

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.

If you have recently sold or transferred all of your shares in Kanabo Group Plc, please forward this document, together with the accompanying documents, as soon as possible either 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.

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# **KANABO GROUP PLC**

*(Incorporated in England and Wales under the Companies Act 2006 with registered number 10485105)*

## **NOTICE OF ANNUAL GENERAL MEETING**

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Notice of the 2021 Annual General Meeting of Kanabo Group Plc (**Company**) to be held at the offices of Asserson Law Offices at Central Court, 25 Southampton Buildings, Holborn, London, WC2A on Monday 28 June 2021 at 12:00pm is set out on pages 4 to 5 of this document.

**The Company has been closely monitoring the developments in the United Kingdom (UK) government's response to the ongoing COVID-19 pandemic. The UK government's current guidance includes a restriction on meetings taking place indoors in a group of more than 6 people, or 2 households. The health and safety of our shareholders is our priority, and whilst it is hoped that by 28 June 2021 the UK government will have eased legal limits on social contact, the Company anticipates that shareholders may not be permitted to attend the Annual General Meeting in person. We will continue to monitor the evolving impact of the COVID-19 pandemic and how this may affect the arrangements of the Annual General Meeting.**

**The action to be taken by shareholders in respect of the Annual General Meeting, including how shareholders may raise questions in relation to business to be considered at the Annual General Meeting, is set out on pages 6 to 9 of this document.**

A form of proxy for use at the Annual General Meeting is enclosed and, to be valid, should be completed and returned in accordance with the instructions printed on the form so as to be received by the Company's Registrar, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD.

**IN ACCORDANCE WITH THE UK GOVERNMENT'S ADVICE IN RELATION TO COVID-19 WHICH PROHIBITS GATHERINGS OF MORE THAN SIX PEOPLE OR TWO HOUSEHOLDS, IT IS NOT ANTICIPATED THAT YOU WILL BE PERMITTED TO ATTEND THE ANNUAL GENERAL MEETING IN PERSON.**

Dear Shareholder

**Annual General Meeting**

I am pleased to be writing to you with details of our Annual General Meeting which we are holding at the offices of Asserson Law Offices of Central Court, 25 Southampton Buildings, Holborn, London, WC2A on Monday 28 June 2021 at 12:00pm. The formal notice of the Annual General Meeting (**Notice**) is set out on pages 4 and 5 of this document.

As shareholders will be aware, the UK government's current restrictions in connection with COVID-19 and, in particular, the restrictions on indoor gatherings exceeding more than six people or two households, may restrict the ability of shareholders to attend the Annual General Meeting in person.

Although the situation is fast-changing and constantly evolving, it appears that the measures in force as of 17 May 2021 may continue beyond the date of the Annual General Meeting. On this basis, and assuming the continuation of those restrictive measures, the Company anticipates that it may not be possible to admit shareholders to the Annual General Meeting. In order to comply with relevant legal requirements, and to ensure the Annual General Meeting is quorate, the Annual General Meeting will be convened with two shareholders at 12:00pm at the offices of Asserson Law Offices on Monday 28 June 2021. This will be facilitated by the Company.

In view of the logistical challenges, shareholders are not encouraged to attend the Annual General Meeting in person and, instead, are advised to submit a Form of Proxy (either by completing and returning the hard copy Form of Proxy or, alternatively, appointing a proxy or proxies electronically by registering the proxy with the Registrar at [www.sharegateway.co.uk](http://www.sharegateway.co.uk) and completing the authentication requirements as set out on the Form of Proxy) in advance of the Annual General Meeting. In order to ensure that each shareholder's vote counts, the board recommends that shareholders appoint the Chairman of the General Meeting as their proxy for the Annual General Meeting to vote on their behalf. If you hold your shares in the Company in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the CREST Manual (please also refer to the accompanying notes to the Notice of the Annual General Meeting set out on pages 6 to 9 of this document).

Should a shareholder have any questions that they would have raised at the Annual General Meeting in connection with the business of that meeting, the board asks that shareholders send any questions by email to [meirav@kanabogroup.com](mailto:meirav@kanabogroup.com). The board will endeavour to provide answers to all appropriate questions and to publish such answers on the Company's website as soon as practicable following the Annual General Meeting. Shareholder engagement is important to the Company even in these exceptional times.

The board will continue to assess the situation in the UK, and in particular will assess any new measures that the UK government takes, and will duly notify shareholders where appropriate with the further action, if any, that shareholders are permitted to take with respect to the Annual General Meeting via a regulatory news service.

An explanation of the business to be considered at this year's Annual General Meeting appears on pages 10 to 13 of this document.

**Recommendation**

The directors of the Company consider that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole and are most likely to promote the success of the Company. The directors of the Company unanimously recommend that you vote in favour of all the proposed resolutions, as they intend to do in respect of their own beneficial holdings currently amounting to 32% per cent of the issued share capital of the Company.

Yours sincerely

**David Tsur**

**Chairman**

3 June 2021

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Kanabo Group Plc (the **Company**) will be held at the offices of Asserson Law Offices at Central Court, 25 Southampton Buildings, Holborn, London, WC2A on Monday 28 June 2021 at 12:00pm.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 8 will be proposed as ordinary resolutions. Resolutions 9 and 10 will be proposed as special resolutions.

### RESOLUTIONS

1. To receive and consider the audited financial statements of the Company for the period ended 31 December 2020, together with the directors' report and the auditors' report thereon.
2. To approve the report on directors' remuneration.
3. To approve the re-appointment of PKF Littlejohn LLP as auditors of the Company, and to authorize the directors of the Company to determine the auditors' remuneration.
4. To re-elect Andrew Morrison as a director of the Company.
5. To elect Uziel Danino as a director of the Company.
6. To elect Avihu Israel Tamir as a director of the Company.
7. To elect David Tsur as a director of the Company.
8. **THAT** in accordance with section 551 of the Companies Act 2006 (**CA 2006**), the directors of the Company (**Directors**) be generally and unconditionally authorised to allot securities (as defined in section 560 of the CA 2006) (**Equity Securities**) to such persons at such times and on such terms and conditions as the Directors may determine, provided that the aggregate of the nominal amount of such Equity Securities that may be allotted under this authority shall not exceed £18,420,384.55. This authority shall, unless previously renewed, varied or revoked by the Company in a general meeting expire at the conclusion of the next annual general meeting of the Company to be held or, if earlier, 12 months from the date the Annual General Meeting. The Directors may, before expiry, make an offer or agreement which would or might require Equity Securities to be allotted after such expiry and the Directors may allot Equity Securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired. This authority revokes and replaces all unexercised authorities previously granted to the Directors but without prejudice to any allotment of shares or grant of Equity Securities already made or offered or agreed to be made pursuant to such authorities.
9. **THAT**, subject to the passing of resolution 8 and in accordance with section 570 of the CA 2006 the directors of the Company be generally empowered to allot Equity Securities pursuant to the authority conferred by resolution 8, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that:
  - a. this power shall be limited to the allotment of Equity Securities in connection with a rights issue or similar offer to or in favour of ordinary shareholders where the Equity Securities

respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of shares held by them on that date provided that the directors of the Company may make such exclusions or other arrangements to deal with any legal or practical problems under the laws of any territory or the requirement of any regulatory body or any stock exchange or with fractional entitlements as they consider necessary or expedient;

- b. the allotment (otherwise than pursuant to sub paragraph (a) above) of Equity Securities pursuant to the authority granted under the ordinary resolution referred to above is limited to the aggregate nominal amount of £9,210,192.275; and
- c. this power shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, 12 months from the date of the annual general meeting, unless previously renewed, varied or revoked by the Company in general meeting, save that the Company may, before such expiry, make an offer or enter into any agreement which would or might require Equity Securities to be allotted after such expiry and the directors of the Company may allot Equity Securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired. All previous authorities under section 571 of the CA 2006 shall cease to have effect at the conclusion of the annual general meeting.

10. **THAT**, with effect from the close of the Annual General Meeting, the Articles of Association produced to the meeting be adopted as the Articles of Association of the company in substitution for, and to the exclusion of, the Company's existing Articles of Association.

By order of the Board

**Howard Rubenstein**

**Company secretary**

Kanabo Group Plc (Company Number 10485105)

3 June 2021

### **Entitlement to attend and vote**

1. Those shareholders registered in the Company's register of members at:

- 12:00pm on 24 June 2021; or,
- if this meeting is adjourned, at 12:00pm on the day two business days prior to the adjourned meeting,

shall be able to vote in advance by submitting a completed Form of Proxy to the Company. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

### **Website giving information regarding the meeting**

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at: <https://www.kanabogroup.com>

### **Attending in person**

3. Following the UK government's current restrictive measures in connection with COVID-19 and, in particular, the restrictions on indoor gatherings exceeding more than six people or two households, the Company anticipates that these measures will restrict the ability of shareholders to attend the Annual General Meeting in person. On this basis, and assuming the continuation of those restrictive measures, the Company anticipates that its shareholders will be unable to attend the Annual General Meeting.

### **Appointment of proxies**

4. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. As it is unlikely that shareholders will be able to attend the meeting in person, the Company recommends that all shareholders appoint the Chairman of the meeting as their proxy to ensure their votes count.

You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

5. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.

6. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, please contact Neville Registrars Limited at the address below or by calling 0121 585 1131. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. However, and as mentioned above, the Company recommends that you appoint the Chairman of the meeting as your proxy.

7. Shareholders can:

- Appoint a proxy or proxies and give proxy instructions by returning the enclosed proxy form by post (see note 9);
- Register their proxy appointment electronically (see note 10); or
- If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 11).

Please note that, due to the measures implemented by the UK Government to combat the COVID-19 pandemic, shareholders and/or their proxies may not be able to attend the meeting in person. Accordingly, shareholders will need to appoint a proxy who will be attending the meeting to exercise their voting rights at the meeting. If shareholders appoint the Chairman of the meeting as their proxy this will ensure that their votes are cast in accordance with their wishes, given that in light of the current restrictions on gatherings, it is likely that only the bare minimum number of people will be attending the meeting in person in order to satisfy the quorum requirement for the meeting.

8. 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 you either select the "Discretionary" option or 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 meeting.

### **Appointment of proxy by post**

9. The notes to the proxy form explain to shareholders how to direct their proxy how to vote on each resolution or how to withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD; and
- received by Neville Registrars Limited no later than 12:00pm 24 June 2021.

In the case of a shareholder that is a company, the proxy form 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 proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact Neville Registrars Limited at the above address or by calling 0121 585 1131.

### **Appointment of proxies electronically**

10. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically with Neville Registrars Limited at [www.sharegateway.co.uk](http://www.sharegateway.co.uk) by complete the authentication requirements including the personal proxy registration code as shown on the proxy form. For an electronic proxy appointment to be valid your appointment must be received by Neville Registrars Limited no later than 12:00pm on 24 June 2021.

### **Appointment of proxies through CREST**

11. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). 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.

For a proxy appointment or instructions made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Neville Registrars Limited (ID 7RA11) no later than 12:00pm on 24 June 2021, or, in the event of an adjournment of the meeting, 48 hours (excluding non-working days)

before the adjourned 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 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 EUI 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 his/her 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 service 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.

#### **Appointment of proxy by joint members**

12. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, 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**

13. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for the receipt of proxy appointments also applies 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 proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD.

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**

14. A shareholder may change a proxy instruction but to do so will need to inform the Company in writing by:

- Sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD. 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 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 Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD no later than 12:00pm on 24 June 2021.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.



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

### **Corporate representatives**

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

### **Issued shares and total voting rights**

16. As at 6.00pm on 2 June 2021, which is the latest practicable date before publication of this notice, the Company's issued share capital comprised 368,407,691 ordinary shares of 2.5p 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 6:00pm on 2 June 2021 is 368,407,691.

The Company's website will include information on the number of shares and voting rights.

### **Questions at the meeting**

17. As members may not be permitted to attend the Annual General Meeting, members are encouraged to submit any questions that they have by e-mail to [meirav@kanabogroup.com](mailto:meirav@kanabogroup.com). The board will endeavour to provide answers to all appropriate questions and to publish such answers on the Company's website as soon as practicable following the Annual General Meeting. Shareholder engagement is highly important to the Company even in these exceptional times.

### **Nominated persons**

18. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (**Nominated Person**):

- You may have a right under an agreement between you and the shareholder of the Company who has nominated you to have information rights (**Relevant Shareholder**) to be appointed or to have someone else appointed as a proxy for the meeting.
- If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Shareholder to give instructions to the Relevant Shareholder as to the exercise of voting rights.
- Your main point of contact in terms of your investment in the Company remains the Relevant Shareholder (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

The rights relating to proxies set out in note 4 do not apply directly to nominated persons.

### **Voting**

19. Voting on all resolutions will be conducted by way of a poll rather than on a show of hands.

As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and will also be placed on the Company's website.

### **Documents on display**

20. Copies of the service contracts of the executive directors and the non-executive directors' contracts for services are available for inspection at the Company's registered office during normal business hours and at the place of the meeting from at least 15 minutes prior to the meeting until the end of the meeting.

## EXPLANATION OF RESOLUTIONS

An explanation of each of the resolutions is set out below. Resolutions 1 to 8 are proposed as Ordinary Resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

### **Resolution 1: Annual Report and Accounts**

The directors of the Company are required to present to shareholders at the Annual General Meeting the Company's audited accounts and the Directors' and Auditor's reports for the period ended 31 December 2020 (**Annual Report and Accounts**). The audited accounts, the Directors' report and the Auditor's report on the accounts and on those parts of the Directors' remuneration report that are capable of being audited are contained within the Annual Report and Accounts.

### **Resolution 2: Approval of report on Directors' remuneration**

The 2006 Act requires quoted companies, at each general meeting at which statutory accounts are to be laid, to propose an ordinary resolution approving the Directors' remuneration report for the year (the **Remuneration Report**). In Resolution 2 shareholders are asked to approve the content of the Remuneration Report, a copy of which is included in the Annual Report and Accounts at page 25. This vote is advisory in nature and does not affect the actual remuneration paid to any individual director or require any such amounts to be repaid, reduced or withheld.

### **Resolution 3: Re-election of Auditor and Auditor's remuneration**

The Company is required by law to re-appoint the auditor at each general meeting at which accounts are laid. Resolution 3 proposes that PKF Littlejohn LLP be reappointed as the Company's auditor and asks the shareholders to authorise the directors of the Company to determine the remuneration of the auditor.

### **Resolutions 4 - 7: Election of Directors**

The election and re-election of directors, if approved, will take effect at the conclusion of the meeting. Separate resolutions are proposed for each of these elections. In order to comply with best practice under provision 4.1 of the QCA Corporate Governance Code 2018, the directors are subject to re-election on an annual basis. Biographical details as at the 2 June 2021, being the latest practicable date before the date of this document), of all the directors standing for election or re-election by shareholders are set out below:

#### **Andrew John Gowdy Morrison – Chairman (date of birth 28 October 1960)**

Mr. Morrison has a background in strategic business development, which combined with technical literacy and an entrepreneurial mind-set has led to a record of commercial delivery across energy and other industries. For the first 17 years of his career, Mr. Morrison worked for Shell in a variety of positions of increasing seniority in oil products trading, shipping, marketing, and business development. His work in marketing and business development was principally in the industrial sectors of lubricants and speciality chemicals and included new market entries in South America and China. In 1999, Mr. Morrison joined BG Group Plc as a New Ventures Director where he led the creation of a corporate venture to exploit BG's UK land estate to create an infrastructure business targeting the mobile telecoms sector. After a period as head of corporate strategy at BG he continued his career in corporate venturing, first as an independent business development adviser and then as Group Director of New Business Development for the industrial gases group BOC Group Plc until its acquisition in 2007. During his time in corporate venturing, Mr. Morrison was also involved in projects with major firms operating in aggregates, agricultural industry, and water technology as well as in the energy sector.

Since 2007, Mr. Morrison has devoted his time to managing and developing junior public companies. The first of these was Xtract Energy Plc, at the time a quoted venture capital vehicle operating in the energy

sector with interests including upstream oil and gas. Subsequent to Xtract Energy Plc, Mr. Morrison has also held chief executive positions with Silvermere Energy Plc and Zeta Petroleum Plc, an ASX quoted firm with operations in Romania. He has also advised Highlands Natural Resources Plc and Zenith Energy Ltd, both of which are listed on the Standard List.

He has a BSc (1st Class) in Chemical Engineering and Fuel Technology from the University of Sheffield, a Diploma in Company Direction from the Institute of Directors and has published several articles in the fields of innovation, venturing, and strategic business development.

**David Tsur - Non-Executive Chairman (Date of birth 27 March 1950)**

Mr. Tsur is the co-founder of Kamada Ltd, a public company listed on both the NASDAQ and the Tel-Aviv Stock Exchange. He served as the Kamada Ltd Chief Executive Officer and sat on its board of directors from the company's inception in 1990 until July 2015. Currently Mr. Tsur serves as Kamada Ltd's Deputy Chairman of the Board. Prior to co-founding Kamada Ltd, Mr. Tsur was the Chief Executive Officer of Arad Systems and RAD Chemicals Inc. He has also held various positions in the Israeli Ministry of Economy (formerly named the Ministry of Industry and Trade), including Chief Economist and Commercial Attaché in Argentina and Iran.

Mr. Tsur holds a BA degree in Economics and International Relations, and an MBA in Business Management from the Hebrew University of Jerusalem.

**Uziel Danino, Non-Executive Director (Date of birth 8 December 1957)**

Mr. Danino has over 35 years of experience in the financial sector, including capital markets. Mr. Danino began his career at Bank Mizrahi in 1981 and he worked in all of the bank's business units in a variety of managerial positions. In his last position with the bank, Mr. Danino served as the manager of the customer asset division, which includes the bank's investment management company. In 2012, Mr. Danino was appointed to head the Excellence Investment House that had NIS80 billion (approximately GBP 17 billion) in customer assets under management at the time. In the framework of his position, he also serves as a chairperson of provident funds, trust funds, a Stock Exchange Member Brokerage, and serves as a member of the Israeli Federation of Investment Houses.

Mr. Danino is currently a member and director of Rosario Capital, an underwriting company. In addition, Mr. Danino is a director of two public companies, UMI and Spacecom, and serves as a member of the University of Ariel Finance Committee.

**Avihu Israel Tamir, Chief Executive Officer (Date of birth 7 February 1981)**

Mr. Tamir is a cannabis entrepreneur with over five years of hands-on experience in multiple cannabis ventures and vast experience in consulting for international cannabis projects. Mr. Tamir began his career and built his reputation as a senior strategy consultant at Accenture. He is also the founder of Teva Nature, the leading vaporiser company in Israel. Mr. Tamir founded Kanabo Research in 2017 and since then has served as CEO of the company. His expertise includes biotechnology, new agriculture and agro-tech, and other breakthrough technologies in the dynamic field of medical cannabis.

Mr. Tamir holds a B.A. in Finance and Risk Management (Magna Cum Laude), and a M.A. in Political Science (Magna Cum Laude) from the IDC Herzliya.

### **Resolution 8 – Authority of the Directors to issue and allot new shares**

The purpose of Resolution 7 is to renew the directors' authority to allot shares. If Resolution 7 is passed, the directors of the Company will have authority to allot shares in the capital of the Company (and other relevant securities) up to an aggregate nominal amount of £18,420,384.55 which is approximately 200% (two hundred per cent) of the Company's issued ordinary share capital as at 2 June 2021, being the latest practicable date before the date of this document.

The directors of the Company expect to exercise this authority only after careful consideration of all the options available, and if they consider such exercise to be in the best interests of the Company and its shareholders taken as a whole. This authority will, if granted, expire at the conclusion of the annual general meeting of the Company to be held in 2022 or, if earlier, at the close of business on 12 months from the date of this annual general meeting, unless such authority is renewed prior to this time. The Company held no shares in treasury as at 2 June 2021, being the latest practicable date before the date of this document.

### **Resolution 9 – Disapplication of statutory pre-emption rights**

If the directors of the Company wish to exercise the authority under Resolution 8 to offer shares, or grant rights to subscribe for, or convert securities into shares, unless shareholders have given specific authority for the waiver of their statutory pre-emption rights, the new shares must be offered first to existing shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the best interests of the Company to allot new shares (or to grant rights to subscribe for, or convert securities into, shares) for cash or to sell treasury shares for cash without first offering them to existing shareholders in proportion to their holdings. Resolution 9 asks shareholders to grant this limited waiver.

Resolution 9 would, if passed, authorise the directors of the Company to do this by allowing the directors to allot ordinary shares for cash or sell treasury shares for cash:

- in favour of existing shareholders in proportion to their shareholdings (subject to certain exclusions) in order to allow the Directors to make appropriate exclusions and other arrangements to resolve legal or practical problems which, for example, might arise in relation to overseas shareholders; or
- otherwise up to an aggregate nominal value of £9,210,192.275 which is equivalent to approximately 100% (one hundred per cent) of the issued Ordinary Share capital of the Company on 2 June, being the latest practicable date before the date of this document.

The directors of the Company expect only to exercise this authority after careful consideration of all the options available and if they consider such exercise to be in the best interests of the Company and its shareholders taken as a whole. In particular, the directors of the Company would only allot shares for cash on a non-pre-emptive basis in order to facilitate the Company's overall acquisition strategy.

These authorities, if granted, will each expire at the conclusion of the annual general meeting of the Company to be held in 2022 or, if earlier, at the close of business on 28 June 2022, unless such authority is renewed prior to this time.

### **Resolution 10 – Electronic General Meetings**

The purpose of Resolution 10, which will be proposed as a special resolution, is to amend the articles of association of the Company (**New Articles**) to permit the Company to hold general meetings, including Annual General Meetings, electronically as well as physically. This will allow for greater shareholder and stakeholder (including those based overseas) engagement over the coming years. It is also particularly necessary at the moment given the ongoing uncertainty as regards the duration of restrictions on

gatherings and social distancing guidance. The New Articles would permit the company to hold a combined physical and electronic shareholder meeting, and would also allow the board to continue to fulfil its legal obligation to hold shareholder meetings irrespective of legislation or guidance that may prevent physical meetings from taking place.

A copy of the current articles of association of the Company marked up to show all of the proposed changes is available for review on the Company's website at <https://www.kanabogroup.com>.

Subject to the passing of resolution 10, the New Articles will take effect from the conclusion of the Annual General Meeting.