% of the Existing Ordinary Shares have irrevocably committed to vote in favour of the Delisting and to contribute their Ordinary Shares to a newly-incorporated private vehicle ("**NewCo**") to be established by an affiliate of THCP and (ii) THCP has undertaken, *inter alia*, to provide certain agreed funding to SEC Newgate and NewCo.

Shareholders comprising the balance of 23.43% Ordinary Shares will not be able to contribute their Ordinary Shares into NewCo. In order to provide an exit opportunity for those Shareholders, should they so wish, the Company will, subject to the passing of the Resolutions, implement a programme to buy back such shares at a fixed price of 111.32p, representing a premium of 29% to the SEC Newgate share price of 86.5p at the close of trading on 18 January 2022, being the last practicable date prior to the date of the announcement of the Transaction on 19 January 2022. The Buy-back will be funded through the SEC Bond for an amount of €12.5 million provided by THCP.

**Shareholders' attention is drawn to Part 2 of this document, containing further details of the Buy-back and its terms and conditions, including the relevant duration.**

In connection with the Transaction there may be restructuring of the shareholdings of SEC Newgate's non-wholly owned subsidiaries.

### **3. Framework and Contribution Agreement**

On 18 January 2022, the Framework and Contribution Agreement was entered into between the Company, Fiorenzo Tagliabue, Retro Grand Limited ("**Retro Grand**"), Hawk Investments Limited ("**Hawk**"), THCP and an affiliate of THCP, TH Ambrogio S.r.l. ("**TH Ambrogio**").

The purpose of the Framework and Contribution Agreement is to govern the terms and conditions of the Transaction, including, among other things, the Delisting, Buy-back, Contribution and issuance of the SEC Bond and the NewCo Bond. It also governs the relationship between the parties as direct shareholders of NewCo and indirect shareholders of SEC Newgate, following completion of the Transaction.

Pursuant to the terms of the Framework and Contribution Agreement, completion of the Transaction is conditional upon the Delisting having become effective, the relevant parties having duly complied with their obligations under the Framework and Contribution Agreement and no event having occurred triggering a mandatory prepayment event or an event of default under the SEC Bond.

The Framework and Contribution Agreement provides that:

- (A) a shareholders' meeting of SEC Newgate shall be called to approve (i) the Delisting pursuant to article 13 of the SEC Newgate's by-laws and the AIM Rules, requiring the approval of 75% of the shareholders present and voting at the meeting; (ii) authority to purchase Ordinary Shares pursuant to Article 2357 et seq. of the Italian Civil Code in order to facilitate the Buy-back;
- (B) if the Delisting is approved at the General Meeting, the Buy-back will be launched pursuant to which SEC Newgate will carry out a buy-back of a maximum of 9,168,882 Ordinary Shares (inclusive of the Inveready Shares, as detailed further below), allowing all Shareholders who are not participating in the Contribution to sell their Ordinary Shares. The Buy-back will be available for 90 days from launch;
- (C) the Buy-back will be funded through the issuance of a bond of €12.5 million, to be issued by SEC Newgate and subscribed and paid for by THCP ("**SEC Bond**"). Any unused amount of the SEC Bond as of the end date of the Buy-back Period (the "**Unused Amount of the SEC Bond**") to be applied to redeem a corresponding amount of the SEC Bond;
- (D) Retro Grand undertakes to convert the Retro Grand Convertible Loan;
- (E) following the completion of the Delisting:
  - (i) Fiorenzo Tagliabue and Retro Grand together with certain existing management and key shareholders of SEC Newgate ("**Contributing Shareholders**") will contribute their Ordinary Shares ("**Contribution**") into a newly incorporated vehicle ("**NewCo**") wholly owned by TH Ambrogio. As a result of the Contribution, 28% of the corporate capital of NewCo shall remain with TH Ambrogio while the remaining 72% stake will be held, pro quota, by the Contributing Shareholders;
  - (ii) NewCo will issue a bond for an amount of Euro 36.5 million (as possibly increased by an amount corresponding to any Unused Amount of the SEC Bond) ("**NewCo Bond**") that will be entirely subscribed and paid for by THCP and NewCo will use the proceeds of such bond (a) partly, to subscribe and pay for a corporate capital increase of SEC Newgate; and (b) partly, to grant to SEC Newgate a shareholder loan. The proceeds of the capital increase and the shareholder loan will be used by SEC Newgate to pursue its M&A strategy. The share structure of SEC Newgate and the

percentage dilution of the shareholders as a result of the capital increase will be disclosed in the documentation to be provided by the SEC Newgate pursuant to article 2441 of the Italian Civil Code;

- (F) a management incentive package ("**MIP**") for key managers shall be put in place following completion of the Transaction.

#### 4. **NewCo Bond and SEC Bond**

The SEC Bond proceeds will be used to fund the Buy-back and will bear (i) simple interest at the rate of 3.0% p.a. payable in cash semi-annually, (ii) simple interest at the rate of 5.0% p.a. payable at maturity, and (iii) an arrangement fee; with a maturity date of 6 years from the issuance.

Any unused amount of the SEC Bond as of the end date of the Buy-back Period (i.e., 90 days) will be applied to redeem a corresponding amount of the SEC Bond.

SEC Newgate may repay the SEC Bond at any time without penalties (subject to a non-call provision, i.e., in case of prepayment during the first 3 years, interest will be due up to the expiration of the third year).

The NewCo Bond terms and conditions are substantially identical to those of the SEC Bond.

#### 5. **Directors' and certain other shareholders' intentions regarding the Transaction and voting at the General Meeting**

As set out above, the Contributing Shareholders have irrevocably committed to contribute their Ordinary Shares into NewCo, comprising in aggregate 18,920,355 Ordinary Shares, being 76.57% of the Existing Ordinary Shares, as set out in the table below. Furthermore, the Contributing Shareholders have irrevocably committed to vote in favour of the Resolutions to be proposed at the General Meeting to be convened to implement the Transaction.

Shareholder		Number of Ordinary Shares	Percentage of Existing Ordinary Shares
Fiorenzo Tagliabue (" <b>FT</b> ")	Director	8,092,515	32.75%
Silvia Mazzucca	Spouse of FT	647,000	2.62%
John Robert Foley	Director	64,015	0.26%
Emma Kane	Director	574,271	2.32%
Bryan Tyson	Director	51,241	0.21%
Mark Glover	Director	110,702	0.45%
Andrea Cornelli	Director	100,000	0.40%
Retro Grand Limited		6,085,183	24.63%
Hawk Investments Ltd		846,698	3.34%
Other Shareholders		2,348,730	9.50%

<sup>1</sup> Retro Grand Limited holding as of the date of this document. At the closing of the Transaction, Retro Grand Limited will also contribute into NewCo the 344,953 new Ordinary Shares resulting from the conversion of the Loan, as set out further below.

#### 6. **Inveready Bond, Retro Grand Loan and Hawk Bond variation agreements**

On 18 January 2022, Inveready Convertible Finance I, F.C.R., Inveready Convertible Finance Capital Scr Sa (jointly "**Inveready**"), the Company and Newgate Communications Limited, entered into an agreement ("**Inveready Agreement**") pursuant to which the conversion terms of the 3.5% Bonds 2020-2027 issued on 4 March 2020 and convertible into Ordinary Shares ("**Inveready Bonds**"), have been amended. Subject to (i) the Board of Directors of the SEC Newgate approving the final terms of the Transaction; and (ii) the Shareholders general meeting of SEC Newgate having approved the (A) the Delisting and (B) the Buy-back, upon conversion of the Inveready Bonds the Company's shall issue, in aggregate, 3,378,315 new Ordinary Shares ("**Inveready Shares**"). Furthermore, SEC Newgate has irrevocably and unconditionally agreed to buy back from Inveready all 3,378,315 new Ordinary Shares issued upon conversion of the Inveready Bonds at an aggregate purchase price of Euro 4,500,000 (representing a price of 111.32p per Ordinary Share). The Inveready Shares shall be issued and bought back immediately following the Delisting. Failure by the Company to deliver the Inveready Shares, perform its obligations under the Inveready Agreement or pay the purchase price for the Inveready Shares each constitute an event of default under the terms of the Inveready Agreement. If an event of default occurs under the Inveready Agreement then the Company shall be required to pay Inveready the amount of Euro 4,500,000 or of Euro 6,000,000 (in case of the failure to pay the purchase price after conversion by the closing date). Upon payment of such amount the Bonds shall be finally cancelled.

On 18 January 2022, UKFH (previously known as Porta Communication Plc) ("**UKFH**"), the Company and Retro Grand Limited ("**Retro Grand**") entered into a deed of variation ("**Retro Grand Variation**") in relation to the conversion terms of the Convertible Loan Agreement Undertaking dated 11 June 2019 ("**Loan**") pursuant to which

they have agreed that (i) conditional on and immediately following completion of the Transaction, UKFH will transfer its rights, obligations and liabilities to the Company and the Company will assume the same ("**Transfer**"), including the debt due from UKFH to Retro Grand pursuant to the Loan with UKFH's full release effective against Retro Grand and following such transfer, Retro Grand will release UKFH from all of its obligations under the Loan; and (ii) conditional on and simultaneously with completion of the Transaction and the Transfer, the conversion of the residual amount of the capital due on the Loan, being £383,600.73 into 344,593 new Ordinary Shares (representing a conversion price of 111.32p).

On 18 January 2022, UKFH and Hawk Investments Holding Limited entered into a deed of variation and waiver ("**Hawk Variation**") relating to the Discounted Capital Bond dated 3 August 2017 ("**Hawk Bond**") pursuant to which they have agreed among other things, (i) to extend the redemption date referred to in the Hawk Bond from 14 April 2023 to 23 April 2026 and (ii) to ensure that the Company will pay to Hawk Investments Holding Limited an arrangement fee in respect of the variation of the Hawk Bond in an amount equivalent to 1 per cent. of the outstanding amount of the Hawk Bond, which will be paid by 31 March 2022.

## **7. Related Party Transactions**

Fiorenzo Tagliabue is a director of SEC Newgate and substantial shareholder. Morton PTC Limited, as the trustee of the Edward Morton Family Trust, is the legal owner of Retro Grand (a substantial shareholder of the Company), and as the trustee of the Morton Family Trust, is the legal owner of Hawk. As a result, the entering into the Framework and Contribution Agreement and the contribution of Ordinary Shares into NewCo by those related parties constitute related party transactions pursuant to Rule 13 of the AIM Rules. In addition, the Retro Grand Variation and Hawk Variation constitute related party transactions pursuant to Rule 13 of the AIM Rules.

John Foley, Emma Kane, Brian Tyson, Mark Glover and Andrea Cornelli (each, SEC Newgate directors) and Silvia Mazzucca (spouse of Fiorenzo Tagliabue) are related parties under the AIM Rules. As a result, the commitments for the contribution of SEC shares into NewCo by those related parties constitute related party transactions pursuant to Rule 13 of the AIM Rules.

Accordingly, the independent Directors of the Company (being David Mathewson, Paola Bruni, Luigi Roth, Sergio Penna and Tom Parker), having consulted with the Company's Nominated Adviser, Arden Partners, consider that the terms of these transactions are fair and reasonable in so far as the Company's shareholders are concerned.

## **8. Current Trading**

The Company expects a strong performance for the year ended 31 December 2021, significantly ahead of budget forecasts, with over €1m of EBITDA delivered during November alone.

Unaudited consolidated results (pre-minority interests) for the 11 months to November 2021 showed revenue of €78.6m, EBITDA of €10.6m and a PBT of €5.8m. In the same period, organic consolidated results (excluding acquisitions) showed revenues of €68.1m, EBITDA of €9.7m and PBT of €5.0m.

All major business segments have continued to deliver strong performances over the last two quarters.

At the end of 2021 the transfer of shares from Twister Group to SEC Newgate was completed and SEC Newgate will therefore consolidate the figures for SEC Newgate ME, based in Dubai, from 1 January 2022.

Particular new business achievements include securing a three-year project funded by the EU aimed at promoting Italian food abroad; the project covers 11 countries and is worth about €5m over its term. The Company believes this project creates a solid track record ahead of future EU-funded tenders, and highlights the increasing trend in cross selling and intercompany business which accounted for over €300k of profit in the last quarter, with further significant prospects in the pipeline.

## **9. Delisting and Buy-back**

### **a.) Reasons for Delisting**

The Company believes that the Transaction and, consequently, the Delisting is the most appropriate means to achieve the Group's strategy, and has taken the following into consideration.

1. The Group requires additional financial resources in order to pursue its strategic and growth ambitions to grow in certain strategic areas of the world, primarily in the United States - where it launched a successful start-up

in July 2020. SEC Newgate believes that its presence in the US should be more significant in order to become a recognised international player – and also in other strategic markets, for example Latin America.

2. The Board considers that the Company would not be able to raise sufficient funds on the capital markets, in order to support the envisaged growth.
3. The Transaction would provide certainty of financial resources to the Group.
4. The Directors believe that the market has not been able to properly appreciate the value created since the merger of SEC S.p.A. and Porta Communications Group Plc in September 2019, which created a more profitable business and a significant international footprint and platform to tackle new opportunities.
5. Trading volumes in the Ordinary Shares on AIM have been low. As a consequence, Shareholders often have difficulty trading their Ordinary Shares and trading can negatively impact the SEC Newgate share price.
6. As an Italian-incorporated company, the Company expends significant time and costs in order to be compliant with a dual system of UK regulations, legal provisions, and the Italian unlisted companies' rules. The Delisting enables the Company to refocus these resources and costs into the business.

#### **b.) Effect of Delisting**

The principal effects of the Delisting will be that:

- Shareholders will no longer be able to buy and sell Ordinary Shares (or CDIs representing Ordinary Shares) through a public stock market, further reducing the liquidity in the Ordinary Shares;
- the Company will no longer be required to announce material events, final or interim results;
- the Company will no longer be required to comply with many of the corporate governance requirements applicable to companies traded on AIM;
- the Company will no longer be subject to the Disclosure, Guidance and Transparency Rules and will therefore no longer be required to disclose major shareholdings in the Company;
- the Company will no longer be subject to the AIM Rules, with the consequence that Ordinary Shareholders will no longer be afforded the protections given by the AIM Rules. Such protections include a requirement to obtain shareholder approval for reverse takeovers and fundamental changes in the Company's business and to announce, inter alia, certain substantial and/ or related party transactions; and
- the Delisting may have either positive or negative taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent adviser immediately.

#### **c.) Delisting Process**

Under the AIM Rules, the Delisting can only be effected by the Company after securing a special resolution of Shareholders in a general meeting and the expiry of a period of 20 clear Business Days from the date on which notice of the Delisting is given to the London Stock Exchange. In addition, a period of at least 5 clear Business Days following Shareholders' approval of the Delisting is required before the Delisting may become effective. At the General Meeting Shareholder approval will be sought for (amongst other matters) the Delisting. The resolution approving the Delisting will be conditional upon the approval of a resolution approving the Buy-back.

Assuming that the Resolutions are approved, it is expected that the Delisting will take place on or around 7 March 2022.

#### **d.) Share Purchase Plan**

Subject to the approval of the resolutions to be proposed at the General Meeting, SEC Newgate will establish a share purchase plan to buy back Ordinary Shares for a period of 90 days. The resolution approving the Buy-back will be conditional upon the approval of a resolution approving the Delisting.

Under the Buy-back SEC Newgate will instruct Arden Partners to make, in the period before Delisting, on-market purchases of the Company's Ordinary Shares up to an aggregate amount of 5,790,567 (such figure excludes the 3,378,315 new SEC Ordinary Shares to be issued post-Delisting and purchased by the Company pursuant to the Inveready Agreement) at a fixed price of 111.32p per share. Notwithstanding the price and daily volume restrictions set out in the Commission Delegated Regulation (EU) 2016/1052, the Company will make purchases outside of these price and volume restrictions at the Buy-back Price due to the limited liquidity in trading of the Company's Ordinary Shares.

Should any Minority Shareholders remain in the corporate capital of the Company after completion of the Delisting, the Buy-back will continue post-Delisting (for an overall period of 90 days) as indicated under paragraph e) below.

Further details of the Buy-back and its terms and conditions, including the relevant duration, are set out in Part 2 of this document.

The Company reserves the right to extend the Buy-back following the end of the Buy-back Period.

#### **e.) Ordinary Share dealing following Delisting**

Following the Delisting, there will be no market facility for dealing in the Ordinary Shares, no price will be publicly quoted for the Ordinary Shares and the transfer of Ordinary Shares will be subject to the provisions of the Bylaws. The Buy-back will continue post-Delisting, as set out below, by means of a matched bargain facility or a similar facility to be implemented by the Company, who will communicate the Buy-back offer to the remaining Minority Shareholders post-Delisting. The Company is evaluating with Monte Titoli, Equiniti and Euroclear/CREST the appropriate way to inform its shareholders about the Buy-back following Delisting and give them the opportunity to participate in the Buy-back.

#### **f.) Corporate Governance**

Following completion of the Delisting, the Company does not intend to continue to comply with the QCA Corporate Governance Code.

The Company will continue to hold annual general meetings. The Company will also adopt new bylaws that are suitable for a private company whose shares are not traded on a public market.

### **10. Buy-back and non-Contributing Shareholders**

Subject to the approval of the Resolutions to be proposed at the General Meeting, the Company will implement a Buy-back, to provide the opportunity for the non-Contributing Shareholders to sell all, some or none of their Ordinary Shares at a fixed price of 111.32p per Ordinary Share (being a premium of 29% on the closing price of SEC Newgate Ordinary Shares on 18 January 2022), depending on their own liquidity requirements and their view on the prospects of the Company going forward. The Contributing Shareholders have undertaken not to sell their Ordinary Shares in the Buy-back.

The Buy-back will be made available, in the first instance through on-market share repurchases and, following Delisting, through a matched bargain facility or a similar facility to be implemented by SEC Newgate, for an overall period of 90 days. The Company reserves the right to extend the Buy-back following the end of the Buy-back Period. Further details of the Buy-back and its terms and conditions, including the relevant duration, are set out in Part 2 of this document.

The Buy-back is to be financed by the SEC Bond and Ordinary Shares repurchased by the Company under the Buy-back may be cancelled or retained in Treasury and eventually disposed of in accordance with the resolution that will be taken by the shareholders' meeting.

**Shareholders should be aware that if the Resolutions are approved by the requisite majority and Delisting occurs, in the event they retain a holding in Ordinary Shares at Delisting, they will hold their Ordinary Shares in an unlisted company. While the Ordinary Shares will remain freely transferable, it is likely that the liquidity and marketability of the Ordinary Shares will, in the future, be constrained and the value of the Ordinary Shares may be adversely affected as a consequence.**

### **11. Takeover Code**

The Takeover Code does not apply to the Company but the Company's Bylaws do contain mandatory bid requirements. The mandatory takeover provisions contained in the Company's Bylaws will not be triggered by the Transaction as the Contribution will occur following Delisting.

After the Delisting the Company's Bylaw provisions on mandatory takeover will cease to have effect and consequently the new SEC Newgate Bylaws will not provide any protection to minority Shareholders with respect to the execution of the Transaction.

## **12. General Meeting**

A notice convening a General Meeting of the Company, which is to be held at 11:00 a.m. (CET) on 10 February 2022 is set out at the end of this document. The Company requires Shareholder approval (i) for the Delisting; and (ii) to purchase Ordinary Shares pursuant to Article 2357 et seq. of the Italian Civil Code to implement the Buy-back.

### *Delisting approval*

Resolution 1 is to approve the Delisting back, and is conditional on the passing of resolution 2. In accordance with the AIM Rules, resolution 1 requires the approval of 75% of the Shareholders present and voting at the meeting.

### *Buy-back Approval*

Resolution 2 is to approve the purchase of Ordinary Shares to implement the Buy-back, and is conditional on the passing of resolution 1. From an Italian law compliance perspective, it should be noted that, pursuant to the provisions of Articles 2357 and 2357-ter of the Italian Civil Code, the Buy-back of Ordinary Shares must be authorised by the Shareholders' Meeting, which shall determine the terms and conditions of the purchase, indicating in particular the maximum number of shares to be purchased, the duration (not exceeding eighteen months) for which the authorisation is granted, the minimum consideration and the maximum consideration. Resolutions of the General Meeting are valid, in first and second call, if approved by more than 50% of the Shareholders present and voting at the meeting.

#### 12.1 Terms and condition of the purchase

Article 2357 of the Italian Civil Code states that the company may not purchase its own Ordinary Shares except within the limits of the distributable profits and available reserves resulting from the last duly approved balance sheet (which amount to €485,027.65 and to €19,810,879 on 31 December 2020). Only fully paid-up shares may be purchased.

The request for authorisation to buy back and dispose of its own Ordinary Shares is intended to enable the Company to carry out the Buy-back. Any Ordinary Shares purchased by the Company pursuant to the Buy-back will then be either cancelled or retained in Treasury and eventually disposed of in accordance with the resolution that will be taken by the shareholders' meeting.

#### 12.2 Maximum number of Ordinary Shares to be purchased and duration

A maximum number of 9,168,882 Ordinary Shares may be bought back pursuant to the authorisation granted pursuant to the Resolution.

The authorisation to buy back Company's own Ordinary Shares is requested for a period of 18 months starting from the date of the shareholders' meeting resolution approving the proposal, in line with Italian laws. However the current intention of the Company is for the Buy-back to last no longer than 90 days. The Company may proceed with the Buy-back transactions in one or more tranches and at any time, to an extent and at a time freely determined in compliance with applicable regulations, as deemed appropriate by the Company.

#### 12.3 Minimum and maximum consideration

The unit price for each individual Buy-back transaction must be equal to 111.32 pence per Ordinary Share. After the Buy-back Period the Company may decide to make purchases at different offer prices where the maximum offer price will be no more than 111.32 pence per Ordinary Share.

#### 12.4 Methods by which purchases and sales will be made

The Buy-back will be made according to the methods identified from time to time by the Board of Directors, which may make purchases using any of the methods permitted by current regulations.

The Board of Directors, with reference to the disposal (sale) of own Ordinary Shares purchased on the basis of the Resolution or in any case in the Company's portfolio, proposes that they may be carried out pursuant to Article 2357-ter of the Italian Civil Code, at any time, in whole or in part, according to any of the methods permitted by current regulations, to be identified, from time to time, at the discretion of the Board of Directors.

### **13. Taxation**

**Shareholders who are in any doubt as to their tax position in respect of the Delisting and the Buy-back should consult an appropriate professional adviser.**

### **14. Overseas Shareholders**

It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including, without limitation, any relevant requirements in relation to the ability of such holders to participate in the Buy-back.

### **15. Action to be taken**

#### *General Meeting*

Notice of a General Meeting of SEC Newgate S.p.A., to be held at 11.00 a.m. (CET) on 10 February 2022, is set out at the end of this document. Shareholders with voting rights have the right to attend the Shareholders' Meeting. Pursuant to article 83-sexies of Legislative Decree no. 58/98, the entitlement to participate in the Shareholders' Meeting and to vote is subject to the receipt by the Company of the notice issued by an authorised intermediary in accordance with current legislation. Therefore, we invite the Shareholders holding CDIs, representing SEC Newgate S.p.A. ordinary shares, listed on AIM to contact the intermediary where the abovementioned CDIs are deposited (the "**CDI Intermediary**"). The Company must receive voting instructions from the CDI Intermediary by no later than 1 February 2022, being the end of the seventh trading day prior to the date set for the Shareholders' Meeting on first call. However, the right of CDI Holders to attend and vote remains unaffected if the communications are received by the Company from the CDI Intermediary after the aforesaid deadline, provided that they are received before the beginning of the proceedings of the shareholders' meeting of the first call.

Pursuant to Article 106, paragraph 2, of D. L. no. 18 of March 17, 2020 on "Measures to strengthen the National Health Service and economic support for families, workers and businesses related to the epidemiological emergency from COVID-19", converted with amendments into Law no. 27 of April 24, 2020, whose effectiveness has been last extended by Decree-Law no. 228 of December 20, 2021 (the "**Decree**"), the Shareholders' Meeting will be held exclusively by means of telecommunications that will ensure the identification of participants, their participation and the exercise of voting rights, without in any case the need for the chairman and the secretary taking the minutes to be in the same place. Voting procedures by correspondence or electronic means are not envisaged. The Company will provide the shareholders' entitled to attend the Shareholders' Meeting and exercise their voting rights with appropriate instructions to allow access to the meeting after identifying the participants. Those entitled to participate in the Shareholders' Meeting and exercise their voting rights must send a request to the address [secrp@legalmail.it](mailto:secrp@legalmail.it) enclosing the aforementioned documentation certifying their entitlement to participate in the Shareholders' Meeting and exercise their voting rights pursuant to Article 83-sexies of Legislative Decree no. 58/98, with an Identification Document (in case of a legal entity, copies of the documentation proving the powers of representation to be attached). To facilitate the verification activities, the Company recommends that the documentation should be sent promptly and in any case by 9 February 2022. The Company may ask for further documentation for the purpose of identifying shareholders entitled to take part in the shareholders' meeting and exercise voting rights.

### **VOTING BY PROXY**

Those entitled to vote may appoint a representative in the Shareholders' Meeting by providing a written proxy, in accordance with the laws and regulations in force. To this end, a proxy form is available on the website [www.secnewgate.com](http://www.secnewgate.com) (section "Investors"/ in RECENT SHAREHOLDER COMMUNICATIONS) or at the Company's registered office. The proxy must be notified to the Company, by 9 February 2022 and in sufficient time to enable it to collect the proxies, by sending it by registered mail to the Company's registered office, via Ferrante Aporti 8, 20125 Milan, or by sending it to the certified mail address [secrp@legalmail.it](mailto:secrp@legalmail.it). It is necessary that the original proxy form is sent to the Company.

The terms and conditions of the participation at the Shareholders' Meeting described in this Circular and the Notice of General Meeting may be subject to changes and/or additions in relation to the COVID-19 (CoronaVirus) health emergency measures. Any change and/or addition to the information contained in this notice of call will be made

available through the website [www.secnewgate.com](http://www.secnewgate.com) (section "Investors" / in Shareholders' Meetings) and in the other ways required by law or regulation.

## **16. Recommendation**

**The Directors unanimously recommend Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do so in respect of their beneficial holdings amounting, in aggregate, to 9,639,744 Existing Ordinary Shares, representing approximately 39.01 per cent. of the existing issued ordinary share capital of the Company as at 24 January 2022 (being the last practicable date prior to the publication of this document).**

**The Directors make no recommendations to Shareholders in relation to participation in the Buy-back.**

**If you are in doubt about what action to take or need advice in relation to the Buy-back, you should consult an independent financial adviser, authorised under the Financial Services and Markets Act 2000, without delay.**

*Yours faithfully*

John Foley

*Non-Executive Chairman*

## **PART 2 FURTHER INFORMATION ON THE SHARE PURCHASE PLAN**

The Board intends to return up to £10.4million to Minority Shareholders via a share purchase plan. The Board has considered a number of methods for returning value to Minority Shareholders and concluded that the share purchase plan, to be implemented through the Buy-back, would be the most appropriate method.

Subject to the approval of the resolutions to be proposed at the General Meeting, SEC Newgate will buy-back Ordinary Shares for a period of 90 days. The maximum number of shares that may be repurchased under the share purchase plan is 9,168,882 Ordinary Shares (inclusive of the Inveready Shares, as detailed in Part 1 of this document), allowing all Minority Shareholders, who are not participating in the Contribution, to sell their Ordinary Shares. The Buy-back will be carried out at a fixed price of 111.32p per Ordinary Share.

The Buy-back will take place in two stages:

### **1. In the Buy-back period before Delisting**

SEC Newgate will instruct Arden Partners, the Company's broker, to make on-market purchases of the Company's Ordinary Shares up to an aggregate amount of 5,790,567 (such figure excluding the 3,378,315 new SEC Ordinary Shares to be issued post-Delisting and purchased by the Company pursuant to the Inveready Agreement) at a fixed price of 111.32p per share. The programme will be independently managed by Arden, which will make trading decisions independently and without the influence of the Company.

Notwithstanding the price and daily volume restrictions set out in the Commission Delegated Regulation (EU) 2016/1052, purchases by the Company are likely to be made outside of these price and volume restrictions at the Buy-back Price due to the limited liquidity in trading of the Company's Ordinary Shares. Share purchases will take place in open market transactions and may be made from time to time depending on market conditions, share price, trading volume and other factors.

Shareholders wishing to sell Ordinary Shares or CDIs in the on-market Buy-back should contact their broker or financial intermediary.

The Company will announce any market repurchases prior to Delisting no later than 7.30 a.m. on the business day following the day on which the repurchase occurred.

### **2. In the Buy-back period following Delisting**

Should any Minority Shareholders remain in the corporate capital of the Company after completion of the Delisting, the Buy-back will continue post-Delisting (for an overall Buy-back Period of 90 days) by means of a matched bargain facility or a similar facility to be implemented by the Company, who will communicate the Buy-back offer to the remaining Minority Shareholders post-Delisting. The Company is evaluating with Monte Titoli, Equiniti and Euroclear/CREST the appropriate solutions to inform its shareholders about the Buy-back following Delisting and give them the opportunity to participate in the Buy-back.

The Company reserves the right to extend the Buy-back following the end of the Buy-back.

The Company will provide further details to Shareholders regarding the structure of the post-delisting Buy-back and the means to participate in such Buy-back following the Delisting.

Any Ordinary Shares acquired by the Company pursuant to the Buy-back shall either be cancelled or retained in Treasury and eventually disposed of in accordance with the resolution that will be taken by the shareholders' meeting.

The authority under the Buy-back Resolution will remain in force for 18 months after the date of the shareholders meeting resolution. After the Buy-back Period the Company may decide to make purchases at different offer prices where the maximum offer price will be no more than 111.32 pence per Ordinary Share.

### **Matched Bargain Facility**

After the end of the Buy-back Period the Company intends to make arrangements for a Matched Bargain Facility or similar facility to assist Shareholders to trade Ordinary Shares. The Matched Bargain Facility will be administered directly by the Company. Under the Matched Bargain Facility, Shareholders or persons wishing to acquire or dispose

of Ordinary Shares will be able to leave an indication with the Company of the number of Ordinary Shares that they are prepared to buy or sell at an agreed price. In the event that the Company is able to match that order with an opposite sell or buy instruction, they would contact both parties to arrange the trade. Should the Company put in place the Matched Bargain Facility, details will be made available to Shareholders on the Company's website at [www.secnewgate.com](http://www.secnewgate.com). **However, in carrying out such activities, the Company will take no responsibility to match up Shareholders wishing to sell and purchase Ordinary Shares, and no responsibility in respect of the time frame in which introductions or communications (if any) are made or as to the price at which any trades might take place.**

## NOTICE OF GENERAL MEETING

# SEC Newgate S.p.A.

*(Incorporated under the laws of Italy and registered in Italy with registered number 09628510159)*

**NOTICE IS HEREBY GIVEN THAT** a general meeting of SEC Newgate S.p.A. (the "**Company**") will be held by means of telecommunication at 11.00 a.m. (CET) on 10 February 2022 to consider and, if thought fit, to pass the following resolutions of the Company:

1. Conditional upon Resolution 2 being approved by the Shareholders at the Meeting, Delisting of the Company's shares from AIM UK, as described in the circular to shareholders of the Company dated 25 January 2022 (the "**Circular**").
2. Conditional upon Resolution 1 being approved by the Shareholders at the Meeting, approval of the proposal to purchase and dispose of own shares as described in the Circular.

Dated: 25 January 2022

By order of the Board:

Maurizio Maione  
Company Secretary

*Registered Office*

Via Ferrante  
Aporti 8  
20125 Milan  
Italy

The terms and conditions of the participation at the Shareholders' Meeting described in this notice of call may be subject to changes and/or additions in relation to the COVID-19 (CoronaVirus) health emergency measures. Any change and/or addition to the information contained in this notice of call will be made available through the website [www.secnewgate.com](http://www.secnewgate.com) (section "Investors" / in Shareholders' Meetings) and in the other ways required by law.

### SHARE CAPITAL AND SHARES WITH VOTING RIGHTS

At 24 January 2022, being the last practicable date prior to the publication of this notice of call, the subscribed and paid-up share capital of SEC Newgate S.p.A., equal to Euro 2,471,092.20, is divided into 24,710,922 ordinary shares with no express nominal value. Each of the 24,710,922 ordinary shares, with no par value, gives the right to vote. As of 24 January 2022, being the last practicable date prior to the date of this document, the Company does not hold any of its own shares.

### ENTITLEMENT TO PARTICIPATE IN THE SHAREHOLDERS' MEETING AND REPRESENTATION AT THE SHAREHOLDERS' MEETING

Notice of a General Meeting of SEC Newgate S.p.A., to be held at 11.00 a.m. (CET) on 10 February 2022, is set out at the end of this document. Shareholders with voting rights have the right to attend the Shareholders' Meeting. Pursuant to article 83-sexies of Legislative Decree no. 58/98, the entitlement to participate in the Shareholders' Meeting and to vote is subject to the receipt by the Company of the notice issued by an authorised intermediary in accordance with current legislation. Therefore, we invite the Shareholders holding CDIs, representing SEC Newgate S.p.A. ordinary shares, listed on AIM to contact the intermediary where the abovementioned CDIs are deposited (the "**CDI Intermediary**"). The Company must receive voting instructions from the CDI Intermediary by no later than 1 February 2022, being the end of the seventh trading day prior to the date set for the Shareholders' Meeting on first call. However, the right of CDI Holders to attend and vote remains unaffected if the communications are received by the Company from the CDI Intermediary after the aforesaid deadline, provided that they are received before the beginning of the proceedings of the shareholders' meeting of the first call.

Pursuant to Article 106, paragraph 2, of D. L. no. 18 of March 17, 2020 on "Measures to strengthen the National Health Service and economic support for families, workers and businesses related to the epidemiological emergency from

COVID-19", converted with amendments into Law no. 27 of April 24, 2020, whose effectiveness has been last extended by Decree-Law no. 228 of December 20, 2021 (the "Decree"), the Shareholders' Meeting will be held exclusively by means of telecommunications that will ensure the identification of participants, their participation and the exercise of voting rights, without in any case the need for the chairman and the secretary taking the minutes to be in the same place. Voting procedures by correspondence or electronic means are not envisaged. The Company will provide the shareholders' entitled to attend the Shareholders' Meeting and exercise their voting rights with appropriate instructions to allow access to the meeting after identifying the participants. Those entitled to participate in the Shareholders' Meeting and exercise their voting rights must send a request to the address [secrp@legalmail.it](mailto:secrp@legalmail.it) enclosing the aforementioned documentation certifying their entitlement to participate in the Shareholders' Meeting and exercise their voting rights pursuant to Article 83-sexies of Legislative Decree no. 58/98, with an Identification Document (in case of a legal entity, copies of the documentation proving the powers of representation to be attached). To facilitate the verification activities, the Company recommends that the documentation should be sent promptly and in any case by 9 February 2022. The Company may ask for further documentation with the purpose of identifying shareholders entitled to take part in the shareholders' meeting and exercise voting rights.

## **VOTING BY PROXY**

Those entitled to vote may appoint a representative in the Shareholders' Meeting by providing a written proxy, in accordance with the laws and regulations in force. To this end, a proxy form is available on the website [www.secnewgate.com](http://www.secnewgate.com) (section "Investors"/ in RECENT SHAREHOLDER COMMUNICATIONS) or at the Company's registered office. The proxy must be notified to the Company, by 9 February 2022 and in sufficient time to enable it to collect the proxies, by sending it by registered mail to the Company's registered office, via Ferrante Aporti 8, 20125 Milan, or by sending it to the certified mail address [secrp@legalmail.it](mailto:secrp@legalmail.it). It is necessary that the original proxy form is sent to the Company.

The terms and conditions of the participation at the Shareholders' Meeting described in this Circular and the Notice of General Meeting may be subject to changes and/or additions in relation to the COVID-19 (CoronaVirus) health emergency measures. Any change and/or addition to the information contained in this notice of call will be made available through the website [www.secnewgate.com](http://www.secnewgate.com) (section "Investors" / in Shareholders' Meetings) and in the other ways required by law.

## **INTEGRATION OF THE AGENDA, PRESENTATION OF NEW PROPOSALS FOR RESOLUTIONS AND RIGHT TO ASK QUESTIONS PRIOR TO THE MEETING**

Pursuant to Article 14 of the Company's Bylaws, Shareholders representing at least 10% (ten per cent) of the share capital with voting rights in the Shareholders' Meeting may request, within 5 (five) days from the publication of the notice of call of the Shareholders' Meeting, the addition of items to the agenda, indicating in such request, the additional items proposed. The supplementary notice of the Agenda shall be published in at least one of the daily newspapers specified in the Bylaws, no later than the seventh day prior to the date of the meeting on first call. Requests for additions to the Agenda must be accompanied by an explanatory report to be filed at the registered office, to be delivered to the Administrative Body by the deadline for submission of the request for integration. Additions to the list of items on the agenda are not allowed for items on which the shareholders' meeting is required, by law, to resolve at the proposal of the directors, or on the basis of a project or a report prepared by them. Shareholders may ask questions about the items on the Agenda even before the Shareholders' Meeting, by sending them by registered mail to SEC Newgate S.p.A., via Ferrante Aporti, 8, 20125 Milan, or to the certified mail address [secrp@legalmail.it](mailto:secrp@legalmail.it); or by fax to +39026592475. The parties shall provide the information necessary to allow their identification. Questions must reach the Company in time for them to be discussed at the Shareholders' Meeting. Questions received before the Shareholders' Meeting shall be answered during the Meeting, at latest. The Company may provide a single answer to questions having the same content.

## **DOCUMENTATION**

The text of the draft resolutions, together with the explanatory reports, and the documents that will be submitted to the Shareholders' Meeting, will be made available to the public at the Company's registered office and on the Company's website at the following address: [www.secnewgate.com](http://www.secnewgate.com) (section "Investors"/ in RECENT SHAREHOLDER COMMUNICATIONS) within the terms provided for by the regulations in force. In compliance with the COVID-19 (CoronaVirus) health emergency containment measures issued by the competent authorities, the public is asked to avoid access to the registered office for the acquisition of the aforementioned documentation until these measures are exhausted.