

NOTICE OF GENERAL MEETING

The General Meeting of Morses Club PLC (the *Company*) will be held at Suite 2.01, One City West, Gelderd Road, Leeds, LS12 6NJ at 10.50 a.m. on 8 September 2021 to consider and, if thought fit, to pass the proposed resolutions as set out below. Voting on these resolutions will be by way of a poll.

SPECIAL RESOLUTIONS

Resolution 1 – Adoption of amended articles of association

That with effect from the time that Resolution 2 is passed, the amended articles of association of the Company produced to the meeting and initialled by the Chairman for the purpose of identification (the *Amended Articles*) be approved and adopted as the articles of association of the Company, in substitution for the existing articles of association.

Resolution 2 – Scheme of Arrangement

That:

for the purpose of giving effect to the scheme of arrangement between the Company and the holders of the Scheme Shares (as defined in the Scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman hereof, in its original form or subject to such modification, addition or condition agreed between the Company and U Money and approved or imposed by the High Court (the *Scheme*):

- (a) the Scheme be approved and the directors of the Company be and are hereby authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
- (b) the issued share capital of the Company be reduced by cancelling and extinguishing all of the Scheme Shares;
- (c) subject to and conditional upon the reduction of capital referred to in Resolution 2(b) above taking effect and notwithstanding anything to the contrary in the articles of association of the Company:
 - (i) the Company shall apply the credit arising in its books of account as a result of the reduction of share capital referred to in Resolution 2(b) above in paying up, in full at par, such number of ordinary shares of £0.01 each in the capital of the Company (the *New Shares*) as shall be equal to the number of Scheme Shares (as defined in the Scheme) cancelled pursuant to Resolution 2(b) above, which shall be allotted and issued, credited as fully paid, to U Money and/or U Money's nominee(s) in accordance with the Scheme; and
 - (ii) conditional on the Scheme becoming effective, the directors of the Company be and are hereby generally and unconditionally authorised, for the purposes of Section 551 of the Act, to allot the New Shares provided that: (1) the maximum aggregate nominal amount of relevant securities that may be allotted under this authority shall be the aggregate nominal amount of the New Shares (not exceeding £1,400,000); (2) this authority shall expire (unless previously revoked, varied or renewed) at the end of the next general meeting (including an annual general meeting) of the Company or 18 months after the date on which the reduction is passed (whichever is the earlier); and (3) this authority

shall be in addition, and without prejudice to, any other subsisting authority under Section 551 of the Act previously granted and in force on the date on which this resolution is passed;

- (d) subject to and conditional upon the reduction of capital referred to in Resolution 2(b) above taking effect, the New Shares be issued and allotted to U Money;
- (e) the directors of the Company be and are hereby generally and unconditionally authorised, for the purposes of section 551 of the Act, to allot one ordinary shares in the capital of the Company to U Money PLC;
- (f) subject to and conditional upon the Scheme becoming effective, all of the ordinary shares of £0.01 in the Company be delisted from AIM (as defined in the Scheme).

By order of the Board

Dave Belmont

Company Secretary

13 August 2021

NOTES TO THE NOTICE OF GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other appropriate professional adviser.

If you have sold or otherwise transferred (or will sell or transfer) all of your shares prior to close of business on 6 September 2021 please pass this document, together with the accompanying documents, to the purchaser or transferee, or to the person who arranged the sale or transfer, so that they can pass these documents to the person who now holds the shares.

Issued share capital and total voting rights

As at 12 August 2021, the Company's ordinary issued share capital consists of 132,530,539 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 12 August 2021 are 132,530,539.

Entitlement to attend and vote

To be entitled to vote at the General Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the register of members of the Company at close of business on 6 September 2021. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the General Meeting.

Proxies

Shareholders entitled to attend and vote at the General Meeting may appoint one or more proxies to attend, speak and vote at the General Meeting instead of them. The Company encourage shareholders to appoint the Chairman, as their proxy. Appointing a proxy will not preclude shareholders from attending and voting at the General Meeting if they later decide to do so.

You should have received a white and blue proxy form with this Notice. The white form of proxy is for use at the General Meeting. You can only appoint a proxy using the procedures set out in these notes and the explanatory notes to the proxy form.

A proxy need not be a shareholder of the Company but must attend the General Meeting to represent you. If you wish to appoint a person other than the Chairman, please insert the name of your chosen proxy holder in the space provided. If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name the number of ordinary shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or, if the proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).

You may indicate how you wish your proxy to vote by ticking the relevant boxes on the enclosed proxy form. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote or abstain from voting as he or she thinks fit in relation to any other matter which is put before the General Meeting.

Voting at the General Meeting

On a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote. Also, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote. A proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution and the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it.

On a poll, every member shall have one vote for every ordinary share of which he or she is the holder.

Vote withheld

A vote withheld option is provided to enable you to abstain on any particular resolution. It is not a vote in law, which means that the vote will not be counted in the calculation of the number of votes for or against the resolution.

Multiple proxies

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different ordinary shares. You may not appoint more than one proxy to exercise rights attached to any one ordinary share. To appoint more than one proxy, (an) additional proxy form(s) may be obtained by contacting the shareholder's helpline or you may copy the enclosed proxy form. Please enter in the box next to the proxy holder's name, the number of ordinary shares in relation to which they are authorised to act as your proxy.

Appointment of proxy using hard-copy form

Proxy forms are enclosed. To be valid these should be completed, signed and sent or delivered to the Registrar in the reply paid envelope provided, to be received no later than 10.50 a.m. on 6 September 2021 in the case of the white Form of Proxy (General Meeting) or not less than 48 hours before any adjourned meeting at which the person named in the proxy form proposes to vote.

In the case of a shareholder which is a company, a proxy form must be executed under its common seal or signed on its behalf by a duly authorised person or in any other manner authorised by its constitution.

Where this proxy form is signed under a power of attorney or other authority, such power or authority (or a notarially certified copy thereof) should be enclosed with the proxy form.

Appointment of proxy by joint shareholders

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).

Electronic appointment of proxies

As an alternative to completing the hard-copy proxy form, you can register your proxy appointment at www.signalshares.com.

Changing proxy instructions

To change your proxy instructions, you must submit a new proxy appointment using either the hard-copy proxy form appointment method or the electronic appointment method set out above. Note that the cut-off time as set out above for receipt of proxy appointments also applies in relation to the receipt of amended proxy appointments; any amended proxy appointment received after the relevant cut-off time will be disregarded. For the avoidance of doubt, any indication of how you wish your proxy to vote contained in your proxy appointment constitutes part of such appointment and, as such, the relevant cut-off time applicable to the receipt of amended proxy appointments also applies to any amendment of any voting instructions given to your proxy by way of your proxy appointment.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Registrar, using the details set out below.

If you have voted online you can amend your vote by resubmitting your voting instructions electronically as described above.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointment

In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

- by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to the Registrar. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by a duly authorised person or in any other manner specified in its constitution. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy of such power or authority) must be included with the revocation notice; or
- by calling the Registrar's helpline.

In either case, the revocation notice must be received by the Registrar at least three hours before the commencement of the General Meeting or adjourned meeting at which the vote is to be given.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend and vote at the General Meeting in person, your proxy appointment will be terminated automatically.

Nominated Persons

The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 (*Nominated Persons*). If you are a Nominated Person you may have a right under an agreement with the registered shareholder who has nominated you to have information rights (the *Relevant Shareholder*) to be appointed (or to have someone else appointed) as a proxy for the Court Meeting and the General Meeting but you cannot yourself appoint a proxy. Alternatively, if you do not have such a right, or do not wish to exercise it, you may have the right under such an agreement to give instructions to the Relevant Shareholder as to the exercise of voting rights.

Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the Relevant Shareholder (or the custodian or broker who administers the investment on their behalf).

Nominated Persons should continue to contact that shareholder, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from a Nominated Person.

Voting through the CREST electronic proxy appointment service

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Court Meeting and the General Meeting (and any adjournment of the General Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a *CREST Proxy Instruction*) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the registrar (ID RA10) by 10.30 a.m. in the case of the Court Meeting and 10.50 a.m. in the case of the General Meeting, both on 6 September 2021. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST

sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.

Documents available for inspection

The following documents are available for inspection during normal business hours at the registered office of the Company on any business day from the date of these Notices until the time of the General Meeting and may also be inspected at the General Meeting venue, as specified in these Notices, from at least 15 minutes prior to, and on the day of the Court Meeting and the General Meeting until the conclusion of the General Meeting:

- copies of the Executive Directors' employment contracts with Morses Club;
- the Amended Articles;
- the document of which these Notices form part.

Information available on our website

A copy of these Notices, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at www.morsesclubplc.com.

Communication

Except as provided above, shareholders who have general queries about the General Meeting should use the following means of communication (no other methods of communication will be accepted):

- by calling the Registrar's helpline on 0371 664 0321 from the UK or +44 371 664 0321 from outside the UK; or
- email Link at shareholderenquiries@linkgroup.co.uk.

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Link Group are open 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.

You may not use any electronic address provided either in these Notices or in any related documents (including the Chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.

EXPLANATION OF RESOLUTIONS

Resolutions 1 and 2 will be proposed as Special Resolutions.

For these resolutions to be passed, 75 per cent. or more of shareholders' votes cast must be in favour.

Resolution 1 – Adoption of amended articles of association

This resolution seeks shareholders' approval to adopt the Amended Articles.

The change that is of particular relevance to the Scheme is Article 214 which provides that any shares are issued by the Company after the adoption of the Amended Articles but before the Scheme Record Time shall be Scheme Shares. It also provides that any shares issued by the Company after the Scheme Record Time to any person other than U Money shall immediately be transferred to U Money in return for shares in U Money on the same terms as under the Scheme. The text of Article 214 is set out below

“Shares not otherwise subject to the Scheme

Notwithstanding any other provision of these Articles, if the Company issues any shares on or after the date of adoption of this Article 214 and at or prior to the Scheme Record Time (as defined in the Scheme of Arrangement Circular), such shares shall be issued subject to the terms of the Scheme of Arrangement (and shall be scheme shares for the purposes of the Scheme) and the holder or holders of such shares shall be bound by the Scheme of Arrangement accordingly:

- (i) If any shares in the Company are allotted and issued to any person other than U Money and/or its nominee or nominees (a *New Member*) after the Scheme Record Time, they will immediately be transferred to U Money and/or its nominee or nominees in consideration of and conditional on the issue or transfer to the New Member of one U Money Ordinary Share for every one share in the Company so transferred. The U Money Ordinary Shares issued or transferred pursuant to this Article 214 to the New Member will be credited as fully paid and will rank equally in all respects with all U Money Ordinary Shares in issue at the time and be subject to the memorandum and articles of association of U Money.
- (ii) The number of U Money Ordinary Shares to be issued or transferred to the New Member under this Article 214 may be adjusted by the directors in such manner as the auditors of the Company may determine on any reorganisation or material alteration of the share capital of either the Company or of U Money or any other return of value to holders of U Money Ordinary Shares, provided always that any fractions of U Money Ordinary Shares shall be disregarded and shall be aggregated and sold for the benefit of U Money.
- (iii) In order to give effect to any such transfer required by this Article 214, the Company may appoint any person to execute and deliver a form of transfer on behalf of the New Member in favour of U Money and/or its nominee or nominees and to agree for and on behalf of the New Member to become a member of U Money. Pending the registration of U Money as holder of any share to be transferred pursuant to this Article 214, U Money shall be empowered to appoint a person nominated by the directors to act as agent and/or irrevocable appointee on behalf of any holder of such share in

accordance with such directions as U Money may give in relation to any dealings with or disposal of such share (or any interest therein), exercising any rights attached thereto or receiving any distribution or other benefit accruing or payable in respect thereof and any holder of such share shall exercise all rights attached thereto in accordance with the directions of U Money but not otherwise.

- (iv) If the Scheme of Arrangement shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) the Scheme of Arrangement Circular, this Article 214 shall cease to be of any effect.”

This amendment will avoid any shares being issued in the Company where they should instead be receiving shares in U Money, as part of an employee share plan.

The other principal changes are set out in more detail below. Changes of a minor or technical nature are not so noted but a copy of the Amended Articles including all proposed changes is available for inspection on the Company’s website or at the Company’s registered office and will be available for at least 15 minutes prior to and during the General Meeting.

A brief overview of the amendments to the Articles of the Company is as follows:

- (ii) Further amendments to the Company’s articles will include general updates such as:
- wording setting out the rights and obligations attached to deferred shares and their issue by the Company;
 - changes expressly permitting the holding of hybrid and entirely virtual general meetings and providing for security at electronic meetings;
 - aligning wording regarding untraced shareholders with the Companies Act 2006 and the general market position and removing outdated wording in relation to issuance of bearer shares (which are no longer legally permitted to exist);
 - wording providing for greater flexibility in relation to the methods of payment of dividends;
 - minor updates to provisions regarding receipt of notice and proxy appointments; and
 - minor changes to definitions and formatting where necessary and adopting gender neutral language throughout.

Resolution 2 –Scheme of Arrangement

The Company proposes to introduce a new, AIM quoted, holding company, U Money, for the Morses Club group of companies by way of the Scheme under Part 26 of the Act. The background and reasons for the Scheme are set out in the Chairman’s Letter included in the document of which these Notices form part. Resolution 2 seeks to obtain shareholder approval for certain matters in connection with the Scheme and is proposed to give the Directors the necessary powers and authorities to implement the Scheme.

Paragraphs (a)-(c) of Resolution 2 are proposed to give the Directors the necessary powers and authorities to implement the Scheme.

Paragraph (b) of Resolution 2 cancels the Scheme Shares, which are all the ordinary shares of Morse Club, except the one share issued to U Money authorized by paragraph (e) of Resolution 2

Paragraphs (a) and (d) of Resolution 2 is proposed to authorise the Directors for the purposes of Section 551 of the Act to issue and allot up to 140,000,000 ordinary shares in the share capital of the Company to U Money (being such number that is the same as the number of shares cancelled under paragraph (b) of Resolution 2).

Paragraph (e) of Resolution 2 is proposed to authorise the directors of the Company for the purposes of section 551 of the Act to issue and allot one ordinary share of £0.01 in the Company prior to the cancellation of the Scheme Shares to U Money to obviate the need under the Act for a valuation report to be produced by Morses Club before it issues shares to U Money pursuant to the Scheme.

Paragraph (f) of Resolution 2 is proposed to enable the shareholders of the Company, to approve the de-listing of the Company's ordinary shares upon the Scheme becoming effective. Further details relating to the proposed de-listing of the ordinary shares of the Company are contained in **Error! Reference source not found.** - *Explanation of the Scheme and its Effects* of the document of which these Notices forms part.