

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
If you are in any doubt as to the action you should take, you should consult your stockbroker,
bank manager, solicitor, accountant or other professional adviser immediately.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares, please send this document, together with the accompanying documents, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

NOTICE OF ANNUAL GENERAL MEETING

cardfactory

Card Factory plc (incorporated and registered in England and Wales under number 9002747)

Notice of the 2021 Annual General Meeting of the Company to be held at the offices of UBS, 5 Broadgate, London EC2M 2QS on 28 July 2021 at 11.00 a.m. is set out on pages 3 to 5 of this document.

A form of proxy for use at the Annual General Meeting is enclosed and, to be valid, should be completed and returned in accordance with the instructions printed on the form so as to be received by Card Factory plc's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom as soon as possible but, in any event, so as to arrive no later than 11.00 a.m. on 26 July 2021.

Part I – Letter from the Chairman

Registered Office:

Century House
Brunel Road
41 Industrial Estate
Wakefield
West Yorkshire
WF2 0XG

10 June 2021

To the holders of Card Factory plc shares

NOTICE OF ANNUAL GENERAL MEETING 2021

Dear Shareholder,

On behalf of the directors of Card Factory plc (together the 'Directors'), I am writing to give you notice of the arrangements for the 2021 Annual General Meeting ('AGM') of Card Factory plc (the 'Company'), which will be held at the offices of UBS, 5 Broadgate, London EC2M 2QS on 28 July 2021 at 11.00 a.m.

As at the date of this notice, the UK Government still has restrictive social measures in place, together with the uncertainty as to any future measures which may be implemented prior to the date of the AGM, therefore we are proposing to hold the AGM with only the minimum attendance required to form a quorum to allow the business of the AGM.

I encourage you to vote on the resolutions in advance of the meeting by completing the proxy form sent to you with this notice and return it in accordance with the instructions printed on the form as soon as possible. It must be received by 11.00 a.m. on 26 July 2021. To facilitate shareholders to make an informed decision on voting, and to minimise any disruption, should attendance be restricted, we will respond to shareholder questions in advance of the meeting, which can be submitted by email to legal@cardfactory.co.uk by no later than 4pm on 22 July 2021. You shall receive a response by email and appropriate questions and answers will be available on the Company's website following the conclusion of the AGM.

The formal notice of AGM is set out in Part II on pages 3 to 5 of this document detailing the resolutions that the shareholders are being asked to vote on with notes to the notice of AGM being set out in Part III on pages 6 and 7.

An explanation of the business to be considered at this year's AGM appears in Part IV on pages 8 to 11 of this document.

The continued effectiveness of the Board, its committees and the Company's Directors was assessed through a formal evaluation process in 2020. The Nomination Committee also reviewed the balance of skills, backgrounds, knowledge, independence and experience represented on the Board. Following such evaluation and review, the Board recommends the election or re-election of all Directors. Biographies for each Director can be found in the Appendix to this Notice of AGM.

The Directors consider that all the resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you vote in favour of them.

Yours sincerely,

Paul Moody
Chairman

Part II – Notice of the Annual General Meeting

Notice is hereby given that the Annual General Meeting of Card Factory plc will be held at the offices of UBS, 5 Broadgate, London EC2M 2QS on 28 July 2021 at 11.00 a.m. for the following purposes.

Resolutions 15 to 19 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

ORDINARY RESOLUTIONS

Reports and Accounts

1. THAT the Annual Report and Accounts of the Company for the financial year ended 31 January 2021, together with the Directors' Report therein, be received.

Directors

2. THAT Paul Moody be re-elected as a Director of the Company.
3. THAT Darcy Willson-Rymer be elected as a Director of the Company.
4. THAT Kristian Lee be re-elected as a Director of the Company.
5. THAT Octavia Morley be re-elected as a Director of the Company.
6. THAT David Stead be re-elected as a Director of the Company.
7. THAT Paul McCrudden be re-elected as a Director of the Company.
8. THAT Roger Whiteside be re-elected as a Director of the Company.
9. THAT Nathan Lane be re-elected as a Director of the Company.

Directors' Annual Report on Remuneration

10. THAT the Directors' Annual Report on Remuneration (excluding the Directors' Remuneration Policy) set out on pages 74 to 77 and 86 to 96 in the Annual Report and Accounts be approved.
11. THAT the Directors' Remuneration Policy, set out on pages 78 to 85 in the Annual Report and Accounts be approved.

Auditors

12. THAT KPMG LLP be re-appointed as auditor of the Company (the "Auditor") to hold office until the conclusion of the next general meeting of the Company at which accounts are laid before the Company.
13. THAT the audit committee of the Company (the "Audit Committee") be authorised to agree the remuneration of the Auditor.

Directors' authority to allot shares

14. THAT the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 (the "2006 Act") to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company:
 - a. up to a nominal amount of £1,138,933.10; and
 - b. comprising equity securities (as defined in section 560 of the Act) up to a further nominal value of £1,138,933.10 in connection with an offer by way of a rights issue.

Such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the 2006 Act and to expire at the end of the next Annual General Meeting or on 28 October 2022, whichever is the earlier, but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority given by this resolution has expired and the directors may allot shares or grant such rights pursuant to any such offer or agreement as if this authority had not expired.

For the purposes of this Resolution 14, 'rights issue' means an offer to: (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and (ii) holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors of the Company otherwise consider necessary, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) that may be traded for a period before payment for the securities is due, but subject in both cases to such limits, restrictions or arrangements as the Directors consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

SPECIAL RESOLUTIONS

Disapplication of pre-emption rights

15. THAT, subject to the passing of Resolution 14 above, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the 2006 Act) wholly for cash pursuant to the authority given by Resolution 14 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the 2006 Act, in each case as if Section 561(1) of the 2006 Act did not apply to any such allotment:

- a. in the case of the authority granted in paragraph (a) of resolution 14, to the allotment of equity securities:
 - i. in connection with a pre-emptive offer; and
 - ii. otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £170,839.96; and
- b. In the case of the authority granted in paragraph (b) of resolution 14, to the allotment of equity securities in connection with an offer by way of a rights issue;

such authority to expire at the end of the next Annual General Meeting or on 28 October 2022, whichever is the earlier, but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted after the power given by this resolution has expired.

For the purposes of this Resolution 15:

(a) "pre-emptive offer" means an offer of equity securities open for acceptance for a period fixed by the Directors to (i) holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings; and (ii) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;

(b) 'rights issue' means an offer to: (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and (ii) holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors of the Company otherwise consider necessary, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) that may be traded for a period before payment for the securities is due, but subject in both cases to such limits, restrictions or arrangements as the Directors consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

(c) references to an allotment of equity securities shall include a sale of treasury shares; and

(d) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

16. THAT, subject to the passing of Resolution 14 above and in addition to any authority granted under Resolution 15 above, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash pursuant to the authority given by Resolution 14 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, such authority to be:

- a. limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £170,839.96; and
- b. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of Directors of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next Annual General Meeting of the Company or at the close of business on 28 October 2022, whichever is the earlier, but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities and sell treasury shares under any such offer or agreement as if the authority had not expired.

Authority to purchase own shares

17. THAT the Company be and is hereby generally and unconditionally authorised for the purpose of Section 701 of the 2006 Act to make market purchases (as defined in Section 693(4) of the 2006 Act) of ordinary shares of 1p each in the capital of the Company ("Ordinary Shares"), provided that:
- a. the maximum number of Ordinary Shares that may be purchased is 34,167,993;
 - b. the minimum price (excluding expenses) that may be paid for an Ordinary Share shall not be less than the nominal value of such share;
 - c. the maximum price (excluding expenses) to be paid for each Ordinary Share shall be the higher of (i) an amount equal to 5% above the average of the middle market quotation for the Company's Ordinary Shares as derived from the London Stock Exchange's Daily Official List for the five business days' prior to the purchase being made and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange at the time the purchase is carried out;
 - d. this authority shall expire at the conclusion of the next Annual General Meeting or, if earlier 28 October 2022, unless such authority is previously renewed, varied or revoked by the Company in a general meeting; and
 - e. the Company may enter into a contract to purchase its Ordinary Shares under this authority prior to its expiry, which will or may be executed wholly or partly after such expiry.

Notice of general meetings

18. THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

Amendment of Articles of Association

19. THAT the articles of association produced to the meeting and initialled by the Chair of the meeting for the purpose of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

BY ORDER OF THE BOARD

Ciaran Stone
Company Secretary

10 June 2021

Registered in England and Wales
Company No: 9002747

Registered Office:
Card Factory plc
Century House
Brunel Road
41 Industrial Estate
Wakefield
West Yorkshire
WF2 0XG

Part III – Notes to the Notice of the Annual General Meeting

NOTES

Proxy appointment

1. A member is entitled to appoint another person as their proxy to exercise all or any of their rights to attend and to speak and vote at the AGM. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. In the case of joint holders, any one holder may vote. If more than one joint holder votes, only the vote of the senior will be accepted, seniority being determined in the order in which the names appear in the share register of the Company.
3. A form of proxy is enclosed with this notice. To appoint a proxy 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 either: (a) sent to the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom; or (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with Note 11 below; in each case so as to be received no later than 11.00 a.m. on 26 July 2021.

Nominated persons

4. 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 2006 Act ("nominated persons"). Nominated persons may have a right under an agreement with the member 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

5. Holders of ordinary shares are asked not to attend the general meeting of the Company, but to vote by proxy. The total number of issued ordinary shares in the Company on 9 June 2021, which is the latest practicable date before the publication of this document is 341,679,930, carrying one vote each on a poll. Therefore, the total number of votes exercisable as at 9 June 2021 are 341,679,930.

Right to attend and vote

6. Entitlement to attend and vote at the 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 6.30 p.m. on 26 July 2021 or, if the meeting is adjourned, two days before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded. Although those on the register at 6.30pm on the relevant date would ordinarily be invited to attend the AGM, we would strongly encourage shareholders not to attend the AGM.

Entry to the AGM, security arrangements and conduct of proceedings

7. Due to Covid-19, members are strongly advised not to attend the AGM, but to submit any questions in advance to the Company (see the letter from the Chairman on page 1) and submission of forms of proxy or CREST Proxy Instructions in advance.
8. To facilitate entry to the meeting, members are requested to bring with them the admission card which is attached to the proxy card. Persons who are not members of the Company (or their appointed proxy) will not be admitted to the AGM unless prior arrangements have been made with the Company. To ensure the health and safety of our shareholders, colleagues and hosts, the Company reserves the right to restrict entry to the AGM to ensure compliance with government guidance or requirements.
9. Members should note that the doors to the AGM will be open at 10.30 a.m.
10. Mobile phones may not be used, and laptops, cameras and recording equipment may not be taken into the AGM.

CREST members

11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual. 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.

12. 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 (available via www.euroclear.com). 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 issuer's agent (ID RA19) 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.
13. 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.
14. 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

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

Audit concerns

16. Shareholders should note that, under Section 527 of the 2006 Act, members meeting the threshold requirements set out in that section have the right to require the company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM for the financial year ending 31 January 2021; or (ii) any circumstance connected with an auditor of the Company appointed for the financial year ending 31 January 2021 ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the 2006 Act. Where the Company is required to place a statement on a website under Section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the 2006 Act to publish on a website.

Questions

17. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Website information

18. A copy of this notice and other information required by Section 311A of the 2006 Act can be found at www.cardfactoryinvestors.com.

Voting

19. Each of the resolutions to be put to the meeting will be voted on by a show of hands.

Use of electronic address

20. Members may not use any electronic address provided in either this notice of meeting or any related documents (including the enclosed form of proxy) to communicate with the Company for any purposes other than those expressly stated.

Documents available for inspection

21. Copies of the letters of appointment between the Company and its non-executive directors and copies of any executive directors' service contracts will be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company up to and including the date of the AGM and also at the place of the AGM from 15 minutes prior to the commencement of the meeting until the conclusion thereof.

Part IV – Explanatory Notes to the Resolutions

The following pages give an explanation of the proposed resolutions.

Resolutions 1 to 14 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 15 to 19 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

RESOLUTION 1: REPORTS AND ACCOUNTS

The first item of business is the receipt by shareholders of the Annual Report and Accounts for the financial year ended 31 January 2021 together with the Directors' Report.

RESOLUTIONS 2-9: ELECTION AND RE-ELECTION OF DIRECTORS

Provision 18 of the UK Corporate Governance Code 2018 requires that all the directors of companies should seek re-election by shareholders on an annual basis. All Directors currently in office will seek re-election at the AGM. Separate resolutions are proposed for each of these re-elections. The Board has reviewed the role of each of the Directors and remains satisfied that each of the Directors continues to be fully competent to carry out their responsibilities as a member of the Board of Directors and, following a formal performance evaluation, that each such Director's performance continues to be effective and to demonstrate commitment to the role. Biographical details for these Directors are provided in the Appendix to this notice

RESOLUTION 10: DIRECTORS' REPORT ON REMUNERATION

Resolution 10 deals with the remuneration of the directors and seek approval of the Directors' Report on Remuneration and of the remuneration paid to the Directors during the year under review.

RESOLUTION 11: REMUNERATION POLICY

Resolution 11 seeks approval of the Directors' Remuneration Policy. During the year the Company's Remuneration Committee conducted a review of the Company's current Directors' Remuneration Policy (which was approved by shareholders in 2018) to assess whether it remained appropriate in light of the Group's business strategy and the retail environment in which it operates. As a result, and following shareholder consultation, some changes are being proposed to the Directors' Remuneration Policy. Further details of these changes, and the reasons behind them, are set out in the letter from Octavia Morley, the Chair of the Remuneration Committee, on pages 74 to 76 and on page 77 of the Annual Report and Accounts. The revised Directors' Remuneration Policy is set out on pages 78 to 85 of the Annual Report and Accounts. Resolution 11 is a binding vote, which means that payments cannot be made under the revised Directors' Remuneration Policy until it has been approved by shareholders. If shareholders do not approve the new Remuneration Policy, payments can continue to be made pursuant to the Remuneration Policy approved by shareholders in 2018. If approved by shareholders, the Policy will take effect immediately after the end of the AGM and will apply for up to three years without a new shareholder approval, unless replaced by a new or amended policy.

RESOLUTION 12: RE-ELECTION OF AUDITOR

The Board, on the recommendation of the Audit Committee, recommends the re-election of KPMG LLP as Auditor, to hold office until the next meeting at which accounts are laid.

RESOLUTION 13: REMUNERATION OF AUDITORS

This resolution seeks shareholder consent for the Audit Committee of the Company to set the remuneration of the Auditor.

RESOLUTION 14: DIRECTORS' AUTHORITY TO ALLOT SHARES

The purpose of Resolution 14 is to renew the Directors' power to allot shares.

The authority in paragraph (a) of the Resolution will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £1,138,933.10 which is equivalent to approximately 33.3% of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 9 June 2021.

The authority in paragraph (b) of the Resolution, consistent with the guidance issued by The Investment Association (IA) concerning Directors' powers to allot share capital in the context of a rights issue, will (if passed) grant the Directors an additional authority to allot new shares in accordance with a rights issue in favour of holders of equity securities (which includes ordinary shareholders). If approved, Directors can issue additional shares up to a nominal value £1,138,933.10, which is equivalent to approximately 33.3% of the total issued ordinary share capital of the Company, as at 9 June 2021, (and which together with the nominal amount of any shares allotted or rights granted under the authority conferred by paragraph (a) of resolution 14 would represent an amount that is approximately equal to two-thirds (66.6%) of such aggregate nominal value).

At 9 June 2021, the Company did not hold any shares in treasury.

There are no present plans to undertake a rights issue or to allot new shares other than in connection with employee share and incentive plans. However, as announced by the Company on 21 May 2021, the Company has agreed (in connection with its recent refinancing) to use best efforts to raise net equity proceeds of £70m to part prepay the bank facilities or may raise funding from alternative sources (e.g. subordinated debt). The Directors consider it desirable to have the maximum flexibility permitted by the IA's Share Capital Management Guidelines/corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

If the resolution is passed the authority will expire on the earlier of 28 October 2022 and the end of the Company's Annual General Meeting in 2022.

RESOLUTIONS 15 AND 16: DISAPPLICATION OF PRE-EMPTION RIGHTS

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings (known as pre-emption rights).

Part (i) of Resolution 15 seeks shareholder approval to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash on a pre-emptive basis but subject to such exclusions or arrangements as the Directors may deem appropriate to deal with certain legal, regulatory or practical difficulties. For example, in a pre-emptive rights issue, there may be difficulties in relation to fractional entitlements or the issue of new shares to certain shareholders, particularly those resident in certain overseas jurisdictions. The Board has no current intention of exercising the authority under part (i) of Resolution 15, but notes that such authority may be used in connection with any equity raise to be implemented as noted above. The Board considers the authority to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer having made appropriate exclusions or arrangements to address such difficulties.

In addition, there may be circumstances when the Directors consider it in the best interests of the Company to allot a limited number of ordinary shares or other equity securities, or sell treasury shares for cash on a non pre-emptive basis. The Pre-Emption Group's Statement of Principles, as updated in March 2015, supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than 5 per cent of issued ordinary share capital (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments.

Accordingly, the purpose of part (ii) of Resolution 15 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 14, or sell treasury shares, for cash up to a nominal value of £170,839.96, equivalent to five per cent of the total issued ordinary share capital of the Company as at 9 June 2021, in each case without the shares first being offered to existing shareholders in proportion to their existing holdings. There are currently no treasury shares in existence.

The Pre-Emption Group's Statement of Principles also supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than an additional 5 per cent of issued ordinary share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment. The Pre-Emption Group's Statement of Principles defines "specified capital investment" as meaning one or more specific capital investment related uses for the proceeds of an issue of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-Emption Group in May 2016, the purpose of Resolution 16 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 14, or sell treasury shares, for cash up to a further nominal amount of £170,839.96, equivalent to 5 per cent of the total issued ordinary share capital of the Company as at 9 June 2021, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If the authority given in Resolution 16 is used, the Company will publish details of the placing in its next annual report.

RESOLUTION 17: AUTHORITY TO PURCHASE OWN SHARES

The effect of this resolution is to renew the authority granted to the Company to purchase its own Ordinary Shares, up to a maximum of 34,167,993 Ordinary Shares, until the Annual General Meeting in 2022 or 28 October 2022 whichever is the earlier. This represents approximately 10% of the Ordinary Shares in issue as at 9 June 2021 (excluding shares held in treasury) and the Company's exercise of this authority is subject to the stated upper and lower limits on the price payable. The Directors have no current intention to exercise the authority sought under resolution 17 to make market purchases, but consider the authority desirable to provide maximum flexibility in the management of the Company's share capital base.

Pursuant to the 2006 Act, the Company can hold the shares which have been repurchased itself as treasury shares and either resell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. The Directors believe that it is desirable for the Company to have this choice and therefore intend to hold any shares purchased under this authority as treasury shares. Holding the repurchased shares as treasury shares will give the Company the ability to re-sell or transfer them in the future, and so provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

Shares will only be repurchased for use for the purposes of employee share schemes, or if the Directors consider such purchases to be in the best interests of shareholders generally and that they can be expected to result in an increase in earnings per share. The authority will only be used after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall financial position of the Company.

As at 9 June 2021 (being the latest practicable date prior to the publication of this Notice), there were options and awards outstanding over 6,985,570 Ordinary Shares under all share schemes operated by the Company, which, if exercised would represent 2.04% of the issued ordinary share capital of the Company (excluding any shares held in treasury). If this authority were exercised in full, that percentage would increase to 2.27%.

RESOLUTION 18: NOTICE OF GENERAL MEETINGS

Under the 2006 Act, the notice period required for all general meetings of the Company is 21 days. Annual General Meetings will always be held on at least 21 clear days' notice but shareholders can approve a shorter notice period for other general meetings, as long as this is not less than 14 clear days.

In order to maintain flexibility for the Company, Resolution 18 seeks such approval. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed.

RESOLUTION 19: AMENDMENT OF ARTICLES OF ASSOCIATION

This resolution is a special resolution to adopt new articles of association (the "New Articles") in order to update the Company's current articles of association (the "Current Articles"). The proposed New Articles are substantially unchanged from the Current Articles with limited changes to take account of the changes to law and practice since our Current Articles were adopted in 2014. The principal changes introduced in the New Articles are summarised below. A copy of the New Articles, marked to show all the changes proposed, are available for inspection on at <https://www.cardfactoryinvestors.com/investors/reports-and-presentations/year/2021>.

1. Interest on Overdue Call Amount

The new articles prohibit dividend or distribution payments on any share with an unpaid call liability.

2. Sale of Shares Subject to Lien

The new articles prohibit disposal or dealings with any share subject to an enforcement notice (which can only be served by the Company if there are unpaid sums due in respect of the relevant share(s)). Neither the Directors, nor the Company shall be liable for any shortfall of any sale proceeds of a share subject to a lien.

3. Branch Register

The new articles permit the Company and its Directors to keep and maintain a Branch Register, if considered appropriate.

4. Untraced shareholders

The new articles permit the Company to sell any shares of a shareholder after a period of six years, if at least three dividend payments have been unsuccessful. The amendments remove the requirement for the company to advertise in a newspaper and notify the London Stock Exchange before it can take steps to sell shares held by any untraced shareholder(s).

5. Postponement or Cancellation of General Meeting

Unless contrary to law, the new articles permit the Directors to resolve to postpone or cancel any General Meeting.

6. Security, Health and Safety and access arrangements and orderly conduct

The new articles permit the Directors to put health and safety protective measures in place prior to allowing an individual to attend a physical General Meeting.

7. Combined physical and electronic General Meetings

The new articles allow the company to hold "hybrid" and "satellite" General Meetings where shareholders have the option to attend and participate either in person (in a main location or in specified satellite locations) or virtually by electronic means. In line with the views of the Investment Association, Institutional Shareholder Services and GC100, the new articles will not permit the company to hold wholly virtual General Meetings and the company confirms that physical meetings will be held alongside any electronic meeting element. Further changes in connection with General Meetings allow the Company to deal with practicalities of holding General Meetings, e.g. to maintain safety and security and to reschedule meetings to deal with unforeseen events.

8. Attendance at and participation in General Meetings

The new articles permit participation and attendance at General Meetings by individuals in different locations.

9. Directors of the Company

In line with the requirements of the UK Corporate Governance Code, the new articles require Directors to retire and seek re-election at each Annual General Meeting of the Company.

10. Termination of Office

The new articles require a notice of termination of a Director to be given by over 75% of a Director's Co-Directors (previously 100%).

11. Unclaimed Dividend

The new articles provide that unless an individual provides their contact details and/or bank details any dividend or distribution made shall be treated as unclaimed (i.e. may be reinvested by the Company or otherwise applied for the benefit of the Company, until they are reclaimed. If not claimed for 12 years they shall be forfeited).

Appendix – Directors' Biographical Details

PAUL MOODY – Chairman

Paul has extensive retail experience having served 20 years at Britvic plc, including eight years as Chief Executive Officer. Paul is currently Chairman of 4imprint Group plc, having been appointed in February 2016. Paul was Chairman of Johnson Service Group plc between May 2014 and August 2018 and was a Non-Executive Director and Chair the Remuneration Committee of Pets at Home plc from March 2014 until July 2020. Paul assumed the interim role of Executive Chairman from 1 July 2020 to 8 March 2021.

DARCY WILLSON-RYMER – Chief Executive Officer

Prior to joining the Company, Darcy served as Chief Executive Officer of Costcutter Supermarkets for eight years and prior to this, Darcy was Chief Executive Officer of Clinton Cards plc from 2011 to 2012. Darcy has held a range of roles in international branded businesses, including Managing Director (UK & Ireland) of Starbucks Coffee Company; and senior roles at Yum Restaurants International, including Operations Director of KFC Great Britain; and Director of Operations and Franchise, Europe, KFC and Pizza Hut.

KRIS LEE – Chief Financial Officer

Before joining the Company Kris served as Finance Director of the Edinburgh Woollen Mill Group and prior to this held finance director or other senior finance positions at Brighthouse, Phones4U, JD Sports, all:sports, BMI Healthcare, 20:20 Mobile Logistics, Barclays and 3663 Distribution. He is a Chartered Accountant and has a Bachelor of Arts in Accountancy Studies.

OCTAVIA MORLEY – Senior Independent Non-Executive Director

Octavia has extensive retail experience and significant experience of serving on boards of UK public companies. Prior to serving as a Non-Executive Director of John Menzies plc and Chair of The Spicers-Officeteam Group, Octavia was the Chief Executive of Oka Direct Limited and the Managing Director of Crew Clothing Co. Limited. Octavia also served as Chief Executive Officer and latterly as Chairman of LighterLife UK Limited. Octavia was the Commercial Director of Woolworths plc, the Managing Director of E-Commerce at Asda Stores Limited and the Buying and Merchandising Director at Laura Ashley plc.

DAVID STEAD – Independent Non-Executive Director

David is a chartered accountant and has significant retail experience having served 13 years at Dunelm Group plc as their Chief Financial Officer. Prior to this role David was the Finance Director for Boots The Chemist and Boots Healthcare International for 12 years. David also spent the early part of his career with KPMG.

PAUL MCCRUDDEN – Independent Non-Executive Director

Paul is a technology industry Chief Marketing Officer, growing businesses of all sizes from startups to PLCs. This currently includes OnePlan, a SaaS events platform. Paul's previous roles include Senior Director, Europe at Eventbrite; Global Head of Live Marketing at Twitter. Paul's earlier included roles at AMV BBDO and Accenture, specialising in innovation and new technologies. Paul also served as Chairman of the board of trustees at Hoipolloi, an arts organisation funded by the Arts Council.

ROGER WHITESIDE OBE – Independent Non-Executive Director

Roger has extensive retail experience and is currently the Chief Executive Officer of Greggs plc. Prior to this role, Roger served as Chief Executive of both Thresher Group and Punch Taverns. Roger was also a founding member and the Joint Managing Director of Ocado. Roger spent the early part of his career at Marks and Spencer where he led the food division for the business.

NATHAN LANE (Tripp) – Non-Independent Non-Executive Director

Tripp was appointed to the Board of Directors on 9 April 2020 as a Non-Independent Non-Executive Director. Tripp is the founder of Resegon Capital Partners, where he focuses on investing in and managing investments in private and public markets. Tripp has significant retail and consumer sector experience having invested extensively in the sector via private equity, public equity and distressed debt. In addition, Tripp served on the board of New Look for five years and is currently serving on the board of Vivarte. Prior to founding Resegon, Tripp was an investment professional for BlueMountain Capital and Apax Partners.