



'The key ingredient to the food industry' ®

8 October 2021

Dear Shareholder,

It is with great pleasure that I send you notice of the Annual General Meeting (AGM) of BAKO Group Limited, to be held at **The Bakory, BAKO North Western, Preston, PR2 5BE on Tuesday 26 October 2021**, commencing at 2.00 pm. The information enclosed with this letter details the resolutions to be put forward at the AGM.

Coronavirus (COVID-19)

The health and safety of the Company's shareholders, as well as its employees and customers, is of paramount importance to the Board. Under normal circumstances the Board would welcome shareholders to attend the AGM in person. However, due to the current situation, the Board neither anticipates nor expects that shareholders would want to attend the AGM in person. The Board continues to regard the AGM as an important opportunity to engage with shareholders and has therefore made the following arrangements:

- Shareholders are encouraged to send questions to the Board in advance of the AGM to the Company Secretary by email at CompanySecretary@bakonw.co.uk. Questions and the answers will be published on the website after the AGM.
- The Board encourages shareholders to exercise their vote in advance of the AGM by completing the enclosed Proxy Form and instruct the Chairman of the meeting to vote on their behalf.
- The results of the vote will be published on our website at www.bako.co.uk.

The Notice of AGM and Proxy Form are enclosed with this letter. I strongly recommend that all shareholders read the enclosed documents as they contain important information. The Company will ensure a quorum of shareholders is present by facilitating a meeting of shareholders who are Directors of the Company.¹

A copy of the consolidated audited accounts for BAKO Group Limited for the year ended 31 March 2021 along with the AGM notice and a copy of the Company's Articles of Association can be downloaded from www.bako.co.uk ('Website') under the 'About' and 'Investor Relations' section of the home page.

The Company's Articles of Association ('Articles') permit the Company to provide documents and information to you via the Website. However, under the Companies Act 2006 we are also required to ask you individually to confirm your agreement to the Company sending or supplying the documents and information to you via the Website. If we do not receive a response from you by the date of the AGM, then you will be taken to have agreed (under paragraph 10 of Schedule 5 to the Companies Act 2006) that the Company may send or supply documents and information to you via the Website. Therefore, if you agree to the Company sending or supplying the documents and information to you via the Website, you need take no further action in relation to this part of the letter. If you would prefer to receive the documents and information in paper form rather than via the Website, you will need to let us know by completing the question at the end of this letter and returning it to the Company at the above address.

AGM Resolutions

Special Resolution: Changes to the Articles

Your Board is recommending that the Company's Articles of Association are amended to ensure that the Chairperson of any meeting of the Directors must be a Qualifying Director. Clause 12.4 has been added to the Articles to effect this. A Qualifying Director is a director who holds Ordinary Shares in the Company and has in his/her own right or through a company or other vehicle carried on trade with the Group in the 12 months prior to his appointment as a director and is a baker and/or confectioner engaged in the production of bakery and/or confectionery products.

Ordinary Resolution: Share buyback

Your Board, in accordance with the Articles, is recommending that the Company buy back Ordinary shares from those shareholders who did not trade with the Group during the year ended 31 March 2021. For this year, your Board has decided to retain shareholders who did not achieve the minimum spend of £10,400 as their trade may have been affected by the COVID-19 pandemic.

¹ Shareholders who complete a proxy form will be counted in the quorum



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Ordinary Resolutions: Your Board of Directors

All of the Directors were appointed (or re-appointed) during the year and are therefore required by our Articles to stand for re-election at this AGM.

Recommendation

The Board considers that all of the resolutions in the notice of AGM are in the best interest of the Company and its shareholders as a whole and recommends unanimously that you vote in favour of them. Your Directors intend to vote in favour of all of the resolutions in respect of their own shareholdings.

Yours sincerely,

David Yates
Chairman
For and on behalf of
BAKO Group Limited

Please send your response in the prepaid envelope enclosed

To: Company Secretary

Email: CompanySecretary@Bakonw.co.uk

BAKO Group Ltd, 74 Roman Way Industrial Estate, Longridge Road, Preston PR2 5BE.

I will / will not* be attending the Annual General Meeting on **Tuesday 26 October 2021**.

I agree to the Company's request to send or supply documents and information to me via the Website*

I elect to continue to receive documents and information in hard copy from the Company by post*

**Please select only one option*

Signed:

Please print Name:

Company Name:

Shareholder Number:

Email Address: