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The Company accepts responsibility for the information contained in this document. To the best of the knowledge of the Company (which has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The whole of this document should be read.

If you have sold or transferred all of your Existing Ordinary Shares, please send this document and the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction outside of the United Kingdom (including the United States) if to do so would constitute a violation of the relevant law and/or regulations of such jurisdiction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold or transferred only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

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) Existing Ordinary Shares or New Ordinary Shares. This document does not contain an offer of transferrable securities within the meaning of section 102B of FSMA and does not constitute a prospectus within the meaning of section 85 of FSMA. This document has not been examined or approved by the Financial Conduct Authority or the London Stock Exchange or any other regulatory authority. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission of the New Ordinary Shares will become effective and that dealings will commence on 8 January 2025. The New Ordinary Shares will, when issued or created, rank in full for all dividends and other distributions declared, made or paid on the Existing Ordinary Shares and otherwise rank pari passu in all respects with the Existing Ordinary Shares.

BLUE STAR CAPITAL PLC

(Incorporated in England and Wales with Registered Number 05174441)

Proposed Capital Reorganisation

Conditional Subscription for 7,500,000 New Ordinary Shares at an Issue Price of £0.02 per New Ordinary Share

Proposed Amendment to the Articles of Association

Notice of General Meeting

A notice convening the General Meeting to be held at 10 a.m. on 6 January 2025 at the offices of Cairn Financial Advisers LLP at 80 Cheapside, London, EC2V 6EE, is set out at the end of this document. A Form of Proxy for use at the General Meeting is enclosed with this document and instructions for its completion and return are set out in the Form of Proxy. The Form of Proxy should be returned to the Company’s registrars, Link Group, at, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL (or by email at shareholderenquiries@linkgroup.co.uk) as soon as possible and in any event so as to be received by 10 a.m. on 2 January 2025, being 48 hours prior to the time appointed for the holding of the General Meeting.

You should read the whole of this document. Your attention is drawn to the letter from the Chairman which includes a recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.

The Directors, whose names and details are set out on page 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Cairn Financial Advisers LLP (“Cairn”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser to the Company. Persons receiving this document should note that Cairn will not be responsible to anyone other than the Company for providing the protections afforded to customers of Cairn or for advising any other person on the arrangements described in this document. No representations or warranty, expressed or implied, is made by Cairn as to the contents of this document. Cairn has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Cairn for the accuracy of any information or opinions contained in this document or for the omission of any information. Cairn, as nominated adviser to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company or the Directors.

The New Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, Belarus, New Zealand, the Republic of Ireland, the Republic of South Africa, Russia, Switzerland or Japan. Accordingly, subject to certain exceptions, the New Ordinary Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States, Canada, Australia, Belarus, New Zealand, the Republic of Ireland, the Republic of South Africa, Russia, Switzerland or Japan. Shareholders who are residents or citizens of any country other than the United Kingdom and any person (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

Copies of this document will be available free of charge between 9 a.m. and 5 p.m. on any day (Saturdays, Sundays and public holidays excepted) at the offices of the Company, at Griffin House, 135 High Street, Crawley, RH10 1DQ, for a period of one month from the date of this document. It will also be available on the Company’s website <https://bluestarcapital.co.uk/>. Nothing in this document shall be effective to limit or exclude any liability for fraud or which otherwise, by law or regulation, cannot be so limited or excluded.

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DIRECTORS AND ADVISERS

| | | |
|------------------------------|--|--|
| Directors | Francisco <u>Anthony</u> Bodie Fabrizi Sean King | <i>Executive Chairman & Company Secretary</i> <i>Non-executive Director</i> |
| Registered Office | Blue Star Capital plc Griffin House 135 High Street Crawley RH10 1DQ | |
| Nominated Adviser | Cairn Financial Advisers LLP 107 Cheapside London EC2V 6DN | |
| Broker to the Company | Axcap Capital Markets Limited 27 Clements Lane London EC4N 7AE | |
| Registrar | Link Group Central Square 29 Wellington Street Leeds LS1 4DL | |

EXPECTED TIMETABLE OF EVENTS

| | |
|---|---|
| Publication and posting to Shareholders of this document | 17 December 2024 |
| Latest time for receipt of Forms of Proxy for the General Meeting | 10:00 a.m. on 2 January 2025 |
| General Meeting | 10:00 a.m. on 6 January 2025 |
| <i>On or around:</i> | |
| Record date for the consolidation, subdivision and reclassification of the Existing Ordinary Shares | 6:00 p.m. on 6 January 2025 |
| Admission of the New Ordinary Shares and the Subscription Shares | 8:00 a.m. on 8 January 2025 |
| CREST accounts credited with the New Ordinary Shares | Shortly after 8:00 a.m. on 8 January 2025 |
| Dispatch of definitive share certificates in respect of the New Ordinary Shares | No later than 20 January 2025 |

The dates and times given are indicative only and are based on the Company's current expectations. As at the date of posting, certain dates above need to be agreed and, therefore, may be subject to change. If any of the expected times and/or dates above change, the revised times and/or dates will be notified to the Shareholders by announcement through a Regulatory Information Service.

All references to time in this document are to London (UK) time.

DEALING CODES

| | |
|--------------|----------------------|
| LEI | 213800Y6XGR31P2LKT12 |
| ISIN | GB00B02SSZ25 |
| SEDOL | B02SSZ2 |

STATISTICS OF THE PROPOSED CAPITAL REORGANISATION AND SUBSCRIPTION

| | Value | Nominal |
|--|---------------|----------------|
| Share Capital <i>(as at 16 December 2024)</i> | | |
| Market Capitalisation | £1,018,555 | |
| Share Price | £0.0002 | 0.1p |
| Issued Share Capital | 5,092,772,995 | 0.1p |
| Consolidation | | |
| Share Consolidation Ratio | 200:1 | |
| New shares to be issued to facilitate Consolidation | 5 | |
| Adjusted Issued Share Capital | 5,092,773,000 | |
| Number of Consolidation Shares post Consolidation | 25,463,865 | 20p |
| Subdivision | | |
| New Ordinary Shares | 25,463,865 | 0.1p |
| Number of Deferred Shares | 5,067,309,135 | 0.1p |
| Share Price | | |
| Share Price <i>(as at 16 December 2024)</i> | £0.0002 | 0.1p |
| Implied New Share Price | £0.04 | 0.1p |
| Subscription | | |
| Fundraise | £150,000 | |
| Issue Price | £0.02 | |
| Subscription Shares | 7,500,000 | 0.1p |
| Proposed Enlarged Issued Share Capital | 32,963,865 | 0.1p |

DEFINITIONS

| | |
|----------------------------|---|
| Act | the Companies Act 2006, as amended from time to time |
| Admission | admission of the New Ordinary Shares to trading on the AIM Market of the London Stock Exchange |
| AIM | the market of that name operated by the London Stock Exchange |
| Articles | the Articles of Association of the Company, to include the, where the context so requires, the Articles of Association of the Company as amended by the posing of the relevant Resolution of the General Meeting |
| Board or Directors | the Directors of the Company whose names appear on page 4 of this document |
| Capital Reorganisation | the Share Consolidation, Share Subdivision and Share Reclassification |
| Circular | this document |
| Company or Blue Star | Blue Star Capital plc |
| Consolidated Shares | 25,463,865 consolidated shares of £0.2 (20p) each in the capital of the Company, resulting from the Share Consolidation. |
| CREST | the paperless share settlement system and system for the holding and transfer of shares in uncertified form in respect of which Euroclear is the Operator (as defined in the CREST Regulations) |
| CREST Manual | the Manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof |
| CREST Member | a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations) |
| CREST Participant | a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations) |
| CREST Regulations | the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended |
| CREST Sponsor | a CREST Participant admitted to CREST as a CREST Sponsor |
| Deferred Shares | 5,067,309,135 deferred shares of £0.001 (0.1p) each in the capital of the Company resulting from the Capital Reorganisation, having the rights and subject to the restrictions set out in the Articles (see Resolution 3) |
| Euroclear | Euroclear UK & International Limited, a company incorporated in England and Wales with registered number 02878738, whose registered office is at 33 Cannon Street, London EC4M 5SB, the operator of CREST |
| Existing Director Warrants | Existing warrants over Existing Ordinary Shares in the Company which in aggregate grant holders the rights to subscribe for 250,000,000 Existing Ordinary Shares, granted 30 January 2023 |
| Existing Ordinary Shares | 5,092,772,995 ordinary shares of £0.001 (0.1p) each in the capital of the Company prior to the Capital Reorganisation |
| Existing Warrants | 100,000,000 warrants over Ordinary Shares in the Company, granted 17 January 2024 |

| | |
|--|--|
| FCA of Financial Conduct Authority | The UK's Financial Conduct Authority |
| Form of Proxy | the form of proxy accompanying this document for use at the GM |
| General Meeting or GM | the general meeting of the Company convened for 10:00 a.m. on 6 January 2025, the notice of which is set out at the end of this document |
| Issue Price | £0.02 (2p) per Subscription Share in the Company |
| London Stock Exchange | London Stock Exchange Group plc |
| Member | a CREST Member admitted to CREST as a Sponsored Member |
| New Director Warrants | in aggregate, 2,500,000 warrants over ordinary shares, granted to the Directors of the Company, in lieu of salary for the period 1 October 2024 to 31 December 2025 |
| New Ordinary Shares | 25,463,865 ordinary shares of £0.001 (0.1p) each in the capital of the Company resulting from the Capital Reorganisation together with, where the context so requires, the Subscription Shares |
| Overseas Shareholders | Shareholders who are citizens or nationals of, or who are resident in, jurisdictions outside of the United Kingdom |
| Record Date | 6:00 p.m. on 6 January 2025 |
| Register of Members | the Company's register of members |
| Registrars | Link Group, a trading name of Link Market Services, the Company's registrars |
| Resolutions | the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting at the end of this document |
| Share Consolidation | the proposed consolidation of the Company's share capital on a 200:1 basis described in this document |
| Share Reclassification | the proposed reclassification of the Company's share capital as described in this document |
| Share Subdivision | the proposed subdivision of the Company's share capital as described in this document |
| Shareholders | holders of Existing Ordinary Shares and, on the Capital Reorganisation taking effect, holders of New Ordinary Shares |
| Subscription or Conditional Subscription | the subscription for 7,500,000 New Ordinary Shares at the Issue Price, raising £150,000 conditional on the passing of the Resolutions |
| Subscription Shares | 7,500,000 New Ordinary Shares of £0.001 (0.1p) each in the capital of the Company pursuant to the Subscription |
| UK or United Kingdom | the United Kingdom of Great Britain and Northern Ireland |

For the purposes of this document, all references to "GBP", "£" and "pence" are to the lawful currency of the United Kingdom unless otherwise stated.

LETTER FROM THE CHAIRMAN OF THE COMPANY

BLUE STAR CAPITAL PLC

(Incorporated in England and Wales with registered number 05174441)

Directors:

Anthony Fabrizi, Executive Chairman and Company Secretary
Sean King, Non-executive Director

Registered Office:

Griffin House
135 High Street
Crawley RH10 1DQ

To the holders of Existing Ordinary Shares and Existing Warrants over Ordinary Shares

Dear Shareholder

Proposed Capital Reorganisation Conditional Subscription Proposed Amendment to the Articles Notice of General Meeting

1. Introduction

The purpose of this document is to explain the details of, and reasons for, the Capital Reorganisation and Subscription that the Directors are proposing to undertake. To be implemented, both the Capital Reorganisation and the Subscription will require the approval of Shareholders at the General Meeting. Accordingly, at the end of this document, is a notice convening a general meeting of the Company to consider and, if thought fit, approve the Capital Reorganisation, the making of consequential amendments to the Articles and the granting of share authorities in order to allow the Directors to complete the Subscription.

2. Background to and reasons for the Capital Reorganisation and Subscription

On 28 September 2022, the Company announced that it had undertaken a review of its investments and operating structure. From the review, the Board noted the significant difference between the share price and the net asset value (“NAV”) per share being reflected in the market. The Board, therefore, considered that it should seek to exit from its two larger investments, being Let’s Play Live (then, Dynasty Gaming and Media PTE Ltd. (“Dynasty”)) and SatoshiPay Limited (“SatoshiPay”), cut all non-essential costs and fund the Company in the interim, insofar as possible, from the sale of non-core assets.

The Company announced its full year results for the 12 months to 30 September 2023 in March 2024. In these results, the Company reported a £6.3 million loss for the year predominantly due to the write down the value of its investment in Dynasty and Sthaler Limited. Whilst these impairments did not affect the Company’s cash position, the price of the Company’s shares continued to fall.

In the period since the publication of its annual results to 30 September 2023, the Company has provided further market updates on its investee companies, primarily developments with Dynasty and SatoshiPay. On 7 October 2024, the Company provided an update on its portfolio of investee companies and a trading update, which highlighted that the sale process of SatoshiPay had suffered continual delays in 2024. Further to this, Vortex, a decentralised exchange platform incubated by SatoshiPay, required additional funding. Whilst the Board still believes that a successful launch and funding round for Vortex could materially enhance the valuation of SatoshiPay, there is no certainty of when this may be completed. The Board has indicated its interest in participating in any fundraising undertaken by SatoshiPay subject to it being able to raise sufficient funding to allow it to do so.

In the Half-yearly Results for the six months ended 31 March 2024, announced on 27 June 2024, the Company stated that it had approximately £40,000 in cash and cash equivalents. Since that date, the Company has not raised any further capital and, in line with its public statements, has been operating from a severely financially constrained position. The Board has been carefully monitoring the Company's cash position, minimising the expenses of operating the Company wherever possible, including the Directors forgoing taking any salaries in cash from the period 1 February 2024 to 30 September 2024 with the hope of reaching a position of greater certainty regarding SatoshiPay's value. As stated in previous announcements, the value of the Company is inextricably linked to the value of SatoshiPay, as it accounts for approximately 90% of the Company's NAV.

Despite its recent challenges and the write-down of some of its investments in the portfolio, the Board recognised that the Company's NAV per share remained significantly higher than the current market capitalisation. At the time of publication of this document, the close price was 0.02 pence per share, representing a market capitalisation of approximately £1.1 million. As of the latest reporting period ended 31 March 2024, the NAV was approximately £5.27 million, representing a NAV per share of approximately 0.1 pence, highlighting a material disconnect to the current share price.

Under the Companies Act 2006, the Company is prohibited from issuing new shares below their nominal value of 0.1 pence per share. With the Company's current share price trading at approximately 0.02 pence (as at 16 December 2024), this restriction will prevent the Company from raising additional equity investment to meet working capital needs and support its portfolio of investments. The Capital Reorganisation seeks to reduce the number of shares in issue by consolidating the number of ordinary shares in issue and subsequently separating the consolidated shares into ordinary shares and a class of deferred shares with minimal rights. The effect of this Capital Reorganisation will be to reduce the number of shares in issue, repricing the current share price to a higher level and maintaining the nominal value of the Company's ordinary shares.

Subscription

Conditional on the Resolutions being passed at the General Meeting, the Company has raised £150,000 via a Subscription for 7,500,000 new ordinary shares of £0.001 each at an subscription price of £0.02 per New Ordinary Share ("**Subscription Shares**").

Warrants

Contemporaneously with the Capital Reorganisation, the Board has elected to cancel all warrants over ordinary shares in the Company currently granted to the Directors ("**Existing Director Warrants**"). In order to maintain sufficient levels of cash during this constrained period, the Board has elected to grant 2,500,000 warrants over ordinary shares to the Directors, in lieu of Director cash salaries for the period from 1 October 2024 to 31 December 2025 ("**New Director Warrants**").

| Warrantholder | No. of warrants cancelled | No. of new warrants granted | New warrant exercise price (£) | Warrants granted as percentage of enlarged issued share capital |
|-----------------|---------------------------|-----------------------------|--------------------------------|---|
| Anthony Fabrizi | 170,000,000 | 2,000,000 | £0.02 | 6.07% |
| Sean King | 30,000,000 | 500,000 | £0.02 | 1.52% |
| Total | 200,000,000 | 2,500,000 | | |

Note that the figures have been calculated on a post Capital Reorganisation basis. The 50,000,000 warrants granted to Brian Rowbotham on 30 January 2023 have also been cancelled.

Board Opinion

The Board believes that the successful implementation of the Capital Reorganisation and Subscription will help stabilise the Company's financial position through raising funds and allow it to participate in follow-on funding rounds for SatoshiPay and Vortex, in addition to providing the Company with further working capital.

The Board is committed to carefully managing the Company’s cash, however, wishes to reiterate that should the Company be unable to complete the Capital Reorganisation and the Subscription, it would be left with a limited pool of alternative options and would likely result in the Existing Ordinary Shares ceasing to trade and subsequently, the Company withdrawing from AIM. The Board does not believe that this would be in the best interest of Shareholders. Against this background, the Company is, therefore, seeking Shareholder approval now for the Capital Reorganisation as set out in this document.

3. The Capital Reorganisation

Companies Act 2006 prohibits the issue of shares at a price below their nominal value. In such situations, companies typically seek to reorganise their capital structures with the effect of lowering the nominal value of their shares. In this instance, the Company is also looking to increase its share price, maintain the nominal value of its ordinary shares and reduce the number of shares in issue. At present, the issued ordinary share capital of the Company comprises 5,092,772,995 Ordinary Shares of £0.001 each.

The Directors are proposing a capital reorganisation by way of:

- (i) **Rounding Share Capital:** The issue of five (5) new ordinary shares (“**Rounding Shares**”), resulting in an issued ordinary share capital of 5,092,773,000 ordinary shares
- (ii) **Share Consolidation:** consolidating every 200 Existing Ordinary Shares held on the Record Date into one ordinary share of £0.20 each (the “**Consolidated Shares**”)
- (iii) **Share Subdivision and Share Reclassification:** subdivide and reclassify each Consolidated Share into 199 Deferred Shares and one New Ordinary Share of £0.001 each

Each of the proposals set out in (i) and (ii) above is to be effected by the passing of Resolution 1 to be proposed at the General Meeting.

To illustrate the effect of the Capital Reorganisation and the Subscription see the table below:

| | <i>At present*</i> | <i>Proposed</i> | <i>Nominal</i> |
|-----------------------------------|--------------------|-----------------|----------------|
| Issued Share Capital | 5,092,772,995 | - | £0.001 |
| Adjusted Issued Share Capital | - | 5,092,773,000 | £0.001 |
| Consolidated Issued Share Capital | - | 25,463,865 | £0.020 |
| Number of Deferred Shares | - | 5,067,309,135 | £0.001 |
| Reclassified Issued Share Capital | - | 25,463,865 | £0.001 |
| Indicative share price | 0.02p | 4.0p | £0.001 |
| Subscription | | | |
| Number of Subscription Shares | - | 7,500,000 | £0.001 |
| Enlarged Issued Share Capital | - | 32,963,865 | £0.001 |
| Number of Existing Warrants | 100,000,000 | 100,000,000 | £0.001 |
| Exercise price | 0.1p | 20p | £0.001 |
| Exercise ratio [†] | 1:1 | 200:1 | £0.001 |

* does not include the Existing Director Warrants or New Director Warrants

[†] exercise ratio denotes the number of warrants following the Capital Reorganisation required to be exercised in order to grant one new ordinary share

The number of Warrants will be subject to individual holdings and the deduction of fractional entitlements.

The New Ordinary Shares will have the same rights as the Existing Ordinary Shares including voting, dividend and other rights.

It is likely that the Consolidation will result in fractional entitlements to a New Ordinary Share where any holding is not precisely divisible by 200. No certificates will be issued for fractional entitlements to New Ordinary Shares. Shareholders with a shareholding of less than 200 Existing Ordinary Shares will not be entitled to any Consolidated Shares and Shareholders with a holding in excess of 200 Existing Ordinary Shares, but which is not exactly divisible by 20 will have their holding in the Consolidated Shares rounded down to the nearest whole number. For example, a Shareholder holding 220 Existing Ordinary Shares would receive 1 Consolidated Share with his fractional entitlement of 20 Existing Ordinary Shares being aggregated with fractional entitlements from other Shareholders and sold in the marketplace with the proceeds being retained by the Company.

The Deferred Shares will have no right to vote and a very limited right to participate in the capital of the Company save in respect of insolvency and the Company will not issue any certificates or credit CREST accounts in respect of them. The Deferred Shares will not be admitted to trading on any exchange.

4. Amendment to the Articles

As a consequence of the Share Capital Reorganisation, a resolution will be proposed at the General Meeting to amend the Articles by the inclusion of the share rights attaching to the Deferred Shares.

Resolution 3 has been proposed to Shareholders as a special resolution to amend the Articles and a copy of the Company's existing articles and proposed amendment to the Articles can be found on the Company's website, <https://bluestarcapital.co.uk/>.

The Deferred Shares will have limited rights which will be set out in the amended Articles. The amended Articles will also be available for inspection at the General Meeting at least 15 minutes prior to the start of the General Meeting and up until the close of the General Meeting.

5. Dealing and Settlement

The Capital Reorganisation will be effected by reference to Shareholders and their holdings of Existing Ordinary Shares on the register as at the close of business on the Record Date and is conditional on permission being granted by the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM.

Subject to the Resolutions being passed, it is expected that dealings in and settlement in CREST of the Existing Ordinary Shares will continue until the close of business on 6 January 2025 when, in the case of Existing Ordinary Shares held in certificated form, the register will be closed for transfers. The registration of uncertificated holdings in respect of Existing Ordinary Shares will be disabled. It is expected that Admission of the New Ordinary Shares will become effective and that dealings in the New Ordinary Shares will commence at 8:00 a.m. on 8 January 2025.

It is intended that new share certificates will be sent to Shareholders, who hold their shares in certificated form, following Admission. These new share certificates will set out the number of New Ordinary Shares owned by a Shareholder on completion of the Capital Reorganisation and will replace existing share certificates. Definitive certificates for the New Ordinary Shares to be issued in certificated form are expected to be dispatched by post no later than 20 January 2025. Temporary documents of title will not be issued. Pending dispatch of definitive share certificates, transfers of New Ordinary Shares held in certificated form will be certified against the register held by Link Group. Shareholders who hold their Existing Ordinary Shares in uncertificated form are expected to have their CREST accounts credited with the New Ordinary Shares as soon as possible after 8:00 a.m. on 8 January 2025.

In the event the Resolutions are passed and the Company is required to apply for a new ISIN and SEDOL, the details of this will be announced by a regulatory news service in due course.

6. Overseas Shareholders

The implications of the Capital Reorganisation on Overseas Shareholders may be affected by the laws of their respective jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements in such jurisdictions. It is the responsibility of Overseas Shareholders to satisfy themselves as to the

full observance of the laws of each relevant jurisdiction in connection with the Capital Reorganisation, including the obtaining of any governmental, exchange control or other consents which may be required, compliance with other necessary formalities which are required to be observed and/or the payment of any taxes due in each jurisdiction. Overseas Shareholders who are in any doubt about their position should consult their professional advisers in the relevant territory.

7. Taxation

The Directors have been advised that for the purposes of UK taxation of chargeable gains, the receipt of the New Ordinary Shares arising from the Capital Reorganisation should not be treated as a shareholder having made a disposal of all or part of his holding of Existing Ordinary Shares by reason of the Capital Reorganisation.

8. General Meeting

Your attention is drawn to the notice convening the General Meeting of the Company, set out at the end of this document, to be held at 10:00 a.m. on 6 January 2025. At the General Meeting the following Resolutions will be proposed, of which, Resolutions 1, 2 and 4 shall be proposed as ordinary resolutions and Resolution 3 and 5 shall be proposed as special resolutions.

1. Resolution 1: Issue and Consolidation of Share Capital

THAT, subject to the approval of Resolutions 2 and 3, in accordance with section 618 of the Act, five (5) New Ordinary Shares will be issued, having a nominal value of £0.001 (0.1p) each in the capital of the Company. The resultant 5,092,773,000 shares in issue be consolidated into 25,463,865 ordinary shares having a nominal value of £0.20 (20p) (such that every, 200 ordinary shares having a nominal value of £0.001 each, will be consolidated into one ordinary share having a nominal value of £0.20 each), such shares having the rights and restrictions set out in the Articles and that fractions of issued shares arising on consolidation be aggregated and sold and the proceeds retained by the Company.

2. Resolution 2: Sub-Division and Reclassification of Shares

THAT, subject to the approval of Resolutions 1 and 3, in accordance with section 618 of the Act, each ordinary share of £0.20 each in the capital of the Company be and it is sub-divided and reclassified into one (1) ordinary share of £0.001 each and one hundred and ninety-nine (199) deferred shares of £0.001 each in the capital of the Company, with each share having the rights and restrictions set out in the Articles.

3. Resolution 3: Amendment to the Articles

THAT, subject to and conditional upon the passing of Resolutions 1 and 2 above, with effect from the conclusion of the General Meeting, the Articles be amended by the insertion of a new Article 146 which sets out the rights attaches to the Deferred Shares.

4. Resolution 4: Share Authorities

That, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all or any part of the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares of the Company up to an aggregate nominal amount of £500,000 such authority (unless previously revoked or varied) to expire at the conclusion of the annual general meeting of the Company to be held in 2025, save that the Company may before such expiry make offers or agreements which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

5. Resolution 5: Share Authorities

That, subject to the passing of Resolution 4, the Directors be and are hereby granted power pursuant to section 570(1) of the Act to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority conferred on them by Resolution 5 above as if section 561 of the Act did not apply to such allotment, provided that such power be limited to:

- i) the allotment of equity securities which are offered to all the holders of equity securities of the Company (at a date specified by the directors) where the equity securities respectively attributable to the interests of such holders are as nearly practicable in proportion to the respective number of equity securities held by them, but subject to such exclusions and other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements and any legal or practical problems under any laws or requirements of any regulatory body or stock exchange in any territory or otherwise; and
- ii) the allotment (otherwise than pursuant to subparagraph (i) above) of equity securities up to an aggregate nominal amount of £500,000, and provided that this power shall expire on the conclusion of the next annual general meeting of the Company to be held in 2025, save that the Company may make an offer or enter into an agreement before the expiry of that date which would or might require equity securities to be allotted after that date and the directors may allot equity securities in pursuance of such an offer as if the power conferred hereby had not expired

9. Action to be taken

You will find enclosed with this document a Form of Proxy in respect of the General Meeting.

Whether or not you propose to attend the General Meeting in person, you are asked to complete the Form of Proxy and return it to the Company's registrars, Link Group at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL or by email at shareholderenquiries@linkgroup.co.uk, so as to arrive as soon as possible, but in any event, so as not to be received any later than 10:00 a.m. on 2 January 2025.

Completion and return of the Form of Proxy will not preclude you from attending and voting at the General Meeting in person if you wish.

10. Recommendation

The Directors unanimously consider that the Capital Reorganisation and the Subscription is in the best interests of the Company and the Shareholders as a whole.

Accordingly, your Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings which, in aggregate, amount to 18,250,000 Existing Ordinary Shares, representing approximately 0.36 per cent. of the Company's existing issued ordinary share capital.

Yours faithfully,

Anthony Fabrizi, Executive Chairman

BLUE STAR CAPITAL PLC

(Incorporated England and Wales with registered number 05174441)

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Blue Star Capital plc (the “Company”) will be held at 10:00 a.m. on 6 January 2025 at the offices of Cairn Financial Advisers LLP, 80 Cheapside, London, EC2V 6EE, for the purposes of considering and, if thought fit, passing the resolution, of which Resolutions 1, 2 and 4 will be proposed as ordinary resolutions and Resolutions 3 and 5 will be proposed as special resolutions.

ORDINARY RESOLUTIONS

Resolution 1: Issue and Consolidation of Share Capital

THAT, subject to the approval of Resolutions 2 and 3, in accordance with section 618 of the Companies Act 2006 (CA 2006) and the issue of a further five (5) ordinary shares of £0.001 each the Company, the resultant 5,092,773,000 ordinary shares of £0.001 in the Company be consolidated into 25,463,865 ordinary shares having a nominal value of £0.20 (twenty pence) (such that every, 200 ordinary shares having a nominal value of £0.001 each, will be consolidated into one ordinary share having a nominal value of £0.20 each), and that fractions of issued shares arising on consolidation be aggregated and sold and the proceeds retained by the Company.

Resolution 2: Sub-Division and Reclassification of Shares

THAT, subject to the approval of Resolutions 1 and 3, in accordance with section 618 of CA 2006, each ordinary share of £0.20 each in the capital of the Company, arising by the virtue of the passing of Resolution 1 above, is sub-divided and reclassified into one (1) ordinary share of £0.001 each and one hundred and ninety-nine (199) deferred shares of £0.001 each in the capital of the Company, with each having the rights and restrictions (save as to nominal value) set out in the Articles of Association of the Company as amended pursuant to Resolution 3 below.

SPECIAL RESOLUTION

Resolution 3: Amendment to the Articles

THAT, subject to and conditional upon the passing of Resolutions 1 and 2 above, the insertion of a new Article 146 as follows:

“146 Deferred Shares

Any Deferred Shares of £0.001 each in the capital of the Company (“**Deferred Shares**”) in issue shall only have the following rights and shall be subject to the following restrictions, notwithstanding any other provisions in these Articles:

- 1.1. On the return of capital on a winding up of the Company, after the liabilities of the Company have been paid and after the holders of ordinary shares have received the sum of £10,000,000 for each ordinary share held by them, the balance shall be distributed amongst the holders of the Deferred Shares pro rata to the number of Deferred Shares held by each of them, respectively. Save as set out in this Article 146, the holders of the Deferred Shares shall have no interest or right to participate in the capital or assets of the Company;
- 1.2. The Deferred Shares shall not carry any entitlement to receive dividends or to participate in any way in the income or profits of the Company;
- 1.3. Save as set out in this Article 146, the Deferred Shares shall carry no right to participate in the profits or assets of the Company;

- 1.4. The Company may acquire, subject to the Statutes, all or any of the Deferred Shares in issue at any time without payment of any consideration to the holder of the Deferred Share. Pending such acquisition, each holder of the Deferred Share shall be deemed to have irrevocably authorised the Company, at any time: (a) to appoint any person to execute (on behalf of the holder of the Deferred Share) a transfer thereof and/or an agreement to transfer the same to the Company or to such person as the Company may determine as custodian thereof; and (b) pending such transfer, to retain such holder's certificate (if any) for the Deferred Shares;
- 1.5. Other than as specified in this Article 146, the Deferred Shares shall not be capable of transfer at any time other than with the prior consent of the Directors, nor shall the holders of them be entitled to mortgage, pledge, charge or otherwise encumber them or to create or dispose of or to agree to create or dispose of any interest (within the meaning of section 820 of the Act) whatsoever in any Deferred Share;
- 1.6. The Company is irrevocably authorised to appoint any person on behalf of any holder of any Deferred Share(s) to enter into an agreement to transfer and to execute a transfer of any such Deferred Share(s) to such person as the Directors may determine in their absolute discretion and to execute any other documents which such person may consider necessary or desirable to effect such transfer (and pending such transfer, to retain such holder's certificate (if any) for such Deferred Share(s)) or to give instructions to transfer any such Deferred Share(s) held in uncertificated form to such person as the Directors may determine in their absolute discretion, in each case, without obtaining the sanction of the holder of them and without any payment being made in respect of that transfer;
- 1.7. The Deferred Shares shall not confer on the holders thereof any entitlement to receive notice of or to attend or speak at or vote at any general meeting or any annual general meeting of the Company; and
- 1.8. The rights attaching to the Deferred Shares shall not be deemed to be varied or abrogated by the creation and/or allotment and/or issue of any further shares, the passing of any resolution of the Company reducing its share capital or cancelling the Deferred Shares and none of the rights or restrictions attached to the Deferred Shares shall be deemed to be varied or abrogated in any way by the passing or coming into effect of any special resolution of the Company to reduce its share capital and/or reduce or cancel (as the case may be) its share premium account (including a special resolution to reduce the capital paid up or to cancel such Deferred Shares), provided that upon a cancellation of all the Deferred Shares the Articles shall automatically be amended by the deletion of this Article 146 in its entirety.”

ORDINARY RESOLUTION

Resolution 4: Share Authorities

That, in substitution for all existing authorities, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of CA 2006 to exercise all or any part of the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares of the Company up to an aggregate nominal amount of £500,000 such authority (unless previously revoked or varied) to expire at the conclusion of the annual general meeting of the Company to be held in 2025, save that the Company may before such expiry make offers or agreements which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

Resolution 5: Share Authorities

That, in substitution for all existing authorities, subject to the passing of Resolution 5, the Directors be and are hereby granted power pursuant to section 570(1) of CA 2006 to allot equity securities (as defined in section 560(1) of CA 2006) for cash pursuant to the authority conferred on them by Resolution 5 above as if section 561 of CA 2006 did not apply to such allotment, provided that such power be limited to:

- i) the allotment of equity securities which are offered to all the holders of equity securities of the Company (at a date specified by the directors) where the equity securities respectively attributable to the interests of such holders are as nearly practicable in proportion to the respective number of equity securities held by them, but subject to such exclusions and other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements and any legal or practical problems under any laws or requirements of any regulatory body or stock exchange in any territory or otherwise; and
- ii) the allotment (otherwise than pursuant to subparagraph (i) above) of equity securities up to an aggregate nominal amount of £500,000, and provided that this power shall expire on the conclusion

of the next annual general meeting of the Company to be held in 2025, save that the Company may make an offer or enter into an agreement before the expiry of that date which would or might require equity securities to be allotted after that date and the directors may allot equity securities in pursuance of such an offer as if the power conferred hereby had not expired

BY ORDER OF THE BOARD

Company Secretary

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For and on behalf of
Anthony Fabrizi
Blue Star Capital plc

Registered Office:

Griffin House
135 High Street
Crawley
RH10 1DQ

17 December 2024

Notice of General Meeting Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered on the Company's register of members at close of business on 6 January 2025 or, in the event that the meeting is adjourned, in the register of members 48 hours before the time of the adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at the time. Changes to entries in the register of members after close of business on 6 January 2025 or, in the event that the meeting is adjourned, after 48 hours before the time of any adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at a meeting.
2. A member is entitled to appoint one or more persons as proxies to exercise all of any or all of his rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise rights attached to a different share or shares held by him. To appoint more than one proxy you may photocopy the proxy form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Failure to specify the number of shares each proxy appointment relates to or specifying a number of shares in excess of those held by the member may result in the proxy appointment being invalid. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. Appointment of a proxy does not preclude a member from attending the meeting and voting in person.
3. Unless otherwise indicated on the Form of Proxy, CREST or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.
4. A form of proxy is enclosed. To be valid, it must be completed, signed and sent to the offices of the Company's registrars being Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to arrive no later than 10 a.m. on 2 January 2025 or, in the event that the meeting is adjourned, by no later than 48 hours before the time of any adjourned meeting.
5. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available from <https://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.

In order for a proxy appointment or instruction made by means of CREST 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 relates to the appointment of a proxy or to 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 Link Group (IDRA10) by no later than 10:00 a.m. on 2 January 2025. No such message received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Link Group is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change in 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 provider(s) should note that EUI 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 his 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.

6. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time 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 proxy form and would like to change the instructions using another hard-copy proxy form, please contact Link Group by email at shareholderenquiries@linkgroup.co.uk or by telephone on 0371 664 0300 calls are charged at the standard geographic rate and will vary by provider. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9:00 a.m. – 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. 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.
7. In order to revoke a proxy instruction, you will need to inform the Company using one of the following methods: By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL. In the case of a member which is a company, the revocation notice must be executed under its common seal of the hand of its duly authorised agent or officer. In the case of an individual, the proxy must be signed by the appointor or his attorney, duly authorised in writing. 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.