



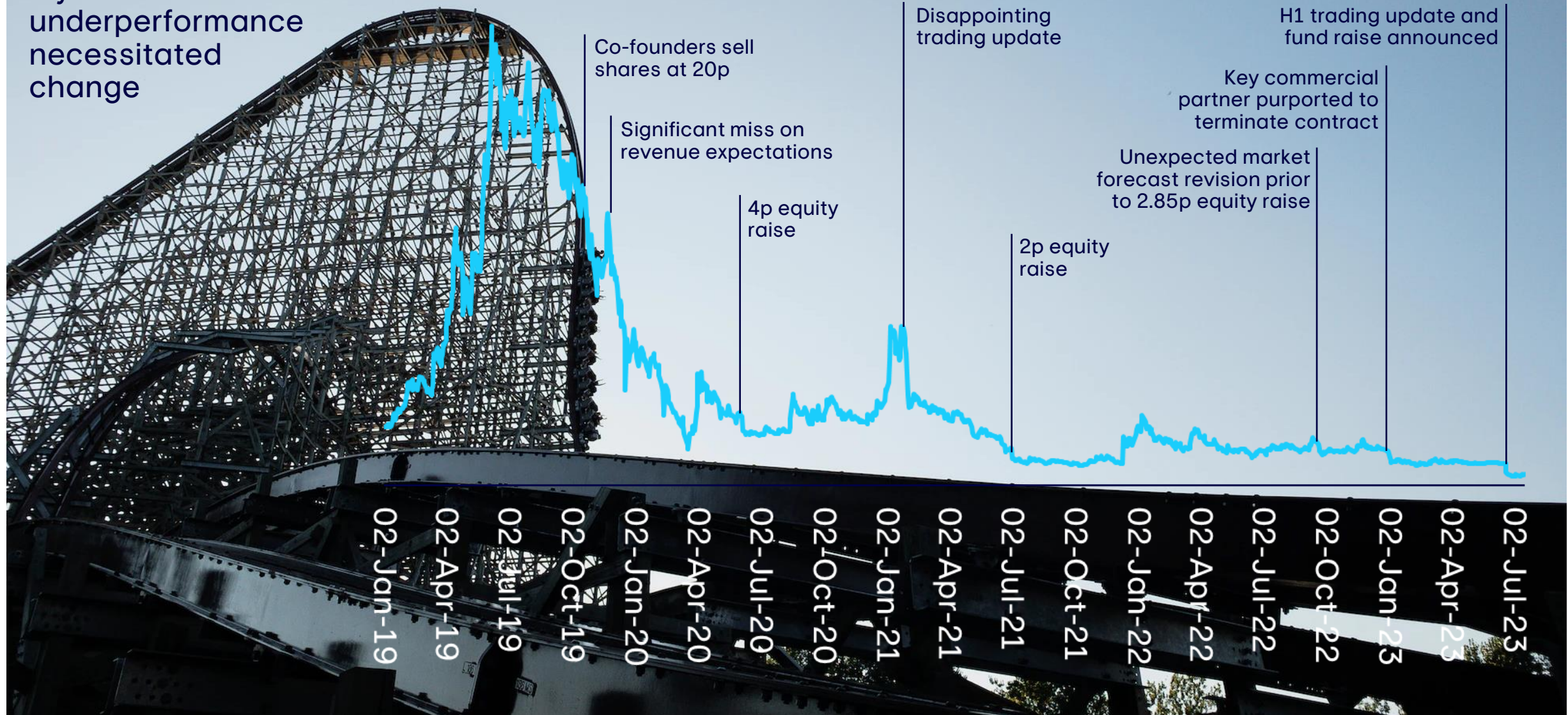
Change

**Shareholder engagement for
positive change**

Bidstack – a case study

Background to change

4 years of underperformance necessitated change



Why was change urgently required?

- Attempts to engage and provide constructive feedback by Nick Hargrave ignored since 2020.
 - No response to letters to the board and the CEO in 2022.
- Individual investors frustrated by the perceived lack of engagement, timely investor communications and declining share price
- Numerous indicators of poor corporate governance:
 - Selective shareholder disclosures
 - Dilutive fund raises while paying significant bonuses
 - Share sales less than 2 months before reporting missed expectations
 - 8 person board for a sub £20m company
 - Missed legally mandated deadline to call an AGM
 - New CFO able to reduce average monthly cash burn by 40% within months of starting suggested previously poor cash management

Shining a light on the need for change

- Small group of individual investors holding >5% (the “requisitioners”) of the shares agreed change could wait no longer.
- Bound by confidentiality, prepared EGM requisition documentation and co-ordinated the signatures of nominee brokers for a valid submission.
- Submitted EGM requisition for the removal of 2 directors and the appointment of Nick Hargrave as a director.
 - Also encouraged voting against 2 additional directors at the upcoming AGM.
- Board decided to publicly announce the requisition without private discussion beforehand.
- Requisitioners secured supportive national news coverage and requested discussions with the board to agree a resolution privately.
- Initially the board agreed to review the board and committed to improve investor communications, but with no timelines or concrete actions announced.
- Upon further urging by the requisitioners, two company directors agreed to step down, a full board role review was announced and the first investor presentation to all shareholders was scheduled.
- Having succeeded in bringing about substantive change, the requisitioners withdrew the EGM request to allow the company to fully focus on accelerating growth in the business.
- The positive change was fantastic news for shareholders, now excited about the future.
 - It is a great credit to the board that they embraced investor feedback and took decisive action.

THE  TIMES

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