

IN THE HIGH COURT OF JUSTICE

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

COMPANIES COURT (ChD)

CR-2023-001357

05 Sep 2023

CR-2023-001357

BEFORE THE HONOURABLE MR JUSTICE RICHARDS

Tuesday 5 September 2023

IN THE MATTER OF CENKOS SECURITIES PLC

- and -

IN THE MATTER OF THE COMPANIES ACT 2006

ORDER

UPON THE APPLICATION by the Part 8 Claim Form dated 13 April 2023 of the above-named Cenkos Securities plc (the "**Company**"), being a company incorporated in England and Wales with registered number 05210733 and whose registered office is situated at 6 7 8 Tokenhouse Yard, London EC2R 7AS.

AND UPON HEARING Andrew Thornton KC, Counsel for the Company, via Microsoft Teams.

AND UPON READING the Claim Form and the evidence.

AND UPON finnCap Group plc, by Counsel for the Company, being its Counsel for this purpose, submitting to be bound by the scheme of arrangement dated 20 April 2023, hereinafter sanctioned (the "**Scheme**") and undertaking to be bound thereby and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to the Scheme.

THE COURT HEREBY SANCTIONS the Scheme as set out in the Schedule hereto.

AND IT IS ORDERED that a copy of this Order be delivered by the Company to the Registrar of Companies.

Service of this order



*A copy of the order has been provided to the serving party: Simmons & Simmons LLP
Citypoint, One Ropemaker Street, London EC2Y 9SS, Solicitors to the Company.*

SCHEDULE

Scheme of Arrangement

PART 4 : THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF
ENGLAND AND WALES COMPANIES COURT (ChD)

CR-2023-001357

IN THE MATTER OF CENKOS SECURITIES PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)

between

CENKOS

and

THE SCHEME SHAREHOLDERS
(as hereinafter defined)

PRELIMINARY

1. In this Scheme, unless inconsistent with the subject or context, the following expressions have the following meanings:

“2022 Dividend” has the meaning given to it in the Scheme Document.

“AIM” means the market of that name operated by the London Stock Exchange.

“business day” means a day (other than a Saturday, Sunday or a public or bank holiday in the UK) on which banks are open for general business in London, United Kingdom.

“Cenkos” or the “Company” means Cenkos Securities PLC, a company incorporated in England and Wales with registered number 05210733.

“Cenkos Group” means Cenkos and its subsidiary undertakings and where the context permits, each of them.

“Cenkos Shareholders” means the holders of Cenkos Shares from time to time.

“Cenkos Shares” means the existing unconditionally allotted or issued and fully paid ordinary shares of 1 penny each in the capital of Cenkos and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective.

“certificated” or “in certificated form” means in relation to a Scheme Share, one which is not in uncertificated form (that is, not in CREST).

“Companies Act” means the Companies Act 2006, as amended, modified, consolidated, reenacted or replaced from time to time.

“Conditions” means the conditions to the implementation of the Scheme, as set out in Part 3 (Conditions to and Certain Further Terms of the Scheme and the Merger) of the Scheme Document.

“Consideration” means the allotment and issue by finnCap of 3.19420647 New finnCap Shares in exchange for each Scheme Share.

“Co-operation Agreement” means the co-operation agreement dated 23 March 2023 between finnCap and Cenkos relating, among other things, to the implementation of the Scheme.

“Court” means the High Court of Justice in England and Wales.

“Court Meeting” means the meeting or meetings of Scheme Shareholders (or any class or classes thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without modification), including any adjournment, postponement or reconvention thereof.

“Court Order” means the order of the Court sanctioning this Scheme under section 899 of the Companies Act.

“CREST” means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) for the paperless settlement of trades in securities and the holding of uncertificated securities.

“CREST Regulations” means the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended.

“Effective Date” means the date on which this Scheme becomes effective in accordance with its terms.

“Euroclear” means Euroclear UK & International Limited.

“Exchange Ratio” means 3.19420647 New finnCap Shares for each Cenkos Share.

“Excluded Shares” means any (i) finnCap Cenkos Shares, and (ii) any Cenkos Shares held as treasury shares (as defined in section 724(5) of the Companies Act) (if any in

either case) at the Scheme Record Time. “finnCap” means finnCap Group PLC a company incorporated in England and Wales with registered number 11540126.

“finnCap Cenkos Shares” means any Cenkos Shares registered in the name of, or beneficially owned by, any member of the finnCap Group at the Scheme Record Time.

“finnCap Group” means finnCap and its subsidiaries and its subsidiary undertakings and where the context permits, each of them.

“finnCap Shares” means the issued and fully paid ordinary shares of 1 penny each in the capital of finnCap .

“holder” means a registered holder and includes any person(s) entitled by transmission.

“Interim Dividend” has the meaning given to it in the Scheme Document.

“Latest Practicable Date” means 19 April 2023 (being the latest practicable date before the publication of the Scheme Document).

“Link” means Cenkos’ registrars, Link Group of Central Square, 29 Wellington Street, Leeds LS1 4DL.

“London Stock Exchange” means London Stock Exchange plc, together with any successor thereto.

“Merger” means the proposed merger by finnCap of the entire issued and to be issued ordinary share capital of Cenkos which a member of the finnCap Group does not already beneficially own, to be effected by means of the Scheme or, should finnCap so elect, subject to the terms of the Co-operation Agreement and with the consent of the Panel, by means of a Takeover Offer, and where context admits, any subsequent revision, variation, extension or renewal thereof.

“New finnCap Shares” means the new finnCap Shares to be issued pursuant to the Scheme. “Overseas Shareholders” means Cenkos Shareholders who are resident in, ordinarily resident in, or citizens or nationals of, jurisdictions outside of the UK or who are nominees of, or custodians or trustees for, residents, citizens or nationals of countries other than the UK.

“Panel” means the Panel on Takeovers and Mergers, or any successor to it.

“Registrar of Companies” means the registrar of companies in England and Wales.

“Restricted Jurisdiction” means any jurisdiction where the relevant action would constitute a violation of the relevant laws and regulations of such jurisdiction or would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which Cenkos or finnCap regards as unduly onerous.

"Restricted Overseas" means Overseas Shareholders who are resident in, ordinarily resident in, or "Shareholders" means citizens or nationals of, Restricted Jurisdictions or who are nominees of, or custodians or trustees for, residents, citizens or nationals of Restricted Jurisdictions.

"Rule 2.7 Announcement Date" means 23 March 2023.

"Scheme" or "Scheme of Arrangement" means the proposed scheme of arrangement under Part 26 of the Companies Act between Cenkos and the Scheme Shareholders in connection with the Merger, with or subject to any modification, addition or condition which Cenkos and finnCap may agree and, if required, approved or imposed by the Court.

"Scheme Document" means the circular dated 20 April 2023 sent by Cenkos to Cenkos Shareholders and persons with information rights, of which this Scheme forms a part.

"Scheme Effective Time" means the time on the Effective Date at which this Scheme becomes effective in accordance with clause 7.

"Scheme Record Time" means 6.00 pm on the business day immediately prior to the Effective Date.

"Scheme Sanction Hearing" means the hearing of the Court at which the Court Order will be sought.

"Scheme Shareholders" means holders of Scheme Shares at any relevant date or time and a "Scheme Shareholder" shall mean any of those Scheme Shareholders.

"Scheme Shares" means all Cenkos Shares:

- (A) in issue at the date of the Scheme Document;
- (B) (if any) issued after the date of the Scheme Document but before the Voting Record Time; and
- (C) (if any) issued at or after the Voting Record Time and before the Scheme Record Time on terms that the original or any subsequent holders thereof are bound by the Scheme or in respect of which such holders are, or shall have agreed in writing to be, so bound,

in each case remaining in issue at the Scheme Record Time, but excluding the Excluded Shares.

"Takeover Code" means the City Code on Takeovers and Mergers from time to time issued, amended and interpreted by the Panel.

"subsidiary undertaking" has the meaning given in section 1162 of the Companies Act. "uncertificated" or in "uncertificated form" means in relation to a Scheme Share, one which is recorded on the relevant register as being held in uncertificated form (that is,

in CREST). “UK” or “United Kingdom” means the United Kingdom of Great Britain and Northern Ireland. “Voting Record Time” means 6.30 pm on the day which is two days (excluding any part of a day that is not a business day) before the date of the Court Meeting or any adjournment of it (as the case may be).

2. References to clauses, sub-clauses and paragraphs are to clauses, sub-clauses and paragraphs of this Scheme.
3. The issued share capital of Cenkos as at the Latest Practicable Date was £566,947.83, divided into 56,694,783 ordinary shares of 1 penny each, all of which were issued and credited as fully paid. As at the Latest Practicable Date, no ordinary shares were held in treasury.
4. finnCap has, subject to the terms of the Co-operation Agreement and the satisfaction or, where capable, waiver of the Conditions agreed to appear by counsel at the Scheme Sanction Hearing and to undertake to the Court to be bound by the provisions of this Scheme insofar as it relates to finnCap and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.
5. References to times are to London time.
6. All references to sterling, £, penny and pence are to the lawful currency of the United Kingdom.
7. Where the context so admits or requires, all references to the singular include the plural and vice versa.
8. Any reference to “includes” shall mean “including without limitation”, and references to “including” and any other similar term shall be interpreted accordingly.

THE SCHEME

1. Transfer of Scheme Shares

1.1 At the Scheme Effective Time, finnCap (and/or its nominee(s)) shall acquire all the Scheme Shares fully paid with full title guarantee, free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third-party rights or interests of any nature, and together with all rights attaching or accruing to such Scheme Shares at the Scheme Effective Time or thereafter, including (without limitation) voting rights and the right to receive and retain, in full, (subject to sub-clause 2.2) all dividends, other distributions or return of capital (if any), announced, declared, made, paid or payable in respect of the Scheme by reference to a record date after the Scheme Record Time.

1.2 For the purposes of such acquisition, the Scheme Shares shall be transferred to finnCap (and/or its nominee(s)) by means of a form or forms of transfer or other instrument or instruction of transfer, or by means of CREST, and, to give effect to such transfer(s), any person may be appointed by finnCap as attorney and/or agent and/or otherwise on behalf of the holder or holders concerned, and is authorised as such attorney and/or agent and/or otherwise, on behalf of the holder or holders concerned, to execute and deliver as transferor a form of transfer or other instrument of transfer (whether as a deed or otherwise) or give instruction to transfer by means of CREST in respect of such Scheme Shares and every form, instrument or instruction of transfer

so executed or given shall be effective as if it had been executed or given by the holder or holders of the Scheme Shares transferred by it. Such instrument or form of transfer shall be deemed to be the principal instrument of transfer of the relevant Scheme Shares and the equitable or beneficial interest in such Scheme Shares shall only be transferred to finnCap (and/or its nominee(s)), together with the legal interest in such Scheme Shares, pursuant to such form or instrument of transfer.

1.3 With effect from the Scheme Effective Time and until the register of members of Cenkos is updated to reflect the transfer of the Scheme Shares pursuant to sub-clauses 1.1 and 1.2, each Scheme Shareholder irrevocably:

- (A) appoints finnCap (and/or its nominee(s)) with effect from the Scheme Effective Time to act, as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to the Scheme Shares and any or all rights and privileges (including the right to receive notice of or requisition the convening of a general meeting of the Company or meeting of any class of its shareholders) attaching to its Scheme Shares and to receive any distribution or other benefit accruing or payable in respect thereof;
- (B) appoints finnCap (and/or its nominee(s)) and any one or more of its directors or agents as its attorney and/or agent and/or otherwise to act on its behalf to sign on behalf of such Scheme Shareholder any such documents, and do all such things, as may in the opinion of finnCap and/ or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the relevant Scheme Shares (including, without limitation, an authority to sign any consent to short notice of any general or separate class meetings of Cenkos as attorney and/or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or execute a form of proxy in respect of its Scheme Shares appointing any person nominated by finnCap and/or any one or more of its directors or agents to attend any general and separate class meetings of Cenkos (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf); and
- (C) authorises Cenkos and/or its agents to send to finnCap (and/or its nominee(s)) at its registered office any notice, circular, warrant or other document or communication which may be required to be sent to a Scheme Shareholder as a member of Cenkos in respect of such Scheme Shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of their Scheme Shares into certificated form), such that from the Scheme Effective Time, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or (subject to sub-clause 2.2) any other rights or privileges attaching to the Scheme Shares.

1.4 The authorities granted pursuant to sub-clauses 1.2 and 1.3 shall be treated for all purposes as having been granted by deed.

1.5 Cenkos shall register, or procure the registration of, any transfer(s) of Scheme Shares effected in accordance with sub-clauses 1.1 and 1.2.

2. Consideration for the transfer of Scheme Shares

2.1 In consideration for the transfer of the Scheme Shares to finnCap (and/or its nominee(s)) referred to in sub-clause 1.2, finnCap shall, subject to the provisions of this clause 2, allot and issue to each Scheme Shareholder 3.19420647 New finnCap

Shares for each Scheme Share held by such Scheme Shareholder at the Scheme Record Time.

- 2.2 If on or after the Rule 2.7 Announcement Date any dividend, and/or other distribution and/or return of capital is announced, declared, made or paid, or becomes payable in respect of the Cenkos Shares with a record date falling on or before the Scheme Record Time, other than the 2022 Dividend and the Interim Dividend, finnCap reserves the right to reduce the consideration payable under the terms of the Merger for the Cenkos Shares by way of an adjustment to the Exchange Ratio reflecting an amount up to the aggregate amount of such dividend and/or other distribution and/or return of capital per Cenkos Share, in which case any reference to the Consideration payable under the terms of the Scheme will be deemed to be a reference to the Consideration as so reduced.
- 2.3 If finnCap exercises the right referred to in sub-clause 2.2 to reduce the Consideration payable under the terms of the Merger for the Cenkos Shares by way of an adjustment to the Exchange Ratio reflecting an amount up to the aggregate amount of such dividend and/or other distribution and/or return of capital per Cenkos Share, then: (a) Scheme Shareholders shall be entitled to receive and retain that dividend and/or other distribution and/or return of capital in respect of the Scheme Shares they hold; (b) any reference in this Scheme to the Consideration payable under the Scheme shall be deemed to be a reference to the Consideration as so reduced; and (c) the exercise of such rights shall not be regarded as constituting any revision or variation of the terms of this Scheme.
- 2.4 finnCap's obligations to allot and issue New finnCap Shares pursuant to sub-clause 2.1 is subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if finnCap reasonably believes or is advised that a Scheme Shareholder is a Restricted Overseas Shareholder, finnCap may at its discretion determine that such Scheme Shareholder shall not have allotted, issued and delivered to them New finnCap Shares and that the New finnCap Shares which would otherwise have been attributable to such Scheme Shareholder under the terms of the Merger shall instead be allotted, issued and delivered to a person appointed finnCap for such Scheme Shareholder on terms that such person shall, as soon as practicable after the allotment and issue of such New finnCap Shares, sell the New finnCap Shares so allotted and issued and the cash proceeds of such sale (after deduction of
- all expenses and commission, together with any value added tax thereon, incurred in connection with such sale, including any tax or foreign exchange conversion fees payable on the proceeds of sale) shall be forwarded to such Scheme Shareholder.
- 2.5 Any such sale under sub-clause 2.4 shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commission, together with any value added tax thereon, incurred in connection with such sale, including any tax or foreign exchange conversion fees payable on the proceeds of sale) shall be paid to such Scheme Shareholder by sending a cheque or creating an assured payment obligation in accordance with the provisions of clause
- 4.

3. Share certificates and cancellation of CREST entitlements

- 3.1 To give effect to any sale under sub-clause 2.4, the person appointed by finnCap in accordance with clause 2.4 shall be authorised as attorney or agent on behalf of the Scheme Shareholder concerned to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer and to give such instructions and to do all things which he may consider necessary or expedient in connection with such sale. In the absence of bad faith or wilful default, none of finnCap, Cenkos or the persons so appointed shall have any liability for any determination made pursuant to sub-clause 2.4 or for any loss or damage arising as a result of the timing or terms of any sale pursuant to sub-clause 2.4.
- 3.2 With effect from, and including, the Scheme Effective Time, all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised in the certificates and every Scheme Shareholder shall destroy the same, or be bound at the request of Cenkos to deliver up the same to Cenkos (or any person appointed by Cenkos to receive them).
- 3.3 Cenkos shall procure that entitlements to Scheme Shares held within CREST are disabled as from the Scheme Record Time and Euroclear is instructed to cancel or transfer the entitlements of Scheme Shareholders to Scheme Shares in uncertificated form and (if necessary) that entitlements to such Scheme Shares are rematerialised as soon as practicable after the Scheme Effective Time.
- 3.4 Subject to completion and delivery of any form of transfer or other instrument or instruction of transfer as may be required in accordance with sub-clause 1.2 and, if applicable, the payment of any stamp duty on them, Cenkos shall make, or procure to be made, as soon as practicable, appropriate entries in the register of members of Cenkos to reflect the transfer of the Scheme Shares to finnCap (and/or its nominee(s)) and Cenkos shall comply with its obligations set out in sub-clause 1.5 in this respect.

4. Settlement

- 4.1 No later than 14 days after the Effective Date (or such other period as may be agreed between Cenkos and finnCap and approved by the Panel), finnCap shall, allot and issue the New finnCap Shares which it is required to allot and issue to Scheme Shareholders pursuant to clause 2 and:
- (A) in the case of Scheme Shares which at the Scheme Record Time are in certificated form, despatch, or procure the despatch of share certificates of such New finnCap Shares to the persons entitled thereto in accordance with the provisions of sub-clause 4.2; and
 - (B) in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Scheme Shareholder with such Scheme Shareholder's entitlement to such New finnCap Shares in accordance with clause 2 and in accordance with the CREST assured payment arrangements, provided that finnCap shall be entitled to settle all or part of the Consideration as aforesaid in sub-clause 4.1(A) if, for any reason outside of its control, it is not able to effect settlement in accordance with this sub-clause 4.1(B).

- 4.2 All deliveries of share certificates and/or cheques required to be made pursuant to this Scheme shall be effected by sending the same by first class post or (if overseas) by international standard post (or by such other method as may be approved by the Panel) in pre-paid envelopes addressed to the persons entitled to them at their respective registered addresses as appearing in the register of members of Cenkos at the Scheme Record Time (or in the case of any joint holders, at the address of the joint holder whose name stands first in the register of members of Cenkos in respect of such joint holding at the Scheme Record Time) and none of Cenkos or finnCap any member of the Cenkos Group, finnCap Group or their respective agents or nominees or Link shall be responsible for any loss or delay in the transmission of any share certificates and/or cheques sent in accordance with this sub-clause 4.2 which shall be sent at the risk of the person or persons entitled to them.
- 4.3 All cheques shall be in sterling drawn on a branch of a UK clearing bank and shall be made payable to the Scheme Shareholder concerned, or, in the case of joint holders, the joint holder whose name stands first in the register of members of Cenkos in respect of such joint holding at the Scheme Record Time (save that, in the case of joint holders, finnCap reserves the right to make the cheque payable to all joint holders).
- 4.4 The preceding paragraphs of this clause 4 shall take effect subject to any prohibition or condition imposed by law.

5. Fractional entitlements

Fractions of New finnCap Shares will not be issued to Scheme Shareholders and entitlements will be rounded down to the nearest whole number of New finnCap Shares so that all fractions of New finnCap Shares will be disregarded.

6. Mandates

Each mandate and other instructions given to Cenkos by Scheme Shareholders in force at the Scheme Record Time shall, unless and until amended or revoked, under the terms of the Scheme be deemed as from the Effective Date to be an effective mandate or instruction in respect of the corresponding New finnCap Shares.

7. Effective time

- 7.1 This Scheme shall become effective upon a copy of the Court Order being delivered to the Registrar of Companies.
- 7.2 Unless this Scheme has become effective on or before 31 December 2023, or such later date (if any) as finnCap and Cenkos may agree and (if required) the Panel and the Court may allow, this Scheme shall never become effective.

8. Modification

Cenkos and finnCap may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Takeover Code. For the avoidance of

doubt, no modification to the Scheme pursuant to this clause 8 may be made once the Scheme has taken effect.

9. Governing law

9.1 This Scheme and all rights and obligations arising from it are governed by the laws of England and Wales.

9.2 Any dispute of any kind whatsoever arising directly or indirectly as a result of or in connection with this Scheme initiated by Cenkos, finnCap, any present or future shareholder of finnCap, or any director of Cenkos or finnCap, irrespective of the causes of action, including whether based on contract or tort, shall be exclusively subject to the jurisdiction of the courts of England. The rules of the Takeover Code will apply to this Scheme on the basis provided in the Takeover Code.

Dated: 20 April 2023