

THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to consult your independent professional adviser, who is authorised or exempted under the European Union (Markets in Financial Instruments) Regulations 2017 or the Investment Intermediaries Act 1995, if you are resident in Ireland or who is authorised under the Financial Services and Markets Act, 2000 if you are resident in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside Ireland or the United Kingdom.

If you have sold or otherwise transferred all your Ordinary Shares, please send this document, together with 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 delivery to the purchaser or transferee. However, these 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 have sold or otherwise transferred or disposed of only part of your holding of Ordinary Shares, you should retain these documents and consult the person through which the sale, transfer or disposal was effected.

Goodbody Stockbrokers UC, which is regulated by the Central Bank of Ireland, is acting exclusively for Datalex plc (the “**Company**”) and no one else in connection with the Proposed Transaction and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Goodbody Stockbrokers UC or for providing advice in relation to the Proposed Transaction.

Datalex public limited company
(Incorporated and registered in Ireland with registered number 329175)

Proposed related party transaction

and

Notice of Extraordinary General Meeting

This document should be read as a whole. Your attention is drawn to the letter from your Chairman which is set out on in Part I of this document. This document contains a recommendation that you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting referred to below.

Ordinary Shares in the Company are listed on the official list of Euronext Dublin and are admitted to trading on Euronext Dublin’s regulated securities market.

Notice of an Extraordinary General Meeting of the Company to be held at 12.00 noon on 26 April 2019 at Clontarf Castle, Castle Avenue, Clontarf, Dublin 3, Ireland is set out at the end of this document. Shareholders will find enclosed with this document a Form of Proxy for use at the EGM. To be valid, Forms of Proxy must be completed and signed in accordance with the instructions printed thereon and returned to Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82 so as to arrive no later than 12.00 noon on 24 April 2019.

Certain statements contained in this document are or may constitute “**forward-looking statements**”. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur, many of which are beyond the control of the Company and all of which are based on their current beliefs and expectations about future events. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Group and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document.

Forward-looking statements are typically identified by the use of forward-looking terminology such as “**believes**”, “**expects**”, “**may**”, “**will**”, “**would**”, “**should**”, “**intends**”, “**estimates**”, “**plans**”, “**assumes**” or “**anticipates**” or the negative of such words or other variations on them or comparable terminology, or by discussions of strategy which involve risks and uncertainties. Such risks, uncertainties and other factors include, among others: general economic and business conditions changes in technology, government policy and ability to attract and retain personnel.

Except as required by applicable law, the Listing Rules and other regulations, Euronext Dublin or by law or by any appropriate regulatory body, Datalex expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

TABLE OF CONTENTS

	<u>PAGE</u>
EXPECTED TIMETABLE	3
PART I: LETTER FROM THE CHAIRMAN	4
PART II: SUMMARY OF THE TRANSACTION AGREEMENTS	8
PART III: ADDITIONAL INFORMATION	10
PART IV: DEFINITIONS	12
PART V: NOTICE OF EXTRAORDINARY GENERAL MEETING	14

EXPECTED TIMETABLE

Date of Circular	5 April 2019
Latest time and date for receipt of Forms of Proxy	12.00 noon on 24 April 2019
Extraordinary General Meeting	12.00 noon on 26 April 2019
Announcement of results of Extraordinary General Meeting	26 April 2019

The times and dates set out in the expected timetable and mentioned throughout this Circular may, in certain circumstances, be adjusted by the Company, in which event details of the new times and dates will be notified, as required, to Euronext Dublin and, where appropriate, Shareholders and an announcement will be made through a Regulatory Information Service and RNS. All references to times in this Circular are to Dublin time unless otherwise stated.

PART I: LETTER FROM THE CHAIRMAN

DATALEX PUBLIC LIMITED COMPANY

(Incorporated and registered in Ireland with registered number 329175)

Directors:

Paschal Taggart (*Chairman*)
Aidan Brogan (*Chief Executive Officer*)
John Bateson
Roger Conan
Peter Lennon
Garry Lyons

Registered Office:

Block U,
Eastpoint Business Park,
Clontarf,
Dublin 3, D03 H704

5 April 2019

Dear Shareholder

Conditional facility agreement between Datalex and Tireragh Limited, an associate of IIU Nominees Limited

1. Introduction

On 14 March 2019, the Company announced that it had raised proceeds of c. €3.86 million by way of the Placing of 3.859 million new Ordinary Shares with IIU, an entity ultimately beneficially owned by Mr Dermot Desmond, at a price of €1.00 per share. The Company also announced that it had entered into the Facility Agreement with Tireragh, an entity ultimately beneficially owned by Mr Dermot Desmond, providing for the Facility, a c.€6.14 million secured 18-month term loan facility.

The purpose of this document is to set out further details of the Proposed Transaction which the Directors believe is of significant importance to the Company; to explain why the Board (other than John Bateson, for the reasons stated below) considers it to be in the best interests of the Company and the Shareholders as a whole; and to seek the approval of Independent Shareholders at the Extraordinary General Meeting for the Proposed Transaction.

Tireragh is a Related Party under the Related Party transaction rules in Chapter 8 of the Listing Rules by virtue of IIU's substantial shareholding of approximately 29.9 per cent in the Ordinary Share capital of the Company. As the Facility is being offered on a secured basis it does not fall within the exceptions to the Related Party transaction rules. Therefore, the availability and draw down of the Facility and the grant of security in respect thereof, in accordance with the terms and subject to the conditions set out in the Facility Agreement, are conditional upon the approval of Independent Shareholders of the Company in accordance with Chapter 8 of the Listing Rules.

Under the Listing Rules, only those Shareholders who are Independent Shareholders may vote in relation to the Proposed Transaction. Accordingly, IIU has undertaken to abstain, and to ensure that its associates will abstain, from voting on the Resolution

A notice convening the EGM, at which the Resolution will be proposed, is set out at the end of this document. If you would like to vote on the Resolution but cannot attend the EGM, you can appoint a proxy to exercise all or any of your rights to attend, vote and speak at the EGM by using one of the methods set out in the notes to the notice of the EGM.

2. Background to and reasons for the Proposed Transaction

The months since 15 January 2019, when the Company announced a revision to its previously published guidance for the 2018 financial year and announced a potential misstatement of the Group's results for the six months ended 30 June 2018, have been difficult for the Group.

The issues announced on 15 January 2019 had been identified following an internal management review of the Group's accounting books and records during preparation of the Group's full year results for 2018. The Board appointed PwC to conduct an independent review and the outcome of that Review, and its key findings, was announced on 27 March 2019.

The Review focused on the Group's recognition of services revenue during the year ended 31 December 2018. The Review confirmed that the Group's recognition of services revenue for the half year ended 30 June 2018 was not in line with the Group's accounting policy and was materially overstated and found that the Group failed to apply IFRS 15 appropriately in its results for the half year ended 30 June 2018. The Review identified significant accounting irregularities during the period as the underlying cause for the Group's overstatement of revenues, noting material weaknesses in the

internal control environment. Further details of the key findings of the Review are included in the Company's announcement of 27 March 2019 which is available on the Company's website www.datalex.com.

Following the Review, the Board concluded that the Group's revenue, adjusted EBITDA and profit for the half year ended 30 June 2018, as announced on 28 August 2018, were misstated. The Board is working to take all necessary and proper actions to ensure the issues highlighted in the Review's findings are thoroughly investigated, and that all requisite actions are implemented.

The Group remains focused on returning to profitability. The Company anticipates the completion, by early 2020, of a number of significant customer deployments which, the Board believes, are set to generate significant platform revenue growth in 2020 and, in addition, negotiations are on-going with one such customer regarding the Company's recovery of deployment costs incurred. In this context, the Directors have identified a near-term funding requirement related to the funding of working capital. The majority of this working capital requirement was satisfied via the Placing. The Company, in addition, wishes to have, through the Facility, access to cash reserves to enhance the financial capacity and flexibility of the business over the term of the Facility.

The Board, with its financial and legal advisers, considered a number of alternative funding options to meet the Group's near-term funding requirement including an equity placing with new and existing Shareholders and the taking of bank finance, and concluded that successful execution of any such option on acceptable terms would be challenging principally given the uncertainty surrounding the Group's financial position. The Board also entered into discussions with IIU and Tíreragh which culminated in the Company agreeing the terms of the Placing and securing the Facility. The Board concluded that the most appropriate short-term financing arrangements were those with IIU and Tíreragh, as given IIU's knowledge of the Group and the business, they were able to offer the best available financing option to the Group.

The Placing raised proceeds of approximately €3.86 million at €1.00 per Share (representing a premium of 42.9% to €0.70, the closing market price per Ordinary Share on Euronext Dublin on 11 March 2019, the day before the Company announced that it was in discussions with IIU in relation to the Placing). The Placing, which completed on 14 March 2019, was not conditional on approval of the Proposed Transaction.

The Facility is for up to a maximum aggregate amount of €6.141 million which may be drawn down by the Company by way of one or more advances, giving the Group valuable funding flexibility. Interest will be charged on each amount drawn down by the Company at a rate of 10 per cent. per annum, accruing from the date of drawdown, compounding monthly with interest payment deferred until maturity or repayment by the Company. The Facility will have a term of 18 months and will be secured by a fixed and floating charge over the Company's assets and other Group assets.

The Board considers that the arrangements negotiated with IIU and Tíreragh will provide funding to the Group sufficient to satisfy its near-term funding requirement and supplement the Group's cash reserves, on acceptable terms and with certainty of execution. The Board further considers that the Proposed Transaction represents the best available option to the Company to resolve its near-term funding requirements, and believes that the Proposed Transaction is in the best interests of the Company.

Paragraph 4 of this letter and Part II of this document contain a summary of the principal terms and conditions of the Proposed Transaction.

3. Current trading

On 14 February 2019, the Company announced that it expected to report adjusted EBITDA in the range of US\$3m to US\$3.5m for the financial year ended 31 December 2019. This guidance remains unchanged.

Progress in the first quarter of 2019 towards completion in early 2020 of a number of significant customer deployments, which are set to generate significant platform revenue growth in 2020, has been satisfactory.

The Group has substantially implemented its cost restructuring programme, as announced on 14 February 2019, with completion expected during H1 2019. The Company expects the programme to deliver cost savings in the range of US\$8m to US\$8.5m in the financial year ended 31 December 2019.

4. Principal terms and conditions of the Proposed Transaction

The Company has entered into the Facility Agreement with Tíreragh for the Proposed Transaction conditional upon approval by Independent Shareholders at the EGM.

Tíreragh is a private limited company registered under the laws of the Isle of Man, having its registered office at the Red House, One the Parade, Castletown, IM9 1LG, Isle of Man. Tíreragh is an entity ultimately beneficially owned by Mr Dermot Desmond. Tíreragh is accordingly an associate of IIU, an entity also ultimately beneficially owned by Mr Dermot Desmond. IIU, at the Latest Practicable Date, controlled 29.9% of the Ordinary Shares of the Company and accordingly is considered a substantial shareholder and Related Party of the Company under the Listing Rules.

Under the terms of the Facility Agreement, Tíreragh will make available a term loan facility of up to a maximum aggregate amount of €6.141 million which may be drawn down by the Company by way of one or more advances (but no more than six).

The Facility will be secured by the Debenture, creating fixed and floating charges over all of the Company's assets, undertaking and goodwill as security for the Company's obligations to Tíreragh with respect to the Facility. The Facility will be guaranteed by Datalex Ireland, the Company's subsidiary, which will, by the Datalex Ireland Debenture, also create a fixed and floating charge over all of its assets, undertaking and goodwill as security for its and the Company's obligations to Tíreragh with respect to the Facility.

The availability and draw down of the Facility and the grant of security in respect thereof, in accordance with the terms and subject to the conditions set out in the Facility Agreement, is subject to the approval of Independent Shareholders at the EGM. If and when such approval is obtained, the condition to the Facility Agreement will be satisfied and the Proposed Transaction will (subject to satisfaction of certain other customary documentary conditions precedent) complete, allowing the Company to draw down funds in accordance with the terms of the Facility Agreement.

Further details of the terms and conditions of the Proposed Transaction are set out in Part II of this document.

5. EGM

Set out on page 14 of this document is a notice convening an EGM, to be held at 12.00 noon on 26 April 2019 at which the Resolution to approve the Proposed Transaction will be proposed. The full text of the Resolution, which will be proposed as an ordinary resolution, is set out in the Notice of EGM, and the availability and draw down of the Facility and the grant of security in respect thereof, in accordance with the terms and subject to the conditions set out in the Facility Agreement, is conditional upon the passing of the Resolution.

The Resolution will be decided on a show of hands, unless a poll is validly demanded in accordance with the Articles. On a show of hands, each Shareholder present in person will have one vote and on a poll each Shareholder present in person or by proxy will have one vote for each Ordinary Share held. The passing of the Resolution requires a majority of the votes cast in respect of the Resolution.

6. Action to be taken

If you are a Shareholder, you will find enclosed with this document a Form of Proxy for use at the EGM. Whether you intend to be present at the EGM or not, you are asked to complete the Form of Proxy in accordance with the instructions printed thereon and to return it to the Company's registrar, Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82 as soon as possible and, in any event, so as to arrive not later than 12.00 noon on 24 April 2019. The completion and return of the Form of Proxy will not preclude you from attending the EGM and voting in person if you wish to do so.

Shareholders who are in any doubt as to the action they should take or the contents of this document are advised to seek their own appropriate independent advisers immediately.

7. Risk factors

Risks relating to the Proposed Transaction not proceeding

Shareholders should note that, in the event the Resolution is not passed at the General Meeting, the Proposed Transaction would not proceed, the key benefits described above would not be realised and the Board believes that this could result in a material adverse effect on the share price of the

Company. The Company would need to immediately implement further cost reductions, delay planned capital expenditure, renegotiate payment terms with key suppliers and/or seek alternative sources of funds to enable it to fund its requirements as detailed above. There can be no guarantee that such measures would be sufficient or, if alternative funds were sought, such funds would be available to the Company within a reasonable timeframe or that, if they are available to the Company, they would be available on terms favourable to the Company or which would not result in a substantial dilution of Shareholders' interests.

Risks relating to the Proposed Transaction proceeding

Shareholders should note that, in the event the Resolution is passed at the General Meeting, the related condition to the Facility Agreement will be satisfied and the Proposed Transaction will (subject to satisfaction of certain other customary documentary conditions precedent) complete, allowing the Company to draw down funds in accordance with the terms of the Facility Agreement. The Board is confident that the Group will be in a position to meet its obligation to repay any outstanding amounts under the Facility when they fall due in 2021. The Group's ability to meet its debt repayment obligations will, however, depend on the Group's future operating and financial performance, which will be affected by the Group's ability to implement successfully its business strategy, as well as general economic, financial, competitive, regulatory, technical and other factors beyond its control. If the Group cannot generate sufficient cash to meet its debt repayment obligation, it may, among other things, need to refinance all or a portion of its debt, obtain additional financing, implement further cost reduction exercises or sell material assets. If the Group were not able to implement these measures on commercially reasonable terms or at all, it would not be able to satisfy its obligations with respect to its debt and, in that event, the Facility may be accelerated or become payable on demand, and the Group may not have sufficient funds to repay all of its debts, and the security to be granted under the Debenture and Datalex Ireland Debenture might be enforced.

8. Further information

Your attention is drawn to Part II and Part III of this document, each of which provides additional information on matters referred to in this letter. You are advised to read the whole document and not merely rely on the key or summarised information in this letter.

9. Recommendation

The Board (other than John Bateson, for the reasons stated below), which has been so advised by Goodbody, considers that the Proposed Transaction is fair and reasonable so far as the Company's Shareholders are concerned. In giving its advice, Goodbody has taken into account the Board's commercial assessment of the Proposed Transaction.

John Bateson, as the representative of IIU on the Board, excluded himself from the Board's consideration of, and determinations in relation to, the Placing and the Proposed Transaction with IIU. Under the Listing Rules, IIU and any of its associates are precluded from voting in relation to the Proposed Transaction. Accordingly, IIU has undertaken to abstain, and to take all reasonable steps to ensure that its associates will abstain, from voting on the Resolution at the General Meeting.

The Board (other than John Bateson who, for the reason stated above, is not permitted to join in this recommendation) believes that the Proposed Transaction is in the best interests of the Shareholders as a whole and unanimously recommends that you vote in favour of the Resolution to be proposed at the EGM as the Directors (other than John Bateson) intend to do with regard to their own respective beneficial holdings.

Yours sincerely

Paschal Taggart
Chairman
For and on behalf of the Board

PART II: SUMMARY OF THE TRANSACTION AGREEMENTS

The following is a summary of the principal terms of the Transaction Agreements. The Transaction Agreements are available for inspection as described in Part III of this document.

The Company and Tíreragh have entered into the Facility Agreement pursuant to which (i) Tíreragh will make available a term loan facility of up to a maximum aggregate amount of €6.141 million and (ii) the Company and Datalex Ireland (which will provide a guarantee and indemnity to Tíreragh with respect to the obligations of the Company) will be required to separately grant security over all of the assets of the Company and Datalex Ireland respectively (except for certain excluded assets as set out in the Debenture and Datalex Ireland Debenture) in favour of Tíreragh in respect of the obligations of the Company to Tíreragh under the Facility Agreement.

1. Facility Agreement

Under the terms of the Facility Agreement, Tíreragh will make available a non-amortising term loan facility of up to a maximum aggregate amount of €6.141 million which may be drawn down by the Company by way of one or more advances (but no more than six). Interest is charged on each amount drawn down by the Company at a rate of 10 per cent. per annum, such interest to accrue from the date of drawdown, compounding monthly, with interest payment deferred until maturity or repayment by the Company. The Facility Agreement has an 18-month term.

The obligations of the parties under the Facility Agreement are subject to approval at the EGM by Independent Shareholders of the Proposed Transaction as a Related Party transaction for the purpose of Chapter 8 of the Listing Rules. If and when such approval is obtained, the related condition to the Facility Agreement will be satisfied and the Proposed Transaction will (subject to satisfaction of certain other customary documentary conditions precedent) complete, allowing the Company to draw down funds in accordance with the terms of the Facility Agreement.

The Company will provide certain indemnities to Tíreragh under the Facility Agreement. The Company will, for example, indemnify Tíreragh, on demand, for any cost, loss or liability incurred by it as a result of a failure by the Company to pay any amount due under the Transaction Documents on its due date. The Facility Agreement also contains certain standard representations, warranties and undertakings to be given by the Company to Tíreragh, including warranties as to the status of the Company and Datalex Ireland, and an undertaking not to sell, transfer or otherwise dispose of any of its assets in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset. Under the terms of the Facility Agreement, the Company will also give certain undertakings in relation to other members of the Group including an undertaking not to dispose of any of the assets of the Company's subsidiary, Datalex USA, Inc., save for certain permitted disposals under the Facility Agreement, and an undertaking to procure that, if specified by the Lender, other members of the Group deliver to the Lender such guarantees and additional security documents as the Lender may reasonably specify.

As a condition to the availability of the Facility (1) the Company will be required to enter into a first ranking debenture (the "**Debenture**"), creating fixed and floating charges over all of its assets, undertaking and goodwill as security for its obligations to Tíreragh with respect to the Facility and (2) Datalex Ireland will be required to enter into the Datalex Ireland Guarantee in favour of Tíreragh with respect to all obligations of the Company to Tíreragh, supported by a first ranking debenture from Datalex Ireland (the "**Datalex Ireland Debenture**"), creating fixed and floating charges over all of its assets, undertaking and goodwill as security for its and the Company's obligations to Tíreragh with respect to the Facility.

2. Guarantee

Under the terms of the Datalex Ireland Guarantee, Datalex Ireland will be required to guarantee and indemnify Tíreragh with respect to all obligations of the Company to Tíreragh under the financing documents entered into or to be entered into in connection with the Facility Agreement.

3. Debenture

Under the terms of the Debenture, the Company will be required to grant first ranking security over all of the assets of the Company (except for certain excluded assets as set out in the Debenture, being any asset or undertaking which the Company is prohibited from creating a security interest on or over

without the prior consent of a third party) in favour of Tíreragh in respect of the obligations of the Company to Tíreragh under the Facility Agreement. The security interests created under the Debenture will include a charge over the shares held by the Company in Datalex Ireland.

4. Datalex Ireland Debenture

Under the terms of the Datalex Ireland Debenture, Datalex Ireland will be required to grant first ranking security over all of its assets (except for certain excluded assets as set out in the Datalex Ireland Debenture, being any asset or undertaking which Datalex Ireland is at any time prohibited from creating a security interest on or over without the prior consent of a third party) in favour of Tíreragh in respect of obligations of Datalex Ireland to Tíreragh, which include its obligations under the Datalex Ireland Guarantee to be entered into by it in favour of Tíreragh.

5. Termination of the Transaction Documents

The Facility Agreement has a termination date falling 18 months after 1 May 2019. All outstanding amounts under the Facility must be paid by the Company to Tíreragh in one sum on this date. Tíreragh shall release and discharge all security held in respect of the Facility upon discharge by the Company in full of all liabilities under the Facility.

6. Events of Default

There are a number of events described in the Facility Agreement which constitute an Event of Default for the purpose of the Facility Agreement, such as insolvency events, non-compliance with obligations under the Facility Agreement and the other related documents and the Company ceasing to carry on all or a material part of its business. On, and at any time after, the occurrence of an Event of Default which is continuing Tíreragh may, inter alia, cancel the Facility, declare that all or part of any amounts outstanding under the Facility be immediately due and payable or payable on demand by Tíreragh and enforce the terms of the Datalex Ireland Guarantee, the Debenture and/or the Datalex Ireland Debenture.

PART III: ADDITIONAL INFORMATION

1. Directors and registered office

The Directors of the Company are as follows:

Paschal Taggart—*Chairman*

John Bateson—*Non-Executive Director*

Aidan Brogan—*Chief Executive Officer*

Roger Conan—*Non-Executive Director*

Peter Lennon—*Non-Executive Director*

Garry Lyons—*Non- Executive Director*

The registered office of the Company is at Block U, Eastpoint Business Park, Clontarf, Dublin 3, D03 H704. The Company is a public limited company incorporated under the laws of Ireland. Its registered number is 329175.

2. Voting share capital of the Company

The Company has only one class of voting share capital in issue, being the Ordinary Shares.

The Company's Ordinary Shares of US\$0.10 each are listed on the Official List of Euronext Dublin and are traded on the regulated securities market of Euronext Dublin. The Ordinary Shares enjoy the rights to receive notice of, attend and vote at general meetings of the Company.

3. Major holdings in relevant Company securities

As at the Latest Practicable Date, the Company had been notified of the following interests of Shareholders who own 3 per cent. or more of Ordinary Shares:

<u>Name</u>	<u>Number of Ordinary Shares</u>	<u>% of issued Ordinary Shares</u>
IU Nominees Limited	24,503,981	29.9%
Kabouter Management LLC	7,263,988	8.86%
Capital Group	5,405,000	6.59%
Highclere Investments	4,003,610	4.88%
Mr. Paschal Taggart	2,470,092	3.01%

4. Material contracts

The following contracts are the only contracts (not being contracts entered into in the ordinary course of business) that (i) in the opinion of the Company may be relevant to Shareholders in making a properly formed assessment of how to vote on the Resolution; and (ii) (A) have been entered into by the Company or any member of the Group within the two years immediately preceding the date of this document which are or may be material to the Group or (B) have been entered into by the Company or any member of the Group at any other time and which contain provisions under which the Company or any member of the Group has an obligation or entitlement that is material to the Group as at the date of this document:

- (a) the Facility Agreement, the Debenture, the Datalex Ireland Guarantee and the Datalex Ireland Debenture, as more particularly described in Part II of this document above; and
- (b) the Subscription Agreement described further below.

The Subscription Agreement

IU and the Company entered into the Subscription Agreement on 14 March 2019 providing for the Placing.

Under the terms of the Subscription Agreement, IU agreed to subscribe €3,859,000 (the "**Subscription Price**") for 3,859,000 Ordinary Shares at €1.00 per Ordinary Share. Completion of the subscription took place on 14 March 2019.

The Subscription Agreement contains customary representations and warranties from IU and the Company. The aggregate liability of the Company in respect of all claims for breach of the warranties

shall not in any event exceed the Subscription Price (save in the case of fraud, wilful misrepresentation or wilful concealment by the Company). The Company shall not be liable in respect of a claim for breach of the warranties unless written notice of it shall have been given to the Company before the earlier of (a) the date of publication of the Group's audited financial statements for the financial year ended 31 December 2019 and (b) 30 June 2020.

5. Significant changes

The significant changes, described below, in the financial or trading position of the Company since 30 June 2018 (being the date to which the Company's most recently published unaudited interim financial statements have been prepared) have been disclosed in the Company's announcements of 15 January, 14 February, 14 March and 27 March 2019. Save for these matters and as disclosed in this document, there have been no significant changes in the financial or trading position of the Company since 30 June 2018.

The Company announced on 15 January 2019 that it had revised its guidance for adjusted EBITDA for the financial year ended 31 December 2018 and expected to report an adjusted EBITDA loss in the range of -US\$4 million to -US\$1 million.

The Company announced on 14 February 2019 that it had reviewed its guidance for adjusted EBITDA and expected to report adjusted EBITDA in the range of US\$3 million to US\$3.5 million for the financial year ended 31 December 2019 and in the range of US\$12 million to US\$13.5 million for the financial year ended 31 December 2020.

The Company announced on 14 March 2019 that it had raised proceeds of c. €3.86 million by way of the Placing. The Company also announced that it had entered into the Facility Agreement with Tireragh, an entity ultimately beneficially owned by Mr Dermot Desmond, providing for the Facility, a c.€6.14 million secured 18-month term loan facility.

The Company announced on 27 March 2019 the key findings of the Review and stated that the Board had concluded that the Group's revenue, adjusted EBITDA and profit for the half year ended 30 June 2018, as announced on 28 August 2018, were misstated. The Group also stated that the Group would continue to undertake a detailed review of its outcome for the financial year ended 31 December 2018 and the transition to IFRS 15 until finalisation of the 2018 annual accounts and audit, which is targeted to conclude in April 2019. The Group stated that it would restate its results for the six month period to 30 June 2018 and present the restated results along with its results for the six month period to 30 June 2019 in H2 2019.

6. Consents

Goodbody has given and has not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they are included.

7. Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of McCann FitzGerald, Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland, from the date of this document up to and including the date of the EGM and for the duration of the EGM:

- (a) the Facility Agreement;
- (b) drafts of the Transaction Agreements (other than the Facility Agreement);
- (c) the memorandum and articles of association of the Company;
- (d) the half yearly results for the period ended 30 June 2018;
- (e) the consolidated audited statement of financial position of the Company for the years ended 31 December 2016 and 2017;
- (f) the Company's announcement of 27 March 2019;
- (g) the written consent referred to in paragraph 6 above; and
- (h) this Circular.

PART IV: DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“**Articles**” or “**Articles of Association**” means the articles of association of the Company;

“**Board**” means the board of Directors or a duly constituted committee thereof;

“**Business Day**” means a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in Dublin;

“**Chairman**” means Paschal Taggart or the chairman of the Company from time to time;

“**Circular**” means this document;

“**Datalex Ireland**” means Datalex (Ireland) Limited;

“**Datalex Ireland Debenture**” means the debenture to be entered into between Tireragh and Datalex Ireland, creating fixed and floating charges over the assets of Datalex Ireland;

“**Datalex Ireland Guarantee**” means the guarantee and indemnity to be entered into between Tireragh and Datalex Ireland, guaranteeing and indemnifying Tireragh with respect to the obligations of the Company to Tireragh in connection with the Facility;

“**Debenture**” means the debenture to be entered into between Tireragh and the Company, creating fixed and floating charges over the assets of the Company;

“**Directors**” means the directors from time to time of the Company and Director is to be construed accordingly;

“**euro**”, “**EUR**” or “**€**” means euro, the lawful currency of Ireland;

“**Euronext Dublin**” means the Irish Stock Exchange plc trading as Euronext Dublin;

“**Event of Default**” means an event of default under the Facility Agreement;

“**Extraordinary General Meeting**” or “**EGM**” means the extraordinary general meeting of the Company to consider the Proposed Transaction, convened for 12.00 noon on 26 April 2019 or any adjournment thereof, notice of which is set out in Part V of this document;

“**Facility**” means the eighteen month term loan facility to be provided by Tireragh to the Company under the Facility Agreement;

“**Facility Agreement**” means the conditional facility agreement dated 14 March 2019 (as amended by an amendment agreement dated 4 April 2019) between Tireragh (as lender) and the Company (as borrower) providing for the Facility;

“**Form of Proxy**” means the personalised form of proxy provided with this document for use by Shareholders in connection with the EGM;

“**Goodbody**” means Goodbody Stockbrokers UC, the Company’s financial adviser and Irish sponsor in relation to the Proposed Transaction;

“**Group**” means the Company and its subsidiaries from time to time or any one or more of them, as the context may require;

“**IU**” means IU Nominees Limited;

“**Independent Shareholder**” a Shareholder other than IU and any of IU’s associates as defined under the Listing Rules;

“**Latest Practicable Date**” means 4 April 2019, being the latest practicable date prior to the publication of this Circular;

“**Listing Rules**” mean the listing rules of Euronext Dublin;

“**Notice of EGM**” means the notice of EGM as set out in Part V of this document;

“**Official List**” means the Official List of Euronext Dublin;

“**Ordinary Shares**” means ordinary shares of US\$0.10 each in the capital of the Company;

“Placing” means the subscription by IIU, under the terms of the Subscription Agreement, for 3,859,000 Ordinary Shares at €1.00 per Ordinary Share which completed on 14 March 2019;

“Proposed Transaction” means the entry into of the Transaction Agreements and the availability of the Facility and the grant of security in respect thereof, on the terms and subject to the conditions set out in the Facility Agreement and the other Transaction Agreements, as more fully described in Parts I and II of this document;

“Related Party” has the meaning set out in Chapter 8 of the Listing Rules;

“Resolution” means the ordinary resolution to be proposed at the Extraordinary General Meeting, as set out in the Notice of EGM at Part V of this Circular;

“Review” means the independent review conducted by PwC of accounting issues relating to revenue recognition by the Group, the key findings of which were the subject of the Company’s announcement on 27 March 2019;

“Shareholder” means a registered holder of an Ordinary Share;

“Subscription Agreement” means the Subscription Agreement between the Company and IIU dated 14 March 2019 as more particularly described in Part III of this document;

“Tireragh” means Tireragh Limited, a company incorporated under the laws of the Isle of Man, having its registered office at the Red House, One the Parade, Castletown, IM91LG, Isle of Man; and

“Transaction Agreements” means the Facility Agreement, the Debenture, the Datalex Ireland Guarantee and the Datalex Ireland Debenture.

PART V: NOTICE OF EXTRAORDINARY GENERAL MEETING

Datalex public limited company

(Incorporated and registered in Ireland with registered number 329175)

Notice of Extraordinary General Meeting

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Company will be held at 12.00 noon on 26 April 2019 at Clontarf Castle, Castle Avenue, Clontarf, Dublin 3, Ireland to consider and, if thought fit, pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

THAT the proposed related party transaction between Datalex plc (the “**Company**”) and Tíreragh Limited (“**Tíreragh**”), an associate of IIU Nominees Limited, pursuant to and on the terms and conditions contained in the Facility Agreement as entered into between the Company and Tíreragh and as more particularly described in the circular to shareholders of the Company of which this notice forms part (the “**Circular**”), and the granting by the Company and Datalex (Ireland) Limited of security on the terms contemplated by the Debenture, the Datalex Ireland Guarantee and the Datalex Ireland Debenture (as those terms are defined and as more particularly described in the Circular) (together, the “**Proposed Transaction**”), be and is hereby approved and the directors of the Company (or a duly authorised committee thereof) are authorised to do or procure to be done all such acts and things on behalf of the Company and any of its subsidiaries as they consider necessary or expedient for the purpose of giving effect to the Proposed Transaction and this resolution and to carry the same into effect with such modifications, variations, revisions, waivers or amendments as the directors of the Company (or any duly authorised committee thereof) may in their absolute discretion think fit, provided such variations, revisions, waivers or amendments are not of a material nature.

By Order of the Board

Peter Lennon

Company Secretary

Registered office:

Block U,

Eastpoint Business Park, Clontarf,

Dublin 3,

Ireland

5 April 2019

Notes:

Entitlement to attend and vote

(1) Only those shareholders registered on the Company's register of members at:

- 18:00 GMT on 24 April 2019; or
- if the Extraordinary General Meeting is adjourned, at close of business on the day two days prior to the adjourned Extraordinary General Meeting

shall be entitled to attend and vote at the Extraordinary General Meeting.

Website giving information regarding the meeting

(2) Information regarding the Extraordinary General Meeting, including the information required by section 1103 of the Companies Act 2014, is available from www.datalex.com.

Attending in person

(3) The Extraordinary General Meeting will be held at Clontarf Castle, Castle Avenue, Clontarf, Dublin 3, Ireland. If you wish to attend the Extraordinary General Meeting in person, you are recommended to attend at least 15 minutes before the time appointed for holding of the Extraordinary General Meeting to allow time for registration. Please bring the attendance card attached to your Form of Proxy and present it at the shareholder registration desk before the commencement of the Extraordinary General Meeting.

Appointment of proxies

(4) A member entitled to attend, speak and vote at the above meeting is entitled to appoint a proxy to attend, speak and vote on his/her behalf. A member may appoint more than one proxy to attend and vote at the Extraordinary General Meeting in respect of shares held in different securities accounts. A member acting as an intermediary on behalf of one or more clients may grant a proxy to each of its clients or their nominees provided each proxy is appointed to exercise rights attached to different shares held by that member. A proxy need not be a member of the Company.

(5) A Form of Proxy for use by members is enclosed with this Notice of Extraordinary General Meeting (or is otherwise being delivered to shareholders). Completion of a Form of Proxy (or submission of proxy instructions electronically) will not prevent a shareholder from attending the Extraordinary General Meeting and voting in person should he or she wish to do so.

(6) To be valid, 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 delivered to Computershare Investor Services (Ireland) Limited, PO Box 13030, Dublin 24, Ireland (if delivered by post) or at 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland (if delivered by hand) as soon as possible and, in any event, so as to be received not less than forty-eight hours before the time for the holding of the meeting, or any adjournment thereof.

(7) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting and any adjournment(s) thereof by utilising 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 providers), should refer to their CREST Sponsor or voting service providers), who will be able to take appropriate action on their behalf.

(8) In order for a proxy appointment 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 and Ireland (EUI)'s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by Computershare Investor Services (Ireland) Limited, as issuer's agent (ID 3RA50), by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. 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.

- (9) CREST members and, where applicable, their CREST sponsors or voting service providers 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 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.
- (10) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act 1990 (Uncertificated Securities) Regulations 1996.
- (11) Completing and returning the Form of Proxy does not preclude a member from attending and voting at the meeting should he/she so wish.
- (12) In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, in respect of such share shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the share.
- (13) To appoint a proxy electronically log onto the website of the Registrar, Computershare Investor Services (Ireland) Limited: www.eproxyappointment.com. Shareholders will require their Shareholder Reference Number (SRN) and PIN number as printed on the accompanying Form of Proxy. Full details of the procedures, including voting instructions are given on the website.

Issued shares and total voting rights

- (14) The total number of issued Ordinary Shares on the date of this notice of Extraordinary General Meeting is 81,983,842. On a vote by show of hands every shareholder who is present in person and every proxy has one vote (but no individual shall have more than one vote). On a poll every shareholder shall have one vote for every share carrying voting rights of which he or she is the holder.

The ordinary resolution requires a simple majority of votes cast by shareholders voting in person or by proxy to be passed.

Questions at the Extraordinary General Meeting

- (15) Under section 1107 of the Companies Act 2014, the Company must answer any question a shareholder may ask relating to the business being dealt with at the Extraordinary General Meeting unless:
 - answering the question would interfere unduly with the preparation for the Extraordinary General Meeting or the confidentiality and business interests of the Company;
 - the answer has already been given on a website in a question and answer format; or
 - it appears to the Chairman of the Extraordinary General Meeting that it is undesirable in the interests of good order of the meeting that the question be answered.

Other resolutions

- (16) The Extraordinary General Meeting is being convened to consider the specific resolution as incorporated in this Notice of Extraordinary General Meeting. As the text of the resolution is set out in this Notice of Extraordinary General Meeting, section 1104 of the Companies Act 2014 (which provides that a member or members meeting the prescribed qualification criteria may table a draft resolution for an item on the agenda of an extraordinary general meeting) is accordingly inapplicable.