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If you have sold or otherwise transferred all your Units in Flying Brands Limited (and so no longer hold any shares in Flying Brands Holdings (UK) plc (the **Company**)), please send this document and the accompanying documents (including the voting forms) at once to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold or transferred only part of your holding in the Company, you should retain this document and the accompanying documents and consult the bank, stockbroker or agent through whom the sale was effected.

This circular and any accompanying documents should not be sent or transmitted in or into any jurisdiction where to do so might constitute a violation of local securities law or regulations.

FLYING BRANDS HOLDINGS (UK) PLC

(a company incorporated in England and Wales with company number 02767966)

LETTER FROM THE CHAIRMAN

AND

NOTICE OF GENERAL MEETING

This document should be read as a whole and in conjunction with the Flying Brands Limited circular which accompanies this document.

A notice convening a general meeting of Flying Brands Holdings (UK) plc to be held at Anglo Saxon Trust Limited, Forum 4, Grenville Street, St Helier, Jersey JE4 8TQ at 11.30 a.m. on 15 June 2017 (the **General Meeting**) is set out at the end of this document. Shareholders will find enclosed with this document a form of proxy for use in connection with the General Meeting. To be valid at the General Meeting, the form of proxy must be signed and returned in accordance with the instructions printed thereon so as to be received by Share Registrars as soon as possible but in any event by not later than 11.30 a.m. on 13 June 2017. Completion and posting of a form of proxy does not prevent a shareholder from attending and voting in person at the General Meeting.

FLYING BRANDS HOLDINGS (UK) PLC

TIMETABLE OF EXPECTED EVENTS

Publication of this Circular	17 May 2017
Last time and date for receipt of Proxy Forms for the General Meeting	13 June 2017 at 11.30 a.m.
General Meeting	15 June 2017 at 11.30 a.m.
Admission of the ordinary shares of Flying Brands Limited to trading on the Main Market of the London Stock Exchange	16 June 2017
Re-registration of the Company as a private limited company	On or around 15 June 2017

LETTER FROM THE CHAIRMAN
FLYING BRANDS HOLDINGS (UK) PLC

3rd Floor, New Liverpool House
15 Eldon Street
London EC2M 7LD

Directors:

Trevor Brown (Chairman)
Dr Qu Li

Dear Shareholder

Adoption of new articles of association, “destapling” of A ordinary shares in the Company from Units in Flying Brands Limited and re-registration as a private limited company

Notice to Shareholders convening a General Meeting of the Company on 15 June 2017

1 INTRODUCTION

- 1.1 As you will be aware, the Company’s A Ordinary Shares of £0.00005 each (**A Shares**) are listed on the Main Market of the London Stock Exchange by virtue of being “stapled” to the Ordinary Shares of £0.01 each (**Listco Ordinary Shares**) of Flying Brands Limited (**Listco**) and it is the resulting Units which are the securities you are able to trade on the market. The A Shares are non-voting.
- 1.2 This rather unusual Unit arrangement was put in place in 1996 as a result of then-prevailing taxation legislation to allow holders of the Units to elect whether to receive dividends on the A Shares (being shares in an onshore entity) or the Listco Ordinary Shares of Flying Brands Limited (being shares in a Jersey entity). The taxation regime in relation to dividends and other distributions has changed since 1996 and it is no longer necessary to maintain the structure.
- 1.3 The Board of the Company, along with the board of Listco, has therefore decided to simplify the current structure so that on readmission of Listco to the Main Market (the details of which, including the proposed acquisition of Stone Checker Software Limited, are set out in Listco’s prospectus which accompanies this circular), the only listed security will be the Listco Ordinary Shares. As well as simplifying the overall Flying Brands capital structure which will help to present a cleaner and more understandable structure for both current and prospective shareholders, there will be a saving for the Flying Brands group in respect of the costs of administration, audit and compliance in relation to the Company.
- 1.4 To achieve the simplification of the share structure, it is proposed that the A Shares are “destapled” from the Listco Ordinary Shares. Listco is also holding a meeting of

its shareholders to take place immediately after the Company's General Meeting to pass a resolution to, *inter alia*, make certain changes to Listco's articles of association in order to effect this.

- 1.5 Following the de-stapling of the shares, the directors of the Company intend to re-register the Company as a private limited company for administrative reasons and a resolution to approve that re-registration is being put to shareholders at the General Meeting. In due course, the Company will likely be put into a liquidation process as it will no longer have any purpose and has no material assets. From readmission of Listco, the value you own will solely be derived from Listco's shares.
- 1.6 The Board intends to hold the General Meeting in order to obtain shareholder approval to:
 - 1.6.1 adopt new articles of association of the Company based on the provisions of the model articles for private companies limited by shares, as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (the **New Articles**); and
 - 1.6.2 re-register the Company as a private limited company.
- 1.7 Please note that the New Articles will affect the rights of the A Shares as the income rights of the A Shares will no longer be connected to the Listco Ordinary Shares.
- 1.8 Therefore shareholders holding A Shares are entitled to vote on the resolution being proposed at the General Meeting in respect of the adoption of the New Articles, pursuant to article 4.1.2(a) of the Company's current articles of association, despite the A Shares not ordinarily carrying voting rights.
- 1.9 The New Articles are available for review on Listco's website at www.flyingbrands.co.uk/publications.

2 GENERAL MEETING BUSINESS

- 2.1 At the General Meeting shareholders will therefore be asked to vote on the following resolutions:
 - 2.1.1 to adopt the New Articles in substitution for the Articles;
 - 2.1.2 that the Company be re-registered as a private limited company under the Companies Act 2006 by the name of Flying Brands Holdings (UK) Limited;(together, the **Proposals**).
- 2.2 The General Meeting has been convened for the purpose of seeking approval of shareholders to the Proposals. The Notice of General Meeting is set out at Part 1 and a Proxy Form for use at the General Meeting is enclosed with this letter. The General Meeting is convened for 11 a.m. on 15 June 2017 and will be held at Anglo Saxon Trust Limited, Forum 4, Grenville Street, St Helier, Jersey JE4 8TQ.

- 2.3 Both resolutions are special resolutions requiring a 75 per cent. majority of votes cast to pass.

Action to be taken

- 2.4 A Proxy Form for use at the General Meeting is enclosed with this letter. Whether or not shareholders intend to be present at the General Meeting in person they are requested to complete the attached Proxy Form and return for the attention of Share Registrars Limited either by post at The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, United Kingdom or by email at proxies@shareregistrars.uk.com by no later than 11.30 a.m. on 13 June 2017. The completion and return of a Proxy Form will not preclude Shareholders from attending the General Meeting and voting in person if they wish to do so.

Voting intentions

- 2.5 Shareholders holding A Shares and shareholders holding Ordinary Shares are entitled to vote on Resolution 1. Only shareholders holding Ordinary Shares are entitled to vote on Resolution 2.
- 2.6 The Directors who hold shares hold A Shares have informed the Board that they intend to vote in favour of Resolution 1, representing 0.000471 per cent. of the voting rights at the General Meeting on Resolution 1.
- 2.7 In addition, Listco has irrevocably agreed to vote its entire holding of Ordinary Shares in favour of the Resolutions representing 97 per cent. of the voting rights at the General Meeting on Resolution 1 and representing 100 per cent. of the voting rights at the General Meeting on Resolution 2.

3 RECOMMENDATION

- 3.1 **The Board considers the Proposals to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.**

Yours faithfully

Trevor Brown
Chairman
Flying Brands Holdings (UK) plc

Part 1

FLYING BRANDS HOLDINGS (UK) PLC

(a company incorporated in England and Wales with company number 02767966)

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of the Company will be held at Anglo Saxon Trust Limited, Forum 4, Grenville Street, St Helier, Jersey JE4 8TQ, on 15 June 2017 at 11.30 a.m. to consider and, if thought fit, to pass the following resolutions which will be proposed as special resolutions:

Special resolutions

- 1 **THAT**, subject to the passing of Resolution 2, the draft articles of association (which are available for inspection at the Company's registered office and on the Company's website at www.flyingbrands.co.uk/publications) be and are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.
- 2 **THAT**, subject to the passing of Resolution 1, the Company be re-registered as a private limited company under the Companies Act 2006 by the name of Flying Brands Holdings (UK) Limited.

BY ORDER OF THE BOARD

Trevor Brown

Dated: 17 May 2017

Notes

1. A member entitled to attend and vote at the above meeting convened by the above notice shall be entitled to appoint a proxy (or proxies) to attend, speak and vote in his place. Such proxy need not be a member of the Company.
2. A form of proxy is enclosed. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting in person, in which case any votes cast by the proxy will be excluded. You may appoint more than one proxy provided that 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 contact the Company Secretary (details below).
3. To be valid, the form of proxy (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority) must be completed in accordance with the instructions set out on the form and sent to Share Registrars Limited either by post at The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, United Kingdom or by email at proxies@shareregistrars.uk.com so as to be received no later than 11.30 a.m. on 13 June 2017.
4. In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
5. In the case of a corporation, the Proxy Form must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
6. As at 17 May 2017 (being the last practicable date prior to publication of this Notice), the Company's issued ordinary share capital consists of 100,000,000 ordinary shares of 0.05 pence each and 28,073,735 A ordinary shares of 0.005 pence each. The Company does not hold any shares in treasury.
7. As the A ordinary shares are permitted to vote on Resolution 1, the total voting rights of the Company as at 17 May 2017 on Resolution 1 are 130,880,963.
8. As the A ordinary shares are not permitted to vote on Resolution 2 the total voting rights of the Company as at 17 May 2017 on Resolution 2 are 100,000,000.

FLYING BRANDS HOLDINGS (UK) PLC

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PROXY FORM FOR GENERAL MEETING

I/We.....of.....

..... being (a) member(s) of Flying Brands Holdings (UK) plc (the **Company**) hereby appoint the

chairman of the meeting OR..... full name of proxy, in block capitals

as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held at Anglo Saxon Trust Limited, Forum 4, Grenville Street, St Helier, Jersey JE4 8TQ at 11.30 a.m. on 15 June 2017 (the **General Meeting**) and at any adjournment thereof.

I/We request such proxy to vote on the following resolution as indicated below:

Special Resolutions	FOR	AGAINST	WITHHELD
1. THAT , subject to the passing of Resolution 2, the draft articles of association (which are available for inspection at the Company's registered office and on the Company's website at www.flyingbrands.co.uk/publications) be and are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. THAT , subject to the passing of Resolution 1, the Company be re-registered as a private limited company under the Companies Act 2006 by the name of Flying Brands Holdings (UK) Limited.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If this form is signed and returned without any indication as to how the proxy shall vote, the proxy will exercise his discretion as to both how he votes (including as to any amendments to the resolution) and whether or not he abstains from voting.

If you would like to attend and vote at the General Meeting it would be helpful if you would tick the box below.

I will be attending the General Meeting.

Names of joint holders (if any)

Dated 2017

Signature

Notes

1. Please indicate with an 'X' in the appropriate boxes how you wish the proxy to vote. The proxy will exercise his discretion as to how he votes or whether he abstains from voting:
 - (a) on any resolution referred to above if no instruction is given in respect of that resolution; and
 - (b) on any business or resolution considered at the meeting other than resolution referred to above.
2. If you wish to appoint someone other than the chairman of the meeting as your proxy please delete the words "chairman of the meeting" and insert the name of the person you wish to appoint. A proxy need not be a member of the Company.
3. In the case of a corporation, this form must be signed under its common seal (if any) or the hand of its duly authorised agent or officer. In the case of an individual, the proxy must be signed by the appointer or his agent, duly authorised in writing.
4. This form of proxy has been sent to you by post. It may be returned by either of the following methods: in hard copy form by post, courier or by hand to Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, United Kingdom or in electronic form by email to Share Registrars Limited at proxies@shareregistrars.uk.com to arrive not later than 11.30 a.m. on 13 June 2017 together with the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority.
5. In the case of joint holders, only one need sign this form, but the name of the other joint holders should be shown in the space provided. The vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. Seniority will be determined by the order in which the names of the holders appear in the register of members in respect of the joint holding.
6. Completion and return of the form of proxy will not preclude a member from attending and voting at the General Meeting or at any adjournment thereof if he so wishes. In the event that a member who has lodged a form of proxy attends the General Meeting, his form of proxy will be deemed to have been revoked.

