

Company No 02843872



THE COMPANIES ACT 1985

AND

THE COMPANIES ACT 1989

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

EAGLEMOSS PUBLISHING GROUP LIMITED

(Adopted by a written resolution passed on 9 February 2007)

PRELIMINARY

1

1 1 The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Table A to F) (Amendment) Regulations 1985 (such Table being hereinafter referred to as "Table A") shall apply to the Company save in so far as they are excluded or varied hereby that is to say, Clauses 8 and 64 of Table A shall not apply to the Company, and in addition to the remaining Clauses of Table A, as varied hereby, the following shall be the Articles of Association of the Company

1 2 In these Articles, the following words and expressions have the following meanings

"A Ordinary Shares" the A1 Ordinary Shares, the A2 Ordinary Shares, the A3 Ordinary Shares, the A4 Ordinary Shares the A5 Ordinary Shares and the A6 Ordinary Shares,

"A1 Ordinary Shares" the A1 Ordinary Shares of 50p each in the capital of the Company,

"A2 Ordinary Shares" the A2 Ordinary Shares of 50p each in the capital of the Company,

"A3 Ordinary Shares" the A3 Ordinary Shares of 50p each in the capital of the Company,

"A4 Ordinary Shares" the A4 Ordinary Shares of 50p each in the capital of the Company,

"A5 Ordinary Shares" the A5 Ordinary Shares of 50p each in the capital of the Company,

"A6 Ordinary Shares" the A6 Ordinary Shares of 50p each in the capital of the Company,

"Auditors" the auditors for the time being of the Company,

"B Ordinary Shares" the B Ordinary Shares of 50p each in the capital of the Company,

"Connected Persons" has the meaning provided by section 839 of the Income and Corporation Taxes Act 1988,

"Group" the Company and each of its subsidiaries, and the term "member of the Group" shall be construed accordingly,

"Prescribed Price" has the meaning given to it in Article 12A 9,

"Sale" the acceptance of an offer or the making of an agreement which upon the satisfaction of the conditions (if any) of such offer or agreement ~~results in the acquisition by a person and his or its~~ Connected Persons of the entire issued share capital of the Company,

"Sale Consideration" all proceeds of a Sale, whether in cash, securities or otherwise or in any combination thereof, including any consideration (in cash or otherwise) received or receivable by or on behalf of a holder of Shares which having regard to the substance of the transaction as a whole can reasonably regarded as an addition to the price paid or payable for that holder's Shares, and

"Vadis" Vadis International S A , a Belgian limited liability company registered under identification number RPM 0477060153

13 The authorised share capital of the Company as at the date of the adoption of these Articles is £1,000,000 divided into

131 673,350 A1 Ordinary Shares of 50 pence each,

- 1 3 2 81,350 A2 Ordinary Shares of 50 pence each,
- 1 3 3 100,120 A3 Ordinary Shares of 50 pence each,
- 1 3 4 57,590 A4 Ordinary Shares of 50 pence each,
- 1 3 5 72,590 A5 Ordinary Shares of 50 pence each,
- 1 3 6 15,000 A6 Ordinary Shares of 50 pence each, and
- 1 3 7 1,000,000 B Ordinary Shares of 50 pence each

SHARES

2

- 2 1 Subject to Article 2 2 all Shares shall be under the control of the Directors and the Directors may allot, grant options over, or otherwise deal with or dispose of the same to such persons and generally on such terms and in such manner as they think fit

- 2 2 The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act to allot relevant securities (as defined in Section 80 of the Act) provided that the aggregate nominal value of such securities allotted pursuant to this authority shall not exceed the amount of the authorised share capital with which the Company is incorporated, and that this authority shall expire on the fifth anniversary of the incorporation of the Company unless varied or revoked or renewed by the Company in General Meeting

- 2 3 ~~The Directors shall be entitled under the authority conferred by this Article to make at any time before the expiry of such authority any offer or agreement which will or may require relevant securities to be allotted after the expiry of such authority~~

- 2 4 In accordance with Section 91 of the Act, Section 89(1) and Section 90(1) to (6) of the Act shall not apply to any allotment of equity securities (as defined in Section 94 of the Act) by the Company

- 3 The Company shall have a first and paramount lien on every Share (whether or not it is a fully paid Share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that Share and the Company shall also have a first and paramount lien on all Shares (whether fully paid or not) standing registered in the name of any person whether solely or as one of two or more joint holders for all moneys presently payable by him or his estate to the Company, but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article The Company's lien on a Share shall extend to any dividend or other amount payable in respect thereof

3A Notwithstanding anything contained in Article 3 or Clause 8 to 11 of Table A, liens shall not attach to any Shares which

- (i) have been charged by way of security in favour of a Secured Institution, or
- (ii) are delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, or
- (iii) is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security

GENERAL MEETINGS

- 4 A notice convening a General Meeting shall in the case of special business specify the general nature of the business to be transacted, and Clause 38 of Table A shall be modified accordingly
- 5 All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and Auditors, the election of Directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the Auditors
- 6 Clause 41 of Table A shall be read and construed as if the last sentence ended with the words ", and if at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall be dissolved"

DIRECTORS

- 7 Unless and until the Company in General Meeting shall otherwise determine, there shall not be any limitations as to the number of Directors. If and so long as there is a sole Director, he may exercise all the powers and authorities vested in the Directors by these Articles or Table A, and Clause 89 of Table A shall be modified accordingly
- 8 If the resolution or instrument by which a Director is appointed so provides, he shall be a Permanent Director and not subject to retirement by rotation, and Clauses 73 and 75 (inclusive) of Table A shall not apply to any Permanent Director
- 9 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, and uncalled capital, or any part thereof, and to issue Debentures, Debenture Stock, and other Securities whether outright or as security of any debt, liability or obligations of the Company or of any third party
- 10 A Director may vote as a Director on any resolution concerning any contract or arrangement in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration, and Clause 94 of Table A shall be modified accordingly

INDEMNITY

- 11 Subject to the provisions of the Act, and in addition to such indemnity as is contained in Clause 188 of Table A, every Director, officer or official of the Company shall be entitled

to be indemnified out of the assets of the Company against all losses or liabilities incurred by him in or about the execution and discharge of the duties of his office

TRANSFER OF SHARES

- 12 The Directors may, in their absolute discretion, and without assigning any reason therefor, decline to register any transfer of any Share, whether or not it is a fully paid Share, and Clause 24 of Table A shall be modified accordingly

RIGHTS ATTACHING TO THE SHARES

- 12A The rights attaching to each class of Shares are as follows

Income rights

- 12A 1 The Shares shall be entitled to receive all the profits of the Company available for distribution, so far as resolved to be distributed, and for the purposes of this Article 12A 1, the A Ordinary Shares and the B Ordinary Shares shall be deemed to constitute a single class of Shares, and any dividends shall be distributed to the holders of the A Ordinary Shares and the B Ordinary Shares rateably according to the numbers of A Ordinary Shares and B Ordinary Shares held by each of them

Capital rights

- 12A 2 On a return of assets on liquidation or capital reduction or otherwise, the surplus assets of the Company (after the payment of all liabilities) shall be distributed amongst the holders of Shares in accordance with the provisions of this Article 12A 2

12A 2 1 subject to Article 12A 2 3, an amount equal to the Priority Amount shall be distributed as follows

(a) £8,304,257 shall be payable to the holders of the A1 Ordinary Shares (rateably according to the number of A1 Ordinary Shares held by each of them), and

(b) the balance shall be distributed to the holders of the other classes of A Ordinary Share in the following proportions

(i) as to 26 6315 per cent to the holders of the A2 Ordinary Shares (rateably according to the number of A2 Ordinary Shares held by each of them),

(ii) as to 29 5124 per cent to the holders of the A3 Ordinary Shares (rateably according to the number of A3 Ordinary Shares held by each of them),

(iii) as to 19 8071 per cent to the holders of the A4 Ordinary Shares (rateably according to the number of A4 Ordinary Shares held by each of them),

(iv) as to 21 0442 per cent to the holders of the A5 Ordinary Shares (rateably according to the number of A5 Ordinary Shares held by each of them), and

(v) as to 3 0048 per cent to the holders of the A6 Ordinary Shares (rateably according to the number of A6 Ordinary Shares held by each of them),

PROVIDED THAT if the amount of the Surplus A Assets is less than the Priority Amount, the amount specified in Article 12A 2 1(a) shall be reduced proportionately to the amount by which the Surplus A Assets is less than the Priority Amount,

12A 2 2 subject to Article 12A 2 3, the next £7,000,000 (if any) shall be distributed amongst the holders of the B Ordinary Shares rateably according to the number of B Ordinary Shares held by each of them,

12A 2 3 the Vadis Receipts and the Tax Receipts shall be distributed amongst the holders of the B Ordinary Shares rateably according to the number of B Ordinary Shares held by each of them, and

12A 2 4 the balance (if any remaining after the application of Articles 12A 2 1, 12A 2 2 and 12A 2 3) shall be distributed amongst the holders of the A Ordinary Shares in the following proportions

(a) as to 67 335 per cent to the holders of the A1 Ordinary Shares (rateably according to the number of A1 Ordinary Shares held by each of them),

(b) as to 8 135 per cent to the holders of the A2 Ordinary Shares (rateably according to the number of A2 Ordinary Shares held by each of them),

(c) as to 10 012 per cent to the holders of the A3 Ordinary Shares (rateably according to the number of A3 Ordinary Shares held by each of them),

(d) as to 5 759 per cent to the holders of the A4 Ordinary Shares (rateably according to the number of A4 Ordinary Shares held by each of them),

(e) as to 7.259 per cent to the holders of the A5 Ordinary Shares (rateably according to the number of A5 Ordinary Shares held by each of them), and

(f) as to 1.500 per cent to the holders of the A6 Ordinary Shares (rateably according to the number of A6 Ordinary Shares held by each of them)

12A.3 For the purposes of Article 12A.2, the "Priority Amount" shall be an amount equal to the aggregate of (i) £11,132,750 and (ii) the amount paid by any employee on the exercise of any option to acquire A Ordinary Shares (other than an A1 Ordinary Share)

12A.4 For the purposes of Article 12A.3 (i) the "Vadis Receipts" shall be all cash, revenues or loan repayments received and encashed by any member of the Group (excluding Vadis) from Vadis between the date of the adoption of these Articles and 31 December 2008, net of any applicable taxation and the costs of recovery of the same paid to third parties, together with proceeds of sale (if any) of shares held by the Company in Vadis and (ii) the "Tax Receipts" shall comprise the following items (to the extent actually received or treated as received by the Group between the date of the adoption of these articles and 31 December 2008) (a) 50% of any actual saving of corporation tax of the Group resulting from the utilisation of any carried forward trading losses of Vadis in respect of accounting periods ended 30 June 2004 and 30 June 2006 and (b) 50% of any sum received by the Group in respect of the VAT refund due to the Group in respect of the sales of the Dairy Diary and associated gift packs for periods ending on or before 30 June 2006

Voting rights

12A.7 Subject to Article 18, on a show of hands every member holding one or more A Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, shall have one vote and on a poll every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote for each A Ordinary Share of which he is the holder. The B Ordinary Shares will entitle the respective holders thereof to receive notice of any general meeting but will not entitle the holders to attend or vote at any general meeting

Generally

12A.8 In the event of a Sale, then notwithstanding anything to the contrary in the terms and conditions covering such Sale, the selling shareholders shall procure that the Sale Consideration shall be paid to such account as shall be designated by the Directors. The Sale Consideration shall be distributed (having regard to the terms of the Sale) amongst the holders of Shares in such amounts, and in such order of priority, as would

12B SECURED SHARES

Notwithstanding anything contained in these Articles, the Directors shall not decline to register any transfer of Shares, nor may they suspend registration of it where the transfer

(i) is to any bank or institution or lender to which such Shares have been charged by way of security, or to any nominee of such a bank or institution or lender (a "Secured Institution"), or

(ii) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, or

(iii) is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security,

and furthermore notwithstanding anything to the contrary contained in these Articles, no transferor or proposed transferor of any Shares in the Company to a Secured Institution or its nominee, and no Secured Institution or its nominee, shall be required to offer the Shares which are or are to be the subject of any transfer aforesaid to the members for the time being of the Company or any of them, and no such member shall have any right under these Articles or otherwise howsoever to require such Shares to be transferred to them whether for consideration or not,

be applicable on a return of capital pursuant to this Article 12A. Where the Sale Consideration received on completion of the Sale comprises both cash and non-cash consideration, the allocation of any cash consideration shall be made first to Article 12A 2 1 in priority to Articles 12A 2 2 and 12A 2 4, and then to Article 12A 2 2 in priority to Article 12A 2 4, and any non-cash consideration shall be allocated on the same basis of priority (to the extent that the cash consideration is insufficient). Any deferred ascertainable consideration (whether or not subject to any contingency) shall be allocated in priority to any unascertainable contingent consideration and, in each case, only after the allocation in full of the cash consideration and the non-cash consideration received at completion. For the purposes of these Articles, the value of any deferred ascertainable consideration shall be the amount of such consideration, without any deduction or discount for the timing of the receipt or, in the case of contingent deferred consideration, for the nature of the contingency, and the value of any unascertainable consideration shall be such amount as the Auditors shall determine to be the market value at completion of the right to receive such unascertainable consideration.

- 12A 9 In the event of a transaction in Shares to which any of the provisions of Articles 13 to 17 applies (not being a Sale) (a "Relevant Transaction"), the Prescribed Price of each class of Shares, for the purposes of these Articles, shall be the price certified by the Auditors to be the fair value of such Shares. In certifying fair value, the Auditors shall take account of the terms of the Relevant Transaction, including the price(s) offered or agreed to be paid for the class(es) of Shares the subject of the Relevant Transaction, and shall proceed as if such price(s) had been arrived at by the application of this Article 12A to a hypothetical return of capital which would have realised aggregate Surplus Assets of an amount which would have resulted in a distribution on the class(es) of Shares the subject of the Relevant Transaction of an amount equal to the price(s) paid or agreed to be paid for such Shares.

DRAG RIGHTS

13

- 13 1 In this Article 13, a "Qualifying Offer" shall mean a bona fide offer on arm's length terms to buy at least one-third in nominal value of the issued equity share capital of the Company, other than any shares already beneficially held by the offeror ("Qualifying Offeror") or any company controlled by the Qualifying Offeror or any person acting in concert (as defined in the City Code on Takeovers and Mergers) with the Qualifying Offeror ("Associate"). For the purpose of calculating the number of Shares subject to the offer, the number of Shares previously obtained by the Qualifying Offeror (and/or his Associates) and by all previous Qualifying Offerors (and/or their Associates) shall be taken into account with deduction being made in respect of that percentage of Shares obtained on the previous acquisition(s) to the extent that the drag rights in this Article

were effective on that acquisition(s) unless the aggregate percentage by nominal value of the issued equity share capital of the Company is equal to or greater than 80% when no such deduction shall be made. The acquisition of Shares from the personal representatives of Beverley Hilton to a beneficiary under her will shall be deemed not to constitute the making of a Qualifying Offer.

- 13.2 If a Qualifying Offer is accepted (either unconditionally or conditional only upon other members becoming bound to accept the Qualifying Offer) by the holder(s) of Shares (of whatever class) so as to result in the Qualifying Offeror (together with its Associates) becoming entitled to acquire not less than one-third in nominal value of the issued equity share capital of the Company ("Accepting Shareholders"), the Company (at the direction of the Accepting Shareholders) shall give written notice to all the members and all other persons who at the time of such notice have rights (whether or not contingent) to acquire Shares (of whatever class) ("Option Holders"), giving details of the Qualifying Offer and the acceptances given by the Accepting Shareholders. For the purpose of calculating the number of Shares subject to the offer, the number of Shares previously obtained by the Qualifying Offeror (and/or his Associates) and by all previous Qualifying Offerors (and/or their Associates) shall be taken into account with deduction being made in respect of that percentage of Shares obtained on the previous acquisition(s) to the extent that the drag rights in this Article were effective on that acquisition(s) unless the aggregate percentage by nominal value of the issued equity share capital of the Company is equal to or greater than 80% when no such deduction shall be made. All such members shall be bound to accept the Qualifying Offer in respect of that proportion of the Shares of each class held by that member to which the Qualifying Offer relates and the Option Holders shall be bound to accept the Qualifying Offer in respect of all Shares obtained by them on the exercise of any share option granted by the Company AND if the Qualifying Offer is in respect of at least 80% by nominal value of the issued equity share capital of the Company, all such members and other persons shall be bound to accept the Qualifying Offer in respect of all of their Shares howsoever obtained and, in either case, to transfer, on any date specified by the Company for the purpose (being not less than 10 Business Days and not more than 30 Business Days after the date of the Company's notice), the Shares registered in their respective names (including any Shares which become so registered before the date specified by the Company) to the Qualifying Offeror (or his nominee) with full title guarantee at the Prescribed Price. The Company may specify more than one date in its notice if necessary for the purpose of ensuring that rights to acquire Shares in the Company become exercisable.

- 13.3 If the Qualifying Offer is accepted either unconditionally or conditional upon other members becoming bound to accept the Qualifying Offer by the holder(s) of Shares (of whatever class) so as to result in the Qualifying Offeror (together with its Associates) becoming entitled to not less than 50% but not more than 80% by nominal value of the

issued equity share capital of the Company, the Qualifying Offeror (and/or their Associates) may by notice in writing to the Company (which the Company shall be required to copy to the relevant members) require that Andrew Owen Evan Davies and Peter Frederick Barton Beesley as trustees of the Edward Patrick James Cavendish Discretionary Trust or any other trustees of that trust for the time being (the "Trustees") accept the Qualifying Offer in respect of all Shares held by the Trustees. The Trustees shall be bound to accept the Qualifying Offer in respect of all of their Shares and, subject to payment of the full consideration, to transfer on any date specified by the Company for the purpose (being not less than 10 Business Days and not more than 30 Business Days after the date of the Company's notice), the shares registered in their names (including any shares which become so registered before the date specified by the Company) to the Qualifying Offeror (or his nominee) with full title guarantee at the Prescribed Price.

- 13.4 If any member does not, on any relevant date specified by the Company in accordance with Article 13.2 or 13.3 execute and deliver to the Company transfers in respect of the Shares held by him, and deliver to the Company the certificate(s) in respect of those Shares (or an indemnity in lieu of those certificate(s) in a form satisfactory to the directors), then any Accepting Shareholder shall be entitled to execute, or to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on that member's behalf and (where the Qualifying Offer provides for any election to be made between any forms of consideration) to make the relevant election on behalf of that member and, against receipt by the Company on trust for that member of the Prescribed Price payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Qualifying Offeror. Following receipt by the Company of the Prescribed Price payable for those Shares, the Company shall (subject to the payment of any stamp duty) cause the Qualifying Offeror to be registered as the holder of those Shares and, after such registration, the validity of such proceedings shall not be questioned by any person. The Company shall, following such registration of the Qualifying Offeror as the holder of those Shares pay the proceeds (less any tax required to be withheld from the proceeds by the Company imposed by statute, regulation or contract) over to the relevant member.

- 13.5 No member shall complete the sale of its Shares pursuant to a Qualifying Offer if the Qualifying Offeror does not comply in full with the terms of the Qualifying Offer as regards that member or any other Accepting Shareholder and the directors shall refuse to register any transfer prohibited by this Article 13.5.

TAG RIGHTS

14

- 14 1 Subject to Article 15 (Change of Control), if any member or members ("Selling Shareholder(s)") wish(es) to transfer any legal or equitable title or interest in any Shares to any person then the Selling Shareholder(s) shall notify the directors in writing of such intended transfer not less than 21 days prior to the date on which such sale is proposed to be made. That notice ("Prospective Seller's Notice") shall set out
- 14 1 1 the number (and class) of Shares which the Selling Shareholder(s) propose(s) to transfer,
- 14 1 2 (where the Shares are to be transferred solely for a consideration payable in cash, including by means of a loan note) the nature and the amount of the consideration for the acquisition of each class of Shares (expressed as a price per Share) or (in any other case, including a case where a choice of consideration is offered) the nature of the consideration payable per Share and, in either case, the date on which the consideration would be payable,
- 14 1 3 the identity of the Proposed Transferee and (if it is a company) the person(s) believed by the Selling Shareholder(s) to control that company, and
- 14 1 4 the date on which the sale is proposed to be made
- 14 2 The Prospective Seller's Notice shall be accompanied by a written irrevocable offer by the Proposed Transferee to buy the Relevant Percentage (as defined below) of the Shares of each class held by all members other than the Selling Shareholder(s), and the Relevant Percentage of the Shares held by all persons other than the Selling Shareholders who at the time of such offer have rights (whether or not contingent) to acquire Shares and who exercise those rights during the period for which the offer remains open for acceptance, such members and other persons being referred to below as "Remaining Shareholders". The price per Share offered shall be (i) the consideration per Share set out in the Prospective Seller's Notice in the case of Shares of the same class as those set out in the Prospective Seller's Notice, and (ii) the Prescribed Price for each of the other classes of Share
- 14 3 For the purposes of this Article 14 the Relevant Percentage shall be equal to the percentage of the Selling Shareholder's shareholding which is proposed to be transferred (or, in the event that there is more than one Selling Shareholder, the average of the percentages in respect of each Selling Shareholder) or, if the shareholder obtained his Shares on the exercise of any share option granted by the Company ("Option Shares"), all such Option Shares held by him

14 4 The offer referred to in Article 14 2 shall remain open for acceptance for not less than 30 days after the date of the Prospective Seller's Notice and shall provide for the purchase of any Shares to which it relates to be completed at the same time as the purchase of the Shares held by the Selling Shareholder(s), which may not be earlier than the first Business Day falling not less than two days after the end of the offer period. The directors shall send a copy of the Prospective Seller's Notice and a copy of the written irrevocable offer by the Proposed Transferee to each Remaining Shareholder.

14 5 Any Remaining Shareholder may, within the period during which the offer referred to in Article 14 2 remains open for acceptance, notify the Selling Shareholder(s) that it wishes to accept that offer. For the avoidance of doubt, the Proposed Transferee's offer shall not require any Remaining Shareholder who is not a director or former director of the Company to give

14 5 1 any warranties, representations, indemnities, covenants or other assurances other than those which relate to or are in respect of title to the number of Shares to which the Proposed Transferee's offer relates and that Remaining Shareholder's capacity to enter into the relevant agreement for the sale of those Shares,

14 5 2 any restrictive covenants which in any way restrict it from carrying on any business,

and the aggregate liability of each Remaining Shareholder under such warranties, representations, indemnities, covenants or other assurances shall be limited to the consideration payable by the Proposed Transferee to such Remaining Shareholder for the number of Shares to which the Proposed Transferee's offer relates

14 6 If the Proposed Transferee does not, at the time set in its offer for completion of the purchase of the Shares, buy the relevant number of Shares in respect of which notice has been given by a Remaining Shareholder under Article 14 5, no Selling Shareholder may sell any of the Shares registered in its name to the Proposed Transferee and the directors shall refuse to register any transfer prohibited by this Article 14 6

14 7 The provisions of this Article 14 shall not apply where the transfer which would otherwise cause this Article to apply is made by the Selling Shareholder pursuant to Article 14 (Drag Rights) or where the transfer is from the personal representatives of Beverley Hilton to a beneficiary under her will

14 8 Transfers of Shares by the Selling Shareholder(s) and the Remaining Shareholders in accordance with this Article 14 are not subject to the provisions of any pre-emption rights on transfer of Shares

CHANGE OF CONTROL

15

15 1 If a bona fide offer on arm's length terms is made by any person to buy Shares in the capital of the Company such that, if accepted, that person and any company controlled by that person or any person acting in concert (as defined in the City Code on Takeovers and Mergers) with that person (the "Offeror"), would hold 50% or more by nominal value of the issued equity share capital of the Company ("Exit Offer"), then no transfer of Shares in respect of the Exit Offer shall be made or registered unless the Offeror has notified the directors in writing of the intended Exit Offer not less than 21 days prior to the day on which the Exit Offer is intended to be made setting out

15 1 1 the total number (and classes) of Shares which it intended to acquire pursuant to the Exit Offer (the "Maximum Share Number"),

15 1 2 (where the Shares are to be transferred solely for a consideration payable in cash, including by means of a loan note) the nature and the amount of the consideration for the acquisition of each class of Shares (expressed as a price per Share) or (in any other case, including a case where a choice of consideration is offered) the nature of the consideration payable per Share and, in either case the date on which the consideration would be payable,

15 1 3 the identity of the Offeror and (if it is a company) the person (s) believed by the Offeror to control that company, and

15 1 4 the date on which the sale is proposed to be made ---
(the "Exit Offer Notice")

15 2 The Exit Offer Notice shall be accompanied by a written irrevocable offer by the Offeror to buy the following numbers of Shares from the following members in priority to any other Shares to be bought by the Offeror pursuant to the Exit Offer

15 2 1 all of the Shares held by Andrew Owen Evan Davies and Peter Frederick Barton Beesley as trustees of the Edward Patrick James Cavendish Discretionary Trust or any other trustees of that trust for the time being,

15 2 2 to the extent that the Maximum Share Number is not exceeded and contingent on the offer to buy all of the Shares set out in Article 15 2 1 above being accepted or the rights under Article 13 3 being exercised, Shares held by Eaglemoss Publishing Group Staff Trust Limited as trustee of the Eaglemoss Group Limited Employee Share Trust ("EBT")

up to a maximum number of Shares constituting 10.5% by nominal value of the issued equity share capital of the Company rateably according to the number of each class of Share held by the EBT, and

15.2.3 to the extent that the Maximum Share Number is not exceeded, such other offer as would be required to be made pursuant to Article 14.2 (but so that any Shares to be sold pursuant to Articles 15.2.1 and 15.2.2 above shall be disregarded in calculating the "Relevant Percentage" for the purposes of Article 14.2), Provided that Beverley Hilton and Mark Stanley shall only be entitled to accept any such offer to the extent that it will result in each of them holding the same number of each class of Shares in the Company following completion of the Exit Offer

15.3 The offers referred to in Article 15.2 shall remain open for acceptance for not less than 30 days after the date of the Exit Offer Notice and shall provide for the purchase of any Shares to which it relates to be completed at the same time as the purchase of any other Shares to be acquired pursuant to the Exit Offer, which may not be earlier than the first Business Day falling not less than two days after the end of the offer period. The directors shall send a copy of the Exit Offer Notice and a copy of the written irrevocable offer by the Offeror to each of the members referred to in Article 15.2 (the "Exit Offer Shareholders")

15.4 Any Exit Offer Shareholder may, within the period during which the offer referred to in Article 15.2 remains open for acceptance, notify the Offeror that it wishes to accept that offer. For the avoidance of doubt, the Offeror shall not require any Exit Offer Shareholder who is not a director or former director of the Company to give

15.4.1 any warranties, representations, indemnities, covenants or other assurances other than those which relate to or are in respect of title to the number of Shares to which the offer relates and that Exit Offer Shareholder's capacity to enter into the relevant agreement for the sale of those Shares,

15.4.2 any restrictive covenants which in any way restrict it from carrying on any business,

and the aggregate liability of each Exit Offer Shareholder under such warranties, representations, indemnities, covenants or other assurances shall be limited to the consideration payable by the Offeror to such Exit Offer Shareholder for the number of Shares to which the offer relates

15.5 If the Offeror does not, at the time set in its offer for completion of the purchase of the Shares, buy the relevant number of Shares in respect of which notice has been given

by an Exit Offer Shareholder under Article 15 4, no other member may sell any of the Shares registered in its name to the Offeror and the directors shall refuse to register any transfer prohibited by this Article 15 5

- 15 6 The provisions of this Article 15 shall not apply on the transfer of Shares from the personal representatives of Beverley Hilton to a beneficiary under her will

DRAG RIGHTS AFTER 31 DECEMBER 2006

16

- 16 1 If an Exit Offer has not been made and completed on or before 31 December 2006 and 50% or more in nominal value of the issued equity share capital of the Company has not been admitted to trading on a public market or stock exchange, then if a bona fide offer on arm's length terms is made to acquire the entire issued capital of the Company after that date by any person other than one who is the beneficial owner of Shares in the capital of the Company on 4 October 2002 on the same terms in respect of all the Shares of any class other than Shares held by the offeror or any company controlled by the offeror or any person acting in concert (as defined in the City Code on Takeovers and Mergers) with the offeror (together, the "BH Exit Offeror") and at the time that the offer is made Beverley Hilton is alive and holds any Shares in the capital of the Company and that offer is accepted by Beverley Hilton in respect of all of the Shares held by her (a "BH Exit Offer"), then the Company (at the direction of Beverley Hilton) shall give written notice to all the members and all other persons who at the time of such notice have rights (whether or not contingent) to acquire Shares (of whatever class) giving details of the BH Exit Offer and all such members and other persons shall become bound to accept the BH Exit Offer in respect of all Shares held by them or obtained by them on the exercise of any share option granted by the Company and to transfer on any date specified by Beverley Hilton for the purpose (being not less than 10 business days and not more than 30 business days after the date of the Company's notice), the Shares registered in their respective names (including any Shares which become so registered before the date specified by the Company to the BH Exit Offeror (or its nominee) with full title guarantee at the Prescribed Price. The Company may specify more than one date in its notice if necessary for the purpose of ensuring that rights to acquire Shares in the Company become exercisable

- 16 2 If any member does not, on any relevant date specified by the Company in accordance with Article 16 1 execute and deliver to the Company transfers in respect of the Shares held by him and, deliver to the Company the certificate(s) in respect of those Shares (or an indemnity in lieu of those certificate(s) in a form satisfactory to the directors), then Beverley Hilton shall be entitled to execute, or to authorise and instruct such person as she thinks fit to execute, the necessary transfer(s) and indemnities on that member's behalf and (where the BH Exit Offer provides for any election to be made between any

forms of consideration) to make the relevant election on behalf of that member and, against receipt by the Company on trust for that member of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the BH Exit Offeror. Following receipt by the Company of the consideration payable for those Shares, the Company shall (subject to the payment of any stamp duty) cause the BH Exit Offeror to be registered as the holder of those Shares and, after such registration, the validity shall not be questioned by any person. The Company following such registration of the BH Exit Offeror as the holder of those Shares pay the proceeds (less any tax required to be withheld from the proceeds by the Company imposed by statute, regulation or contract) over to the relevant member.

- 16.3 If the BH Exit Offeror does not at the time set for completion of the purchase pay all the consideration for the Shares which are subject to the BH Exit Offer no member may sell any of the Shares registered in its name and the directors shall refuse to register any transfer prohibited by this Article 16.3

PRE-EMPTION RIGHTS ON ISSUE OF NEW SHARES OR SECURITIES

17

- 17.1 Shares and any security convertible into Shares in the capital of, and in any such case to be issued by, the Company shall be offered in writing to the holders of Shares pro rata to the nominal value of their Shares. The price at which they shall be offered shall, in default of agreement, be the lesser of (a) the same price at which the Company proposes to allot, issue or grant them to any other person and (b) a sum which shall not exceed the fair value certified at the cost of the Company in the same manner as required to be made by Article 17.2. Such offer shall be made not less than 21 days before the same Shares or securities convertible into Shares may be allotted issued or granted to any other person. Provided always that any right of conversion of any security into Shares shall not be granted unless so resolved by the Company without any vote being cast against such resolution.

- 17.2 The valuation referred to in Article 17.1 shall take account inter alia but without limitation of the rights of each class of Shares as set out in Article 12A and without enhancing or reducing the fair value in respect of the proportion which the Shares bear to the amount of issued Shares and on the assumption that the Shares can be transferred without restriction, and shall take account of the business as a going concern of the Company, such certificate being made by the auditors of the Company or some person nominated by them, and the auditors or person nominated as aforesaid shall be deemed to be acting as experts and not as arbitrators and the certificate thereof shall be deemed to be conclusive final and binding save only in the case of manifest error.

VOTES

- 18 For so long as Beverley Hilton holds the legal and beneficial interest in not less than 32 per cent of the issued share capital of the Company, the Shares held by Beverley Hilton shall, at any general meeting of the Company, carry such number of votes as will constitute not less than 50 1 per cent of the votes capable of being cast at that meeting and clause 54 of Table A shall be amended accordingly, this right being personal to Beverley Hilton and not being capable of transfer or assignment

APPOINTMENT AND REMOVAL OF DIRECTORS

- 19 Any member (the "Majority Shareholder") holding more than 50 per cent of the A Ordinary Shares of shall have the power from time to time and at any time to appoint any person as a Director or Directors either as an additional director or to fill a vacancy and to remove from office any Director or Directors howsoever appointed Any such appointment or removal shall be effected by an instrument in writing signed by or on behalf of the Majority Shareholder and shall take effect immediately upon lodgement at the registered office of the Company or at such³ later time as may be specified in the instrument