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If you have sold or otherwise transferred all of your Shares in the Company, you should pass this document without delay to the purchaser or transferee, or to the stockbroker, bank or other person who arranged the sale or transfer so that they can pass this document to the person who now holds the Shares. If you have sold or otherwise transferred part only of your holding of Shares in the Company, you should retain this document and consult the stockbroker, bank manager or other agent through whom the sale or transfer was effected. Persons who are not resident in the United Kingdom should read the paragraph headed "Non-United Kingdom Shareholders" in the letter from the Chairman of the Company set out in Part 2 of this document and should inform themselves about, and observe, any applicable legal or regulatory requirements in their jurisdiction.

VERDITEK PLC

(Incorporated and registered in England and Wales with company number 10114644)

PROPOSED DISPOSAL OF VERDITEK PLC'S SOLAR BUSINESS

AND

NOTICE OF GENERAL MEETING

Notice of a general meeting of the company to be held at the offices of Peachey & Co LLP, 95 Aldwych, London, WC2B 4JF at 11 a.m. on 28 February 2024 (GMT).

This document does not constitute an offer to buy, acquire or subscribe for, or the solicitation of an offer to buy, acquire or subscribe for, any securities or an invitation to buy, acquire or subscribe for any securities.

This document should be read in its entirety. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 2 of this document and which recommends you vote in favour of the Resolutions to be proposed at the General Meeting.

Forward-looking Statements: This document contains indications of future developments and other forward-looking statements that are subject to risk factors. These factors could adversely affect the Company's results, strategy and prospects. Forward-looking statements involve risks, uncertainties and assumptions. They relate to events and/or depend on circumstances in the future which could cause actual results and outcomes to differ materially from those currently anticipated. No obligation or duty is assumed (except as required by the AIM Rules, the Disclosure and Transparency Rules, the rules of the London Stock Exchange and by law) to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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EXPECTED TIMETABLE OF EVENTS

Publication and posting of this Document	9 February 2024
Latest time and date for completion of receipt of Forms of Proxy	11 a.m. 26 February 2024
General Meeting	11 a.m. 28 February 2024
Expected Completion	29 February 2024

Notes

All references to time in this Document are to Greenwich Mean Time (GMT) unless specifically stated otherwise.

Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

PART 1 – DEFINITIONS

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

Agreement	the agreed terms for the Company to sell the Solar Business to the Buyer;
AIM Rule	a rule under the AIM Rules for Companies (as amended from time to time);
Board or Directors	the board of directors of the Company;
Bondholders	the holders of the Company's Notes;
Buyer	a company to be incorporated by the Bondholders;
Circular or Document	this document, containing details of the Disposal;
Company	Verditek PLC (incorporated and registered in England with company number 10114644), whose registered office is at Holborn Gate, 330 Holborn, London, England, WC1V 7QT;
Completion	completion of the Disposal in accordance with the Agreement, expected to occur on or about 29 February 2024;
CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & International Limited which facilitates the transfer of title to share in uncertificated form;
Disposal	the proposed sale of the Solar Business to the Buyer pursuant to the Agreement;
Disposal Resolution	Resolution 1 to be proposed to Shareholders at the General Meeting to approve the Disposal;
Form of Proxy	voting form to be used by Shareholders to submit votes;
General Meeting	the general meeting of the Company to be held at the offices of Peachey & Co LLP, 95 Aldwych, London, WC2B 4JF at 11 a.m. on 28 February 2024;
ICSI Receivable	earn-out payments receivable from the 2022 sale of an investment in Industrial Climate Solutions Inc (ICSI);
Notes	the Company's secured convertible loan notes;
Notice	the notice set out at the end of this Document convening the General Meeting;
Resolutions	the resolutions to approve the Disposal and the possible issuance of further Shares to be proposed at the General Meeting;
Shareholders	holders of Shares;
Shares	ordinary shares in the capital of the Company;
Solar Business	assets of the Company including: (i) the whole of the issued share capital of VSI; (ii) all intellectual property rights (know-how, design rights, logo, brand, website, marketing materials) and other rights and benefits of the Company relating to the Solar Business; (iii) the Company's interest in the

Net Zero Valley Term Sheet and related memorandum of understanding with SerendipEquity MANCO LLC, subject to counterparty consent; (iv) the Company's interest in the joint development project with Paragraf, subject to the consent of Paragraf; and (v) the ICSI Receivable, subject to counterparty consent;

VSI

the Company's wholly-owned subsidiary, Verditek Solar Italy srl.

PART 2 – LETTER FROM THE CHAIRMAN OF VERDITEK PLC

(Incorporated and registered in England with registered number 10114644)

Directors:

Rt. Hon. Lord David Willetts FRS (*Chairman*)
Robert Richards (*Chief Executive Officer*)
George Kataros (*Non-Executive Director*)

Registered Office:

Holborn Gate
330 Holborn
London
England
WC1V 7QT

All of whose business address is at

Holborn Gate
330 Holborn
London
England
WC1V 7QT

To the Shareholders

9 February 2024

Dear Shareholder

Proposed disposal of the Solar Business and Notice of General Meeting

1. Introduction

On 7 February 2024 the Company announced that it had reached a preliminary agreement with the Bondholders of the Company for the Buyer (including Gavin Mayhew (a related party for the purpose of Rule 13 of the AIM Rules for Companies)) to acquire the Solar Business.

The Bondholders have also agreed to provide a loan facility of up to €100,000 to fund specific items for the operation of the Solar Business (with the prior written agreement of the Bondholders required for each drawdown) with effect from 6 February 2024.

Completion is scheduled to take place on or around 29 February 2024, subject to certain conditions as set out in paragraph 2 below.

Since the Solar Business is the Company's principal asset, the Disposal will result in the Company becoming an AIM Rule 15 cash shell (as set out in paragraph 4 below) and it is conditional upon the approval of Shareholders. Shareholder approval for the Disposal will be sought at the General Meeting. The notice convening the General Meeting is set out at the end of this Document. The actions that you should take to vote on the Resolutions and the recommendations of the Board are set out below.

The purpose of this Circular is to provide you with the background to, reasons for, and details of, the Disposal and to explain why the Directors consider the Disposal to be in the best interests of the Shareholders as a whole.

2. Background to and summary terms of the Disposal

2.1. Background and reasons for the Disposal

The board have previously announced that the Company has been operating with limited cash reserves and would require some form of fundraising or recapitalisation in the short term (see the Financing Update notification of 29 November 2023). The Board have engaged in discussions with potential strategic partners and sought new investment but, unfortunately, these discussions have failed to result in any firm commitment to refinance the Company.

Given these difficulties, the Board sought offers for the Solar Business as the Board is of the opinion that the Solar Business has good prospects, even if dependent on future funding. The Board received an offer from the Bondholders and after much negotiation agreed outline terms on 6 February 2024, as set out below.

Consequently, it is the Board's view that Shareholders' interests are best served by transferring the Company's Solar Business to the proposed Buyer in accordance with the terms of the Agreement.

2.2. Summary Terms of the Disposal

Pursuant to the Agreement, the Company will transfer the Solar Business (and certain other assets, as agreed with the Bondholders) to the Buyer in consideration of £528,340 (to be satisfied by the surrender of the Notes) and £50,000 in cash.

The Company will transfer its VSI shareholder loan to Newco on Completion for nominal consideration, as part of the proposed transaction.

The Bondholders have also agreed to provide a loan facility of up to €100,000 to fund specific items for the operation of the Solar Business (with the prior written agreement of the Bondholders required for each drawdown) with effect from 6 February 2024.

Completion is scheduled to take place on or around 29 February 2024, subject to:

1. The Buyer completing its 'due diligence' investigations into the Solar Business and the parties entering into definitive sale and purchase documentation; and
2. The Shareholders passing the Disposal Resolution at the General Meeting.

The Company has granted Bondholders exclusive rights to complete the Disposal up until 29 February 2024.

The Solar Business being sold, pursuant to the Disposal comprises:

- the whole of the issued share capital of VSI;
- all intellectual property rights relating to the Solar Business;
- the Company's interests in the Net Zero Valley Term Sheet and related MoU with SerendipEquity MANCO LLC, subject to counterparty consent;
- the Company's interest in the joint development project with Paragraf, subject to the consent of Paragraf; and
- the ICSI Receivable, subject to counterparty consent.

As set out in the interim accounts for H1 2023, the book value of the Company's assets comprising the Solar Business amounted to £1,367,635 as at 30 June 2023, including:

- (i) £114,400 – Plant and Machinery; and
- (ii) £696,452 – Stock/Inventory,

with both (i) and (ii) belonging to VSI; and

- (iii) £556,783 – ICSI Receivable (which is not considered to be the current market value).

As set out in the 2022 full year accounts, the losses attributable to the Company's assets comprising the Solar Business were £(1,872,711).

2.3. Use of Proceeds

The net cash proceeds of the Disposal will be placed on deposit and used by the Company in payment of its creditors.

3. AIM Rule 13

The Buyer will be partly owned by Gavin Mayhew, who was until 2 January 2024 a non-executive Director of the Company, and who is a Bondholder, holding £165,000 of the Notes and will have a holding of 33 per cent in Newco, and thus the Disposal and the Bondholders' loan facility for VSI constitute related party transactions for the purposes of AIM Rule 13.

Gavin Mayhew, as a former Director, has taken no part in any board assessment of the proposed transaction. The current Directors consider, having consulted with the Company's Nominated Adviser, that the terms of the Disposal and the Bondholders' loan facility for VSI are fair and reasonable insofar as the Company's Shareholders are concerned.

4. AIM Rule 15

Assuming Completion, the Company will become an AIM Rule 15 cash shell as it will cease to own, control or conduct all or substantially all of its existing trading business, activities or assets. Accordingly, as set out in AIM Rule 15, the Disposal is conditional on the consent of Shareholders at the General Meeting of the Company.

In the event that the Company becomes an AIM Rule 15 cash shell, it shall be required to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 on or before the date falling 6 months from Completion, failing which, the Shares would be suspended from trading on AIM pursuant to AIM Rule 40. Admission to trading on AIM would be cancelled 6 months from the date of suspension, should the reason for the suspension not have been rectified.

The Company is currently in discussions with a group of individuals who, it is proposed, would come in as a new management team with a view to completing a fundraise, as set out in paragraph 5 below. The aim would then be for the new management to conduct a 'reverse takeover' within 6 months of Completion. There is no guarantee that this proposal will proceed as it still at an exploratory stage. A further announcement will be made to Shareholders in due course.

If the Resolutions are not approved by Shareholders, the Disposal will not proceed. If the Board is unable to secure alternative funding to cover the costs of the Company's operations, there is a significant risk that the Company would not be funded to meet its liabilities and may run out of cash by 29 February 2024. At this point, the Directors would have to consider alternative ways forward, including entering the company into an administration process or some other form of insolvency procedure under which the prospects for recovery of value, if any, by Shareholders would be uncertain.

In addition, if the Resolutions are not approved by the Shareholders, the Company will not become an AIM Rule 15 cash shell, which will mean that the possible new management team referred to above would not be interested in investing in the Company.

5. Further Issue of Shares

In considering the future options of the Company as an AIM Rule 15 cash shell, the Directors wish to have the additional flexibility to allot further equity securities and as such are seeking authority to do so in Resolutions 2 and 3, as detailed in the Notice.

As referred to above, the Company is in discussions with a group of individuals with a view to completing a fundraise. The Directors are considering a possible placing of Shares, subject to the Resolutions passing, of up to £300,000 by way of an allotment of 400 million new Shares at 0.075p per Share.

If the proposed fundraise completes on the terms set out above, the existing Shareholders would end up with a holding of approximately 58.1 per cent in the capital of the Company (post-issue), with the Company being led by new management and in a position to pursue 'reverse takeover' opportunities.

6. Non-United Kingdom Shareholders

The distribution of this Document in certain jurisdictions may be restricted by law. Persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Shareholders who are not resident in the United Kingdom should note that they should satisfy themselves that they have fully observed any applicable legal requirements under the laws of their relevant jurisdiction in relation to the Disposal.

7. General Meeting

The Disposal is conditional upon, amongst other things, Shareholder approval being obtained at the General Meeting. At the end of this document is a notice convening the General Meeting, at which the Resolutions will be proposed.

8. Recommendation

The Directors consider the Disposal to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of the Resolutions, as the Directors and the Bondholders intend to do in respect of their beneficial holdings, which represent in aggregate approximately 30.5 per cent of the issued share capital of the Company.

Yours faithfully

The Rt. Hon. Lord David Willetts FRS
Chairman

VERDITEK PLC

(Incorporated and registered in England and Wales with company number 10114644)

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Verditek PLC (the “Company”) will be held at the offices of Peachey & Co LLP, 95 Aldwych, London, WC2B 4JF, at 11 a.m. (GMT) on 28 February 2024 for the purpose of considering and, if thought fit, passing resolutions 1 and 2 as ordinary resolutions and resolution 3 as a special resolution.

Ordinary Resolutions

1. **THAT**, the disposal by the Company of the Solar Business (as defined in the circular to shareholders dated 9 February 2024 which accompanies this notice of meeting (the “Circular”)), in accordance with Rule 15 of the AIM Rules for Companies, be and hereby is approved with such amendments as the Directors may approve, and the Directors, or any duly authorised committee thereof, be and are hereby authorised to take all necessary steps and to execute all other documents and deeds as they may consider necessary or desirable to conclude the Disposal.
2. **THAT**, in accordance with s.551 of the Companies Act 2006 and subject to the passing of resolution 1, the directors be generally and unconditionally authorised to allot equity securities up to an aggregate nominal amount of £160,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date of the following annual general meeting of the Company, save that the Company may, before such expiry, make offers or agreements which would, or might, require equity securities to be allotted and the directors may allot equity securities in pursuance of such offer or agreement, notwithstanding that the authority conferred by this resolution has expired.

Special Resolutions

3. **THAT**, in accordance with s.570 of the Companies Act 2006 and subject to the passing of resolution 2, the Directors be given the general power to allot equity securities (as defined in s.560 of the Companies Act 2006), pursuant to the authority conferred by resolution 2, as if s.561(1) of the Companies Act 2006 did not apply to any such allotment, such authority to be limited to an aggregate nominal amount of £160,000, and provided that this power shall (unless previously revoked, varied or renewed) expire when the authority conferred by resolution 2 above shall expire.

Dated: 9 February 2024

By order of the Board,

Registered Office:

Holborn Gate
330 Holborn
London
England
WC1V 7QT

NOTES TO THE NOTICE OF GENERAL MEETING

1. Entitlement to attend and vote

Only those shareholders registered in the Company's register of members at:

- close of business on 26 February 2024 or
- if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting,

shall be entitled to attend, speak and vote at the meeting. 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.

2. Website giving information regarding the meeting

Information regarding the meeting, including the information prescribed by section 311A of the Companies Act 2006, can be found at <https://verditek.com/aim-rule-26>.

3. Attending in person

If you wish to attend the meeting in person, please contact Jane Grimshaw (jgrimshaw@cfpro.co.uk) at least 24 hours before the start of the meeting who will provide you with further instructions. Please also bring your attendance card, which you should have received with this notice of meeting, as proof of your right to attend, speak and vote at the meeting.

4. Appointment of proxies

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. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

Shareholders can:

- Appoint a proxy or proxies and give proxy instructions by returning the enclosed proxy form by post.
- Register their proxy appointment electronically.
- If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service.

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.

5. Appointment of proxy by post

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

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

- completed and signed;
- sent or delivered to the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD; and
- received by Neville Registrars Limited no later than 11 a.m. GMT on 26 February 2024.

In the case of a shareholder which 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 on 0121 585 1131. If you are outside the United Kingdom, please call +44 121 585 1131. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am – 5.00 pm, Monday to Friday (excluding public holidays in England and Wales).

6. Appointment of proxies electronically

As an alternative to completing the proxy form, shareholders can appoint proxies electronically with the Company's Registrars via www.sharegateway.co.uk using the shareholder's 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 11 a.m. GMT on 26 February 2024.

7. Appointment of proxies through CREST

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). 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 & International 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 11 a.m. GMT on 26 February 2024, or, in the event of an adjournment of the meeting, 48 hours 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.

8. Appointment of proxy by joint members

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).

9. Changing proxy instructions

Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments 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 proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars Limited.

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.

10. Termination of proxy appointment

A shareholder may change a proxy instruction but to do so you 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, B62 8HD.

In either case, the revocation notice must be received by Neville Registrars Limited no later than 11 a.m. GMT on 26 February 2024.

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.

11. Corporate representatives

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.

12. Issued shares and total voting rights

The Company's website includes information on the number of shares in issue and voting rights.

13. Communication

Except as provided above, shareholders who have general queries about the meeting should contact the Company by email at investors@verditek.com.