

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have recently sold or transferred all of your shares in Franchise Brands plc, please send this notice and the accompanying documents as soon as possible to the purchaser or transferee or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.



Franchise Brands plc

Proposed Cancellation of Share Premium Notice of General Meeting

To be held on Thursday 30 April 2026 at 11:15 a.m. (or, if later, immediately following the conclusion of the Annual General Meeting being held on the same date)

**At the offices of Gateley Legal,
1 Paternoster Square, London, EC4M 7DX**

Notice of a General Meeting of Franchise Brands plc (the **Company**) is set out on page 6 of this Document.

You may appoint another person as proxy to exercise your rights to attend, speak and vote at the General Meeting. Full details on how to appoint a proxy are set out in this Document. Proxy appointments must be received not later than 11:15 a.m. on Tuesday 28 April 2026.

Expected Timetable of Principal Events

	Time and date
Publication of this Document	Tuesday 31 March 2026
Latest time and date for receipt of Forms of Proxy	11:15 a.m. on Tuesday 28 April 2026
General Meeting	11:15 a.m. (or, if later, immediately following the conclusion of the Annual General Meeting) on Thursday 30 April 2026
Expected date of initial directions hearing of the Court	Wednesday 20 May 2026
Expected date of Court Hearing to confirm the Share Premium Cancellation	Tuesday 2 June 2026
Effective Date	The date on which the Court Order confirming the Share Premium Cancellation (and certain accompanying documents) are registered by Companies House, which is expected to be on or around Friday 5 June 2026

Notes

1. The expected dates for the initial directions hearing and Court Hearing to confirm the Share Premium Cancellation are based on provisional dates that have been obtained for the required Court hearings. These provisional hearing dates are subject to change and are dependent on the Court's timetable. If the expected dates of the Court hearings are changed, the Company will give notice of this by issuing an announcement via a Regulatory Information Service. The Effective Date will depend on, amongst other things, the date on which the Court confirms the Share Premium Cancellation.
2. The timetable assumes that there is no adjournment of the General Meeting. If there is an adjournment, all subsequent dates are likely to be later than those shown. If expected dates change, the Company will give notice of this by issuing an announcement via a Regulatory Information Service.

Definitions

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

Act	the Companies Act 2006 (as amended);
Annual General Meeting	the annual general meeting of the Company convened for 11:00 a.m. on Thursday 30 April 2026;
Articles	the articles of association of the Company as amended from time to time;
Board or Directors	the directors of the Company as at the date of this Document, whose names are set out on page 4 of this Document;
Company	Franchise Brands plc, a public limited company incorporated in England and Wales under registered number 10281033 and having its registered office at Ashwood Court Springwood Close, Tytherington Business Park, Macclesfield, England SK10 2XF;
Court	the High Court of Justice in England and Wales;
Court Hearing	the hearing by the Court to confirm the Share Premium Cancellation;
Court Order	the order of the Court confirming the Share Premium Cancellation;
CREST	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
CREST Manual	the rules governing the operation of CREST, as published by Euroclear (as defined in the CREST Regulations);
CREST member	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations);
CREST Regulations	the Uncertificated Securities Regulations 2001 (as amended);
CREST sponsor	a CREST member admitted to CREST as a CREST sponsor;
CREST sponsored member	a CREST member admitted to CREST as a sponsored member (which includes all CREST personal members);
Document	this document and its contents;
Effective Date	the date of registration of the Court Order at Companies House, on which date the Share Premium Cancellation will become effective;
Euroclear	Euroclear UK & International Limited;
Form of Proxy	the yellow form of proxy for use by Shareholders in connection with the General Meeting;
General Meeting	the general meeting of the Company convened for 11:15 a.m. (or, if later, immediately following the conclusion of the Annual General Meeting on Thursday 30 April 2026, notice of which is set out on page 6 of this Document);
Group	the Company and its subsidiaries and subsidiary undertakings (as defined in the Act);
Notice of General Meeting or Notice	the notice convening the General Meeting, which is set out on page 6 of this Document;
Ordinary Shares	the ordinary shares of £0.005 each in the capital of the Company;
Regulatory Information Service	a service approved by the UK Financial Conduct Authority for the distribution to the public of regulatory announcements;
Resolution	the resolution as set out in the Notice of General Meeting;
Shareholders	the holders of the Ordinary Shares and the term Shareholder shall be construed accordingly;
Share Premium Account	the share premium account of the Company;
Share Premium Cancellation	the proposed cancellation of the Company's Share Premium Account pursuant to the Resolution as set out in the Notice of General Meeting;
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland; and
£	pounds sterling, the lawful currency of the United Kingdom.

Letter from the Chairman of Franchise Brands plc

Incorporated in England and Wales under the Companies Act 2006 with registered number 10281033

Registered Office:

Ashwood Court Springwood Close
Tytherington Business Park
Macclesfield
England
SK10 2XF

Directors:

- Stephen Hemsley (Executive Chairman)
- Peter Molloy (Chief Executive Officer)
- Andrew Mallows (Chief Financial Officer)
- Peter Kear (Senior Independent Non-Executive Director)
- Andrew Brattesani (Independent Non-Executive Director)
- Louise George (Independent Non-Executive Director)
- Nigel Wray (Non-Executive Director)

24 March 2026

Dear fellow Shareholder

Proposed Cancellation of Share Premium and Notice of General Meeting

1. Introduction

I am writing to invite you to the General Meeting of the Company to be held at 11:15 a.m. (or, if later, immediately following the conclusion of the Annual General Meeting) on Thursday 30 April 2026 at the offices of Gateley Legal, 1 Paternoster Square, London, EC4M 7DX, and to explain the Resolution to approve the Share Premium Cancellation to be proposed at the General Meeting, which is set out in the Notice of General Meeting on page 6 of this Document.

The purpose of this Document is to explain: (i) the Share Premium Cancellation, which will create further distributable reserves to support the Company's ability to undertake further share buybacks, make potential future payments of dividends to its Shareholders (in each case should circumstances decide it appropriate or desirable to do so), as well as other corporate purposes of the Company and (ii) why the Board believes this is in the best interests of both the Company and its Shareholders as a whole and unanimously recommends voting in favour of the Resolution at the upcoming General Meeting. Please note that the Share Premium Cancellation will only go ahead if the Resolution is approved at the General Meeting and the Court subsequently confirms the Share Premium Cancellation.

The Definitions section on page 3 of this Document contains definitions of words and terms that have been used throughout. Please refer to this section as you review this Document.

2. Background to and reasons for the Share Premium Cancellation

As at 31 December 2025, the Company's Share Premium Account showed a balance of approximately £131,131,000. This account represents the excess amount received over the nominal value of the Company's Ordinary Shares, which is £0.005 per share. The significant majority of this balance was generated through the issue of Ordinary Shares to fund the acquisition of the Pirtek Europe group of companies in 2023, with the remainder primarily arising from the issue of Ordinary Shares to fund the acquisition of Metro Rod in 2017 and the placing of Ordinary Shares in 2020. The Share Premium Account is a non-distributable reserve for the purposes of the Act, meaning that it has limited applications and cannot, for example, be used to fund share buybacks or pay dividends. The Company may only fund share buybacks (subject to limited exceptions) or pay dividends out of distributable reserves.

Accordingly, the Company is proposing to cancel the entirety of its Share Premium Account in order to create further distributable reserves to support: (i) further share buybacks; (ii) the future payment by the Company of dividends to its Shareholders (in each case should circumstances decide it appropriate or desirable to do so); and (iii) other corporate purposes of the Company. On 28 January 2026, the Company announced its intention to launch a share buy-back programme of up to £10m, to be implemented through a mix of on-market purchases by the Company and the Employee Benefit Trust, which seeks to mitigate the dilutive impact of share option awards. The Company's ability to make on-market purchases is restricted without the creation of further distributable reserves.

The Share Premium Cancellation will not, of itself, involve any distribution or return of capital to any Shareholder and will not reduce the Company's underlying assets.

On completion of the Share Premium Cancellation, the Company's Share Premium Account will be cancelled and, subject to the Court being satisfied with the Company's approach to creditors as outlined below, the entire amount resulting from such cancellation will be applied to the Company's distributable reserves.

The completion of the Share Premium Cancellation will not affect the rights attaching to the Ordinary Shares and will not result in any change to the number of Ordinary Shares in issue (or their nominal value).

3. The Share Premium Cancellation

Shareholder Approval

In order to effect the Share Premium Cancellation, the Company requires the approval of its Shareholders pursuant to section 641(1)(b) of the Act. The Share Premium Cancellation cannot be effected unless the Company receives the approval by the requisite majority of Shareholders and in the requisite manner as set out in this section of the Document.

The Shareholders, being holders of Ordinary Shares, are entitled to receive notice of, attend, speak and vote at the General Meeting. The votes of the Shareholders will be added together at the General Meeting and the Resolution to approve the Share Premium Cancellation, which will be proposed as a special resolution, requires a majority in favour of at least 75% of those Shareholders voting in person or by proxy in order to be passed. The vote will be taken on a poll, to enable the votes of those Shareholders unable to attend the General Meeting in person to be taken into account.

Court Approval

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

The Court will be concerned to ensure that the interests of the Company's creditors as at the Effective Date are not prejudiced. The Board has undertaken a thorough and extensive review of the Company's liabilities (including contingent liabilities) and is satisfied that the Company has sufficient liquid assets following the Share Premium Cancellation to satisfy the debts and claims of its creditors plus a significant margin, and as such there is no real likelihood that the Share Premium Cancellation would result in the Company being unable to discharge a creditor's debt or claim when it falls due. Accordingly, the Board considers that the Company will be able to satisfy the Court that, as at the date on which the Share Premium Cancellation will become effective, the interests of the Company's creditors are not prejudiced.

It is anticipated that the initial directions hearing in relation to the Share Premium Cancellation will take place on Wednesday 20 May 2026, with the final Court Hearing taking place on Tuesday 2 June 2026 and the Share Premium Cancellation becoming effective shortly thereafter, following the necessary registration of the Court Order at Companies House.

The Board reserves the right to abandon or to discontinue (in whole or in part) the application to the Court in the event that the Board considers that the terms on which the Share Premium Cancellation would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or its Shareholders as a whole.

4. Action to be taken

You can vote either:

- via www.sharegateway.co.uk using the Shareholder's personal proxy registration code as shown on the Form of Proxy;
- via proxy using the yellow hard copy Form of Proxy supplied with this Document; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below in the Notes on pages 7 to 9 (inclusive) of this Document.

The completion and return of a Form of Proxy or electronic proxy appointment in accordance with the above voting methods will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

The deadline for receipt of Forms of Proxy and electronic proxy appointments is no later than 11:15 a.m. on Tuesday 28 April 2026. Further details of submitting proxy documentation can be found in the Notes on pages 7 to 9 (inclusive) of this Document.

5. Board recommendation

The Board considers that the Resolution is in the best interests of the Company and its Shareholders as a whole and will promote the success of the Company. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolution proposed at the General Meeting, as they intend to do so in respect of their own holdings of Ordinary Shares which amount, in aggregate, to 39,441,159 Ordinary Shares representing 20.4% of the issued Ordinary Shares.

Yours faithfully

Stephen Hemsley
Executive Chairman

Notice of General Meeting

NOTICE IS HEREBY GIVEN that a General Meeting of Franchise Brands plc (company number 10281033) (the **Company**) will be held at 11:15 a.m. (or, if later, immediately following the conclusion of the Annual General Meeting) on Thursday 30 April 2026 at the offices of Gateley Legal, 1 Paternoster Square, London EC4M 7DX.

Shareholders will be asked to consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

Special Resolution

THAT, subject to the approval of the High Court, the amount standing to the credit of the Share Premium Account of the Company be cancelled.

By order of the Board

Rob Bellhouse
Company Secretary

Date: 24 March 2026

Registered office: Ashwood Court Springwood Close, Tytherington Business Park, Macclesfield, England, SK10 2XF

Notes to the Notice of General Meeting

Entitlement to attend and vote

1. To be entitled to vote at the General Meeting (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the CREST Regulations), only those members registered in the Company's register of members at 6:00 p.m. on Tuesday 28 April 2026 (or, if the General Meeting is adjourned, close of business on the date which is two business days before the recommencement of the adjourned General Meeting) shall be entitled to vote at the General Meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to vote at the General Meeting.

Voting on a poll

2. In line with best practice, voting at the General Meeting will be on a poll, rather than a show of hands. Each Shareholder present at the General Meeting will be entitled to one vote for every Ordinary Share registered in their name and each corporate representative or proxy will be entitled to one vote for each Ordinary Share which they represent.

Website giving information regarding the General Meeting

3. Information regarding the General Meeting, including the information required by Section 311A of the Act, is available from www.franchisebrands.co.uk/investor-information. If you would like to update your communication preference, please contact Neville Registrars on +44 (0) 121 585 1131 or by email to info@nevilleregistrars.co.uk.

Appointment of proxies

4. If you are a member of the Company at the time set out in Note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting. You can appoint a proxy only using the procedures set out in these Notes and the notes to the Form of Proxy.
5. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please indicate on your proxy submission the number of shares to which each appointment relates.
7. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the General Meeting.

Appointment of proxy using hard copy form

8. A hard copy Form of Proxy is enclosed with this notice. To be valid, the form must be completed and signed, sent or delivered to Neville Registrars, Neville House, Steelpark Road, Halesowen, B62 8HD to be received no later than 11:15 a.m. on Tuesday 28 April 2026 (being 48 hours before the time appointed for the General Meeting) or not less than 48 hours before the time appointed for the recommencement of any adjournment thereof (not including weekends or public holidays). If conflicting proxies are sent or delivered at the same time in respect of (or deemed to be in respect of) your entire holding, none of them shall be treated as valid.
9. In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.
10. For the purposes of determining the time for delivery of proxies, no account has been taken of any part of a day that is not a working day.

Appointment of proxy electronically

11. As an alternative to completing the Form of Proxy, Shareholders can appoint proxies electronically with the Registrars via www.sharegateway.co.uk using the Shareholder's personal proxy registration code as shown on the Form of Proxy. For an electronic proxy appointment to be valid, your appointment must be received by the Registrars no later than 11:15 a.m. on Tuesday 28 April 2026 (being 48 hours before the time appointed for the General Meeting) or not less than 48 hours before the time appointed for the recommencement of any adjournment thereof (not including weekends or public holidays).

Notes to the Notice of General Meeting continued

Appointment of proxy using CREST

12. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of it 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 voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear'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 issuer's agent, Neville Registrars (ID: 7RA11), by 11:15 a.m. on Tuesday 28 April 2026. 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 by enquiry to CREST in the manner prescribed by CREST.
13. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that 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.
14. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) 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 CREST Regulations.

Appointment of proxy by joint members

15. 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.

Changing proxy instructions

16. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact Neville Registrars on +44 (0) 121 585 1131 or by email to info@nevilleregistrars.co.uk. Subject to Note 8 above regarding conflicting proxies being submitted at the same time, 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 appointments

17. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars, Neville House, Steelpark Road, Halesowen, B62 8HD or by scanning a signed copy and emailing this to info@nevilleregistrars.co.uk. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed, or a duly certified copy of such power or authority, must be included with the revocation notice. The revocation notice must be received by Neville Registrars no later than 48 hours (not including weekends or public holidays) before the General Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the remainder of this paragraph, 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 the General Meeting in person, your proxy's appointment will automatically be terminated.

Corporate representatives

18. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued share capital and total voting rights

19. As at Tuesday 24 March 2026, the Company's issued share capital comprised 193,784,080 Ordinary Shares. Each Ordinary Share carries the right to one vote at a general meeting of the Company and the total number of voting rights in the Company on Tuesday 24 March 2026 is therefore 193,784,080. The website referred to in Note 3 will include information on the number of Ordinary Shares and voting rights.

Questions at the General Meeting

20. Under Section 319A of the Act, the Company must answer any question you ask relating to the business being dealt with at the General Meeting unless:
- 20.1 answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information;
 - 20.2 the answer has already been given on a website in the form of an answer to a question; or
 - 20.3 it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

Documents on display

21. A copy of the Articles of the Company will be available for inspection at the registered office of the Company from the date of this notice until the end of the General Meeting.



Franchise Brands plc

Ashwood Court
Springwood Close,
Tytherington Business Park
Macclesfield
Cheshire
SK10 2XF

Company number 10281033