

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action to be taken, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised pursuant to the Financial Services and Markets Act 2000 (as amended) if you are in the UK or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your ordinary shares in Cradle Arc Plc (the “**Company**”), please forward this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of ordinary shares, you should retain these documents and consult the stockbroker, bank manager or other agent through whom the sale or transfer was effected.

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



(Incorporated in England and Wales as a public limited company under number 05315922)

NOTICE OF GENERAL MEETING

Your attention is drawn to the letter from the Chairman of the Company on pages 1 and 2 of this document which recommends you to vote in favour of the resolutions to be proposed at the General Meeting of the Company referred to below.

Notice of the General Meeting of the Company to be held at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH on 13 September 2018 at 11.00 a.m. (the “**GM**”) is set out in this document. A Form of Proxy is also enclosed for use in connection with the GM.

Whether or not you intend to be present at the GM, please complete, sign and return the Form of Proxy enclosed with this document to the Company’s Registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR as soon as possible and, in any event, so as to be received by the Company’s Registrars by not later than 48 hours (excluding non-business days) before the time fixed for the GM. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the GM.



(Incorporated in England and Wales as a public limited company under number 05315922)

Registered Office:
27-28 Eastcastle Street,
London, W1W 8DH

LETTER FROM THE CHAIRMAN OF CRADLE ARC PLC

23 August 2018

To Shareholders and, for information purposes only, to holders of Options, Convertible Loan Notes and Warrants

Dear Shareholder,

Notice of General Meeting

I am writing to give you details of the resolutions to be proposed at a General Meeting of the Company which is to be held at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH on 13 September 2018 at 11.00 a.m. The resolutions are set out in the Notice of General Meeting contained in this document.

Ordinary business at the GM

The ordinary business of the meeting will be to consider and, if thought fit, pass the following resolutions:

Resolution 1: Company's Annual Report and Accounts

This is an ordinary resolution whereby the Board presents for receipt and adoption the Company's annual report and accounts for the financial year ended 31 December 2017, together with the reports of the Directors and Auditors thereon.

The annual report and accounts were published and posted to shareholders on 28 June 2018 and, as indicated previously, the Company is now convening a General Meeting for the annual report and accounts to be received, considered and adopted by shareholders. The Company is also taking this opportunity to update the relevant Board authorities to allot the Company's ordinary shares.

Resolution 2: Section 551 authority

This is an ordinary resolution authorising the Directors under section 551 of the Companies Act 2006 (the "**Act**") to allot relevant securities up to an aggregate nominal amount of £18,426.13 (representing approximately two thirds of the Company's issued ordinary share capital).

Resolution 3: Section 570 authority and dis-application of Section 561(1)

This is a special resolution authorising the Directors under section 570(1) of the Act to issue equity securities up to a maximum nominal amount of £9,213.07 (representing approximately one third of the Company's issued ordinary share capital) for cash on a non pre-emptive basis.

Resolutions 1 and 2 are proposed as ordinary resolutions, meaning that, for those resolutions to be passed, more than 50 per cent. of the votes cast must be in favour of the resolutions. Resolution 3 is proposed as a special resolution, meaning that, for this resolution to be passed, at least 75 per cent. of the votes cast must be in favour of the resolution.

Action to be Taken

A Form of Proxy for use at the GM is enclosed with this document. Whether or not you intend to be present at the GM, please complete and sign the Form of Proxy and return it to the Company's Registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR as soon as possible but, in any event, so as to arrive no later than 48 hours (excluding non-business days) before the time fixed for the GM. Full details on how to appoint a proxy are set out in this document and in the enclosed Form of Proxy. The return of the Form of Proxy will not, however, prevent you from attending the GM and voting in person should you wish to do so.

Board Recommendation

The Board considers that each of the resolutions to be proposed at the GM are in the best interests of the Company and its shareholders as a whole and unanimously recommends that shareholders vote in favour of the proposed resolutions, as they intend to do in respect of their own beneficial holdings.

Yours faithfully

Toby Howell

Non-Executive Chairman

CRADLE ARC PLC

(Incorporated in England and Wales as a public limited company under number 05315922)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Cradle Arc Plc (the “**Company**”) will be held at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH on 13 September 2018 at 11.00 a.m. (the “**GM**”) for the purpose of considering and, if thought fit, passing the following resolutions, of which Resolutions 1 and 2 will be proposed as ordinary resolutions and Resolution 3 will be proposed as a special resolution:

Ordinary Business

Ordinary Resolutions

1. To receive and adopt the Company’s annual report and accounts for the financial year ended 31 December 2017, together with the reports of the Directors and Auditors thereon.
2. THAT, the Directors be and are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or convert any equity securities (as defined in Section 560 of the Act) into shares in the Company up to a maximum aggregate nominal amount of £18,426.13, provided that such authority, unless previously revoked or varied by the Company in a general meeting, shall expire at the commencement of the Annual General Meeting next held after the passing of this resolution or 30 June 2019 (whichever is the earlier to occur) save that the Company may pursuant to the authority make an offer or agreement or other arrangement before the expiry of the authority which would or might require relevant securities to be allotted after such expiry, and the Directors may allot relevant securities in pursuance of such an offer or agreement or other arrangement as if the power conferred hereby had not expired. This authority is in substitution for all previous authorities conferred upon the Directors pursuant to Section 551 of the Act, but without prejudice to the allotment of any relevant securities already made or to be made pursuant to such authorities.

Special Resolution

3. THAT (subject to and conditional upon the passing of Resolution 2 above), the Directors be and are hereby empowered pursuant to Section 570 of the Act to allot equity securities (within the meaning of Section 560 of the Act) of the Company wholly for cash pursuant to the authority conferred by Resolution 2 as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
 - (i) allotments of equity securities for cash in connection with an offer of, or invitation to apply for, equity securities to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and
 - (ii) allotments of equity securities (otherwise than pursuant to sub-paragraph (i) above) up to a maximum aggregate nominal amount of £9,213.07,

and such power, unless previously revoked or varied by the Company at a General Meeting, shall expire at the commencement of the Annual General Meeting next held after the passing of this resolution or 30 June 2019 (whichever is the earlier to occur) but so that the Company may before such expiry make an offer or agreement or other arrangement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement or other

arrangement as if the power conferred by this resolution had not expired. The power hereby conferred shall operate in substitution for and to the exclusion of any previous power given to the Directors pursuant to Section 570 of the Act.

BY ORDER OF THE BOARD

CARGIL MANAGEMENT SERVICES LIMITED

Company Secretary

23 August 2018

NOTES:

1. A member entitled to attend, speak and vote at the GM is entitled to appoint a proxy to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company but must attend the GM to represent you.
2. Forms of proxy, together with any power of attorney or other authority under which it is executed or a notarially certified copy thereof, must be completed and signed and, to be valid, must reach the Company's Registrars at Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR not less than 48 hours (excluding non-business days) before the time appointed for the holding of the meeting.
3. If the appointer is a corporation, the form of proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
4. The appointment of a proxy does not preclude a member from attending and voting at the meeting.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote of the other registered holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
6. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (SI 2001/3755) Reg. 41(1) and (2) and paragraph 18 (c) of the Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, only those shareholders on the Register of Members at 11.00 a.m. on 11 September 2018, being not less than 48 hours before the time appointed for the holding of the meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. If the meeting is adjourned by more than 48 hours, then to be so entitled, a shareholder must be entered on the Company's Register of Members at the time which is 48 hours excluding non-business days before the time appointed for holding the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.
7. To appoint more than one proxy, you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which in aggregate shall not exceed the number of shares held by you). Please also indicate if the proxy is part of a multiple set of instructions being given. All forms must be signed and should be returned together in the same envelope. A failure to specify the number of shares each proxy appointment relates to, or specifying a number in excess of those held by you, may result in the appointment being invalid. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's Registrars.
8. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent 7RA36 by 11.00 a.m. on 11 September 2018, being not less than 48 hours before the time appointed for the holding of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. After this time, any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed a voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. In any case your proxy form must be received by the Company's registrars no later than 11.00 a.m. on 11 September 2018.
9. As at the close of business on 22 August 2018, the Company's issued share capital comprised 276,391,999 ordinary shares of 0.01p each. Each ordinary share carries the right to one vote at a general meeting of the Company, and therefore the total number of voting rights in the Company as at the time and date given above is 276,391,999.

