

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to what action to take, you should immediately seek personal financial advice from your stockbroker, bank manager, solicitor, accountant or any other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in your own jurisdiction.

If you have sold or transferred all your Ordinary Shares, please forward this document immediately, to your stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you sell or transfer or have sold or transferred only part of your holding of Ordinary Shares you should retain this document and consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

Northbridge Industrial Services plc

(Incorporated and registered in England and Wales under number 05326580)

Proposed Capital Reduction

and

Notice of General Meeting

This document should be read as a whole. Your attention is drawn to the Letter from the Executive Chairman of Northbridge which is set out in Part III of this document and includes a recommendation that you vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company to be held at the Company's offices at Second Avenue, Centrum 100, Burton-on Trent DE14 2WF at 11.00 a.m. on 18 October 2021 is set out in Part IV of this document. To be valid, a Form of Proxy must be completed and returned as soon as possible and in any event so as to be received by Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 by not later than 11 a.m. on 14 October 2021. Completion and posting of the Form of Proxy will not prevent a Shareholder from attending and voting in person at the General Meeting.

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PART I: EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	29 September 2021
Latest time and date for receipt of Forms of Proxy for the General Meeting	11 a.m. on 14 October 2021
General Meeting	11.00 a.m. on 18 October 2021
Expected date of initial directions hearing of the Court	3 November 2021
Expected date of Court Hearing to confirm the Capital Reduction	16 November 2021
Expected effective date for the Capital Reduction	19 November 2021

Notes

1. The expected dates for the confirmation of the Capital Reduction by the Court and the Capital Reduction becoming effective are based on provisional dates that have been obtained for the required Court hearings of the Company's application. These provisional hearing dates are subject to change and dependent on the Court's timetable.
2. The timetable assumes that there is no adjournment of the General Meeting. If there is an adjournment, all subsequent dates are likely to be later than those shown.
3. References in this document are to London times unless otherwise stated.

PART II: DEFINITIONS

The following definitions apply throughout this document and the accompanying Form of Proxy unless the context otherwise requires:

"Act"	Companies Act 2006;
"Board" or "Directors"	the directors of the Company or any duly appointed committee thereof;
"Capital Reduction"	the proposed cancellation of the Company's Share Premium Account pursuant to the Resolution as set out in the Notice of General Meeting;
"Capital Reduction Record Time"	6.00 p.m. on the date immediately preceding the date of the Court Hearing;
"Company" or "Northbridge"	Northbridge Industrial Services plc, a company incorporated in England and Wales with registered number 05326580 and having its registered office at Second Avenue, Centrum 100, Burton-on-Trent DE14 2WF;
"Court"	the High Court of Justice in England and Wales;
"Court Hearing"	the hearing by the Court to confirm the Capital Reduction;
"Court Order"	the order of the Court confirming the Capital Reduction;
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (as amended);
"Effective Date"	the date of the Court Order;
"Form of Proxy"	the form of proxy accompanying this document relating to the General Meeting;
"General Meeting"	the general meeting of the Company, notice of which is set out at the end of this document and including any adjournment(s) thereof;

"Group"	the Company and its subsidiaries and subsidiary undertakings (in each case as defined in the Act);
"LTIP"	the long term incentive plan adopted by the Company, as more particularly described in its announcement dated 10 June 2021;
"Notice of General Meeting"	the notice of General Meeting, set out in Part IV of this document;
"Profit and Loss Account"	the profit and loss account in the books of account of the Company from time to time;
"Ordinary Shares"	ordinary shares of 10 pence each in the capital of the Company;
"Registrars"	Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL;
"Resolution"	the resolution to be proposed at the General Meeting which is set out in full in the Notice of General Meeting;
"Shareholders"	holders of Ordinary Shares;
"Share Premium Account"	the share premium account of the Company; and
"UK"	the United Kingdom of Great Britain and Northern Ireland.

PART III: LETTER FROM THE EXECUTIVE CHAIRMAN OF THE COMPANY

Northbridge Industrial Services plc

(Incorporated and registered in England and Wales under number 05326580)

Directors:

Peter Harris *(Executive Chairman)*
Chris Caldwell *(Managing Director-Crestchic)*
Ian Gardner *(Managing Director-Tasman)*
Iwan Phillips *(Group Finance Director)*
Nitin Kaul *(Non-executive Director)*
Judith Aldersey-Williams *(Non-executive Director)*
Stephen Yapp *(Non-executive Director)*

Registered Office:

Second Avenue
Centrum 100
Burton-on-Trent
DE14 2WF

29 September 2021

To Shareholders

Dear Shareholder

PROPOSED CAPITAL REDUCTION and NOTICE OF GENERAL MEETING

1. Introduction

I am writing to provide you with details of a proposal to enhance the Company's ability to return value to Shareholders in the future.

The Company currently has negative distributable reserves and is therefore prohibited under the Act from making distributions, including dividends, to its Shareholders, or from buying back Ordinary Shares in the market.

Accordingly, your approval is being sought to carry out a reduction of the Company's capital by way of the cancellation of the sum of £29,950,000 standing to the credit of the Share Premium Account to create distributable reserves.

When shares are issued by the Company, the nominal value of the shares is credited to the share capital account of the Company. A share premium arises on the issue of shares at a premium to their nominal value. The premium is credited to the Share Premium Account of the Company. Both the share capital reserve of the Company and the Share Premium Account are undistributable capital reserves and the uses to which the Company may put them is limited by law. Both may, however, be reduced or cancelled if first approved by shareholders by special resolution and subsequently confirmed by order of the High Court.

The Capital Reduction is conditional upon, amongst other things, the Company obtaining Shareholder approval at the General Meeting. Part IV of this document contains a Notice of General Meeting, convening the General Meeting for 11.00 a.m. on 18 October 2021 at the Company's offices at Second Avenue, Centrum 100, Burton-on Trent DE14 2WF.

The purpose of this document is to provide you with information about the Capital Reduction and to explain why the Board considers the Capital Reduction to be in the best interests of the Company and its Shareholders as a whole and unanimously recommends that you vote in favour of the Resolution to be proposed at the General Meeting. Shareholders should note that, unless the Resolution is approved at the General Meeting (and the Court subsequently confirms the Capital Reduction), the Capital Reduction will not take place.

Part II of this document contains definitions of words and terms that have been used throughout it. Please refer to Part II as you review this document.

2. Background to, and reasons for, the Capital Reduction

In the Company's Strategic and Trading Update announcement issued on 11 August 2021, the Board confirmed that the performance of the business has led to an increase in management's expectations for the Group's performance for the full year.

In light of the Group's improved performance, the Board believes that it will be considered desirable in the future to commence paying dividends to Shareholders. However, the Company currently has negative distributable reserves and is, therefore, prohibited under the Act from making distributions to its Shareholders, including the payment of dividends.

In addition, as previously announced on 10 June 2021, it is the intention of the Board to satisfy future issuances of Ordinary Shares pursuant to the Company's LTIP from Ordinary Shares acquired in the market and held in treasury, for example pursuant to a share buyback, if it is deemed to be in the best interest of shareholders at the time. In order to be in a position to carry out such share buybacks, assuming the Company has the appropriate shareholder authorities, the Company must first have distributable reserves.

The Board, therefore, believes it is an appropriate time to undertake the Capital Reduction and create distributable reserves which would enable the payment of dividends and buybacks in the future. In addition, the Board believes the Capital Reduction will have the effect of further strengthening the balance sheet and improving the Group's access to capital.

3. The Capital Reduction

The Company does not have sufficient distributable reserves to enable the Board to recommend the payment of dividends should it be considered desirable to do so in the future. The Board therefore proposes that the Capital Reduction be effected in order to put the Company into the position of having distributable reserves.

At 31 December 2020, the Company had a profit and loss account accumulated deficit of £10,166,000. At the same date, the balance standing to the credit of the Share Premium Account amounted to £29,950,000.

As the Group is now profitable at an operating level, the Board has decided to propose that the capital reserves of the Company are restructured by means of the Capital Reduction. Under this process, the Share Premium Account would be eliminated, with the Profit and Loss Account being credited with an equivalent sum in order to eliminate the accumulated losses on the Profit and Loss Account, and to create a positive distributable reserve.

Reducing the balance of £29,950,000 of the Share Premium Account will, subject to the discharge of any undertakings required by the Court as explained further below, be sufficient to eliminate the deficit on the profit and loss account. As a result, any positive distributable reserves generated by the Company after the date on which the Capital Reduction takes effect would be available for the Board to use for the purposes of paying dividends (should circumstances in the future make it desirable to do so).

It is therefore proposed that the amount of £29,950,000 standing to the credit of the Share Premium Account is cancelled.

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

In providing its approval of the Capital Reduction, the Court may require measures to be put in place for the protection of creditors (including contingent creditors) of the Company whose debts remain outstanding on the relevant date, except in the case of creditors which have consented to the Capital Reduction. Such creditor protection measures may include seeking the consent of the Company's creditors to the Capital Reduction or the provision by the Company to the Court of an undertaking to deposit a sum of money into a blocked account created for the purpose of discharging the non-consenting creditors of the Company or an undertaking to treat as undistributable for the time being certain sums representing the realisation of "hidden value" in the balance sheet as at the Effective Date.

It is anticipated that the initial directions hearing in relation to the Capital Reduction will take place on 3 November 2021, with the final Court Hearing taking place on 16 November 2021 and the Capital Reduction becoming effective on the following day, following the necessary registration of the Court Order at Companies House.

There will be no change in the number of Ordinary Shares in issue (or their nominal value) following the implementation of the Capital Reduction and no new share certificates will be issued as a result of the Capital Reduction. The Capital Reduction itself will not involve any distribution or repayment of capital or share premium by the Company and will not reduce the underlying net assets of the Company. The distributable reserves arising on the Capital Reduction will, subject to the discharge of any undertakings required by the Court as explained above, support the Company's ability to pay dividends and/or carry out market purchases of Ordinary Shares, should circumstances in the future make it desirable to do so.

The Board reserves the right to abandon or to discontinue (in whole or in part) the application to the Court in the event that the Board considers that the terms on which the Capital Reduction would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or its Shareholders as a whole. The Board has undertaken a thorough and extensive review of the Company's liabilities (including contingent liabilities) and considers that the Company will be able to satisfy the Court that there is no real likelihood that any creditor of the Company would be prejudiced by the Capital Reduction.

4. General Meeting

The Notice of General Meeting is set out in Part IV of this document.

The General Meeting will take place at 11.00 a.m. on 18 October 2021 at Company's offices at

Second Avenue, Centrum 100, Burton-on Trent DE14 2WF. At the General Meeting, the Resolution set out in Part IV of this document will be proposed to Shareholders.

The Resolution will be passed if 75 per cent. or more of the votes cast (in person or by proxy) at the General Meeting are in favour of it.

5. Action to be taken in respect of the General Meeting

Shareholders can appoint a proxy electronically using the link www.signalshares.com. Details of how to appoint a proxy in this way are set out on page 11 of this document. Alternatively, you may request a hard copy form of proxy directly from our Registrar, Link Group. Details of how to request, and complete, a hard copy form of proxy are set out on page 10 of this document. To be valid, a Form of Proxy must be returned as soon as possible and so as to be received by the Registrars by not later than 11 a.m. on 14 October 2021.

The completion and return of the Form of Proxy will not prevent you from attending and voting at the General Meeting in person

6. Recommendation

The Directors consider that the Capital Reduction will be beneficial for the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolution to be proposed at the General Meeting, as they intend to do in respect of their aggregate shareholdings, of 1,684,440 Ordinary Shares representing approximately 5.8% of the Ordinary Shares in issue at the date of this document.

Yours faithfully

Peter Harris

Executive Chairman

PART IV: NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Northbridge Industrial Services plc ("the Company") will be held at Company's offices at Second Avenue, Centrum 100, Burton-on Trent DE14 2WF at 11.00 a.m. on 18 October 2021 for the following purposes:

Special Business

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

- 1 That, subject to the confirmation of the High Court, the amount standing to the credit of the Company's share premium account be cancelled.

Registered office
Second Avenue
Centrum 100
Burton-on-Trent
DE14 2WF

By Order of the Board

Iwan Phillips
Company Secretary

Dated 29 September 2021

Notes

Proxy appointment

- 1 A Shareholder is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend and to speak and vote at the General Meeting. A proxy need not be a Shareholder of the Company. A Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder.
- 2 You can vote either:
 - by logging on to www.signalshares.com and following by following the on-screen instructions, in particular at the "Proxy Voting" link. In order to appoint a proxy using the Website, members will need to log into their Signal Shares account, or register if they have not previously done so. To register members will need to identify themselves with their Investor Code which is detailed on their share certificate or available from our Registrar, Link Group, on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.
 - by requesting a hard copy form of proxy directly from the registrars, Link Group, at shareholderenquiries@linkgroup.co.uk, or on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am and 5.30pm, Monday to Friday excluding public holidays in England and Wales;
 - or in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

To be valid, your proxy vote and, in the case of requesting a hard copy, the form of proxy and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be duly completed and signed and deposited at the office of the Company's registrars, PXS 1, Link Group, Central Square, 29 Wellington Street, Leeds, LS1 4DL, be received no later than 11a.m. on 14 October 2021.

Nominated persons

- 3 The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Act ("**nominated persons**"). Nominated persons may have a right under an agreement with the Shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

Information about shares and voting

- 4 Holders of Ordinary Shares are entitled to attend and vote at general meetings of the Company. The total number of issued ordinary shares in the Company on 28 September 2021, which is the latest practicable date before the publication of this document is 29,066,109, carrying one vote each on a poll. Therefore, the total number of votes exercisable as at 18 October 2021 is 29,066,109.

Right to attend and vote

- 5 Entitlement to attend and vote at the General Meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at close of business on 14 October 2021 or, if the General Meeting is adjourned, 48 hours before the time fixed for the adjourned General Meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.

Venue arrangements

- 6 To facilitate entry to the General Meeting, Shareholders are requested to bring with them the attendance card which is attached to the proxy card.
- 7 Shareholders should note that the doors to the General Meeting will open at 10.50 a.m. on 18 October 2021.
- 8 Mobile phones may not be used in the meeting hall, and cameras and recording equipment are not allowed in the meeting hall.

CREST members

- 9 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual (available via www.euroclear.com/CREST). CREST Personal Members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
- 10 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's 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 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 the Company's Registrars, Link Group (ID RA10) by the latest time(s) for receipt of proxy appointments specified in note 3 above. 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 a proxy appointed through CREST should be communicated to him by other means.

- 11 CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider takes) 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.
- 12 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.

Corporate representatives

- 13 Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Shareholder provided that they do not do so in relation to the same shares.

Website information

- 14 A copy of this Notice of General Meeting, and other information required by section 311A of the Act, can be found at www.northbridgegroup.co.uk/investors

Voting by poll

- 15 The Resolution to be put to the General Meeting will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each Shareholder and so the Board considers it a more democratic method of voting. Shareholders and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the General Meeting. The results of the poll will be published on the Company's website once the votes have been counted and verified.

Use of electronic address

- 16 Shareholders may not use any electronic address provided in either this document, the Notice of General Meeting or any related documents (including the enclosed Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.