

Disclosure Committee Report

COMMITTEE MEMBERS:

Stephen Karle (Chair until 28 February 2022)

Sir Nigel Knowles (Chair from 1 March 2022)

Sheryl Lawrence (from 1 May 2021)

Michael Yeates (from 1 May 2021)

Peter Ward

Gary Marshall (COO, Executive Director from 1 May 2021, then CEO from 21 February 2022)

Graeme Campbell (CFO)

Andy Thomson (until 31 December 2021)

Les Easson (until 17 March 2021)

Paul Smith (CEO until 18 February 2022)

Joanne Lake (until 31 March 2022)

The Board of Directors

The Company is required to make timely and accurate disclosure of all information required to meet the legal and regulatory obligations and requirements arising from its listing on the London Stock Exchange under the Market Abuse Regulations (MAR).

The Disclosure Committee exists to help the Company meet these requirements. The Committee's responsibilities include determining the timely disclosure of material information, and assisting in the design, implementation and periodic evaluation of disclosure controls and procedures.

Although AIM-listed companies are no longer required to maintain insider lists, there is still an obligation to take all reasonable steps to ensure that people with access to inside information acknowledge their legal and regulatory duties, and a company must be able to provide the FCA with an insider list, upon request. In practice, this means Morses Club has chosen to retain an up-to-date insider list.

On 18 February 2022, the Committee held a special meeting to review an updated projection from the Finance Department for the likely FY22 results. Since the adjusted profit before tax¹ for FY22 was estimated to be 20%-30% below the market consensus, the Committee agreed that the Company should issue a trading statement immediately on the next working day. The resulting trading update was released the following working day, 21 February 2022, before markets opened.

Following the year end, the Committee held two further meetings which agreed to the announcement on 25 May 2022 of a delay in reporting the FY22 results until August 2022, and one on 21 June 2022 regarding the potential Scheme. These announcements were released on the next working day following the meeting, before markets opened.

The Committee held two meetings during the year.

Approval

On behalf of the Disclosure Committee

Sir Nigel Knowles

Chair

25 August 2022

¹ Definitions are set out in the Glossary of Alternative Performance Measures on pages 145 to 147.