

GRANGE (PRESCOT STREET) LIMITED
(Company number 05392479)
(the "Company")

THURSDAY



WRITTEN RESOLUTION OF THE DIRECTORS OF THE COMPANY

In accordance with Article 1 of the Company's articles of association (the "**Articles**") and regulation 93 of the Companies (Tables A to F) Regulations 1985 as amended by SI 2000/3373 incorporated therein, we, being all the directors of the Company who, at the date of this resolution are entitled to receive notice of a meeting of the directors of the Company, hereby resolve that the resolutions set out in paragraphs 6 and 7 below shall have effect as if they had each been passed at a meeting of the directors of the Company duly convened and held.

1 DECLARATION OF INTERESTS

- 1.1 In accordance with section 177 of the Companies Act 2006 (the "**Act**") and the Articles, we have declared that we are each interested in the business to be transacted by this resolution by virtue of our shareholdings in the Company.
- 1.2 We note that, having declared our interests, we are entitled under the Articles to vote on the business to be transacted by this resolution.

2 BACKGROUND

2.1 We note that:

- (a) the Company is a directly, wholly-owned subsidiary of Sektormatch Limited (the "**Shareholder**"), and forms part of a wider group of companies (the "**Globalgrange Group**") of which New Grange Holdings 1 Limited is the parent and which are therefore all owned by the same controlling shareholders (the "**GG Shareholders**");
- (b) the GG Shareholders are undertaking an internal reorganisation of the businesses within the Globalgrange Group (the "**Reorganisation**");
- (c) the Company's tax advisers, PricewaterhouseCoopers LLP, have prepared a reorganisation memorandum dated 28 March 2018 detailing the various steps that need to be taken by the Globalgrange Group in order to effect the Reorganisation (the "**PwC Paper**");
- (d) as part of the Reorganisation and pursuant to "Step 3.1.1" and "Step 3.1.2" of the PwC Paper, it is proposed that the Company carry out a reduction of its capital by way of:
 - (i) capitalising (the "**Capitalisation**") the amount standing to the credit of the Company's revaluation reserve through a bonus issue at a premium to the Shareholder of one ordinary share of £1 which would be credited as fully paid (the "**Capital Reduction Share**"); and
 - (ii) subject to the Capitalisation becoming effective, subsequently reducing the amount standing to the credit of the Company's share premium reserve that was created by the issue of the Capital Reduction Share and crediting the amount so cancelled to

the Company's distributable reserves (the "**Reduction of Capital**");

- 2.2 in order to undertake the Capitalisation, it will be necessary to amend the Articles (the "**Amendment**") so that the Company's revaluation reserve can be capitalised. It is proposed that the Articles be amended pursuant to section 21 of the Companies Act 2006 by the insertion of a new Article 7 as follows:

"7 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 7.1 *Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution:*
- 7.1.1 decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account, capital redemption reserve or any other reserve; and
 - 7.1.2 appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- 7.2 Capitalised sums must be applied:
- 7.2.1 on behalf of the persons entitled; and
 - 7.2.2 in the same proportions as a dividend would have been distributed to them.
- 7.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 7.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 7.5 Subject to the articles the directors may:
- 7.5.1 apply capitalised sums in accordance with paragraphs 7.3 and 7.4 partly in one way and partly in another;
 - 7.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
 - 7.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares

- and debentures to them under this article.
- 7.6 Regulation 110 in Table A shall not apply to the Company."

3 **PURPOSE OF THE RESOLUTION**

The purpose of this resolution is to consider and, if thought fit, approve:

- (a) the Amended Articles (as defined below);
- (b) the Capitalisation;
- (c) the Reduction of Capital; and
- (d) the crediting by the Company of the resulting sum of £173,062,018 (representing the reserve arising as a result of the Reduction of Capital) to the Company's reserves as realised profit so as to become distributable in accordance with article 3 of The Companies (Reduction of Share Capital) Order 2008.

4 **DOCUMENTS AND PROCEDURE**

4.1 We note that it is proposed that the Reduction of Capital be effected by means of the solvency statement procedure provided for by sections 641 to 644 of the Act.

4.2 We confirm that we have been provided with copies of the following documents:

- (a) a solvency statement required to be made by all the directors of the Company in accordance with section 642 of the Act (the "**Solvency Statement**");
- (b) written ordinary and special resolutions of the Shareholder authorising:
 - (i) the directors to allot new shares in accordance with section 550 of the Act;
 - (ii) the directors to allot new shares in accordance with 569 of the Act as if section 561 of the Act did not apply;
 - (iii) the Capitalisation;
 - (iv) the Amendment to the Articles; and
 - (v) the Reduction of Capital,(the "**Resolution**");
- (c) a statement required to be made by the directors in accordance with section 644(5) of the Act to confirm that the Resolution was duly passed no more than 15 days after the date of the Solvency Statement and was provided to the Shareholder in accordance with section 642(2) or (3), as appropriate (the "**644(5) Confirmation**");
- (d) completed statements of capital stating the requisite details of the share capital and number of shares in the Company following the Capitalisation and the Reduction of Capital (the "**Statement of Capital**") which were required to be filed at Companies House, together with the Solvency

Statement, the Resolution and the 644(5) Confirmation, within 15 days of the passing of the Resolution;

- (e) an amended version of the Articles (the "**Amended Articles**"), showing the Amendment;
- (f) the Articles;
- (g) the audited accounts for the Company for the year ended 31 March 2017 (the "**Annual Accounts**"); and
- (h) the latest unaudited management accounts of the Company as at 31 December 2017 together with adjustments showing the position after the Reduction of Capital becomes effective (the "**Interim Accounts**"),
- (i) trading and cash flow forecasts in respect of the Shareholder for the 12 month period ended 31 March 2019 prepared by the Shareholder (the "**Trading and Cash Flow Forecasts**"); and
- (j) a schedule of actual and contingent liabilities in respect of the Shareholder (the "**Liabilities Schedule**").

together, (the "**Documents**").

5 **CAPITALISATION AND REDUCTION OF CAPITAL**

- 5.1 We note that the directors have been generally and unconditionally authorised to allot new shares in the Company by the Shareholder, in the Resolution.
- 5.2 We note that statutory pre-emption rights have been disapplied by the Shareholder in the Resolution.
- 5.3 We note that the Articles do not contain any restriction or prohibition on a reduction of capital by the Company.

Solvency Statement

- 5.4 We note that the Solvency Statement comprises statements that each of the directors have formed the opinion that:
 - (a) as regards the Company's situation at the date of the Solvency Statement, there is no ground on which the Company could then be found to be unable to pay (or to otherwise discharge) its debts; and
 - (b) the Company would be able to pay (or to otherwise discharge) its debts as they fall due during the 12 months immediately following the date of the Solvency Statement.
- 5.5 We note in particular that in forming those opinions:
 - (a) we must take into account all of the Company's liabilities (including any contingent or prospective liabilities); and
 - (b) we must take into consideration our general fiduciary duties under s170-177 of the Act.

- 5.6 We agree that we each consider the proposed Capitalisation and Reduction of Capital to be in the best interest of the Shareholder and the Company as a whole.
- 5.7 We note that, if we give the Solvency Statement without having reasonable grounds for the opinions expressed in it, every director in default would commit an offence punishable by a fine and/or imprisonment of up to two years.
- 5.8 In connection with the proposed Capitalisation and Reduction of Capital and the Solvency Statement, we considered carefully the Annual Accounts and the Interim Accounts and the trading and financial position and prospects of the Company. We have taken account of the forecasted cash requirements of the Shareholder as shown in the Trading and Cash Flow Forecasts and the Liabilities Schedule. We have also considered that the Company intends to retain a capital buffer of £1,000,000 following the Reorganisation.
- 5.9 We note that the Company has estimated £48,616,951 of liabilities as at the date of this resolution and the estimated net assets of the Company would exceed £209,185,962 after the Reduction of Capital. We note that the Company would, following the Reduction of Capital, continue to have the resources necessary to meet all debts and liabilities (present, future, actual, and contingent) as they fall due.

6 **APPROVALS**

- 6.1 After due and careful consideration of all the circumstances and the Documents, we **UNANIMOUSLY RESOLVE THAT:**
- (a) the Amendment, the Capitalisation and the Reduction of Capital are likely to promote the success of the Company, for the benefit of the Shareholder, and are consistent with the directors' duties to only exercise powers for the purpose for which they were conferred, to exercise independent judgement and to exercise reasonable care, skill and diligence;
 - (b) the Amendment, the Capitalisation and the Reduction of Capital be approved, subject to the Resolution being passed and the Solvency Statement being approved;
 - (c) the form of each of the Documents be approved (as appropriate); and
 - (d) any director be authorised to agree the terms of, approve and execute as a deed (either in the presence of a witness who attests the signature or with any other director or the Company secretary), or sign, any other document which he might consider necessary or desirable for or incidental to the Amendment, the Capitalisation or the Reduction of Capital; and
 - (e) any director be authorised (whether acting singly or jointly with another director) to take such actions and steps, including making any amendment to any document, and give such notices or instructions on behalf of the Company which he considers in his sole and absolute discretion to be necessary or desirable in connection with the Amendment, the Capitalisation or the Reduction of Capital the fact that such director considers the same to be so necessary or desirable in each case being conclusively evidenced by his taking the relevant actions.

6.2 We confirm that we approve of, and agree with, the opinions expressed in the Solvency Statement. Accordingly, we each agree to sign and release the Solvency Statement and we **UNANIMOUSLY RESOLVE THAT**:

- (a) the Solvency Statement be approved;
- (b) the Resolution, accompanied by a copy of the signed Solvency Statement, be provided to the Shareholder for signature and sent to the Company's auditors;
- (c) subject to the Resolution being passed in accordance with the requirements of the Act:
 - (i) each of the directors sign the s644(5) Confirmation;
 - (ii) the Statement of Capital be signed by any of the directors;
 - (iii) the Capitalisation be effected; and
 - (iv) subject to (i)-(iii) above taking place, the Reduction of Capital be effected.

7 **FILING AND EFFECT**

We note that the Reduction of Capital will not take effect until the Solvency Statement and Statement of Capital have been registered at Companies House. Accordingly, we hereby **UNANIMOUSLY RESOLVE THAT** all necessary filings be made in relation to the Amendment, the Capitalisation and the Reduction of Capital including but not limited to the filing of the following duly executed documents with the Registrar of Companies at Companies House on an expedited basis as soon as practicable following the passing of this resolution:

- (a) the Articles;
- (b) the Solvency Statement;
- (c) the Statement of Capital;
- (d) the s644(5) Confirmation; and
- (e) the Resolution.



Harpal Singh Matharu

Date: 3 MAY 2018



Rajeshpal Singh Matharu

Date: 3 MAY 2018

Tejinderpal Singh Matharu

Date: _____ 2018

Harpal Singh Matharu

Date: _____ 2018

Rajeshpal Singh Matharu

Date: _____ 2018



Tejinderpal Singh Matharu

Date: 3 MAY 2018

THE COMPANIES ACT 1985 to 2006
COMPANY LIMITED BY SHARES
WHOLLY OWNED SUBSIDIARY COMPANY
ARTICLES OF ASSOCIATION
OF
GRANGE (PRESCOT STREET) LIMITED

1 Preliminary

- 1.1 The regulations contained in Table A in the Companies (Tables A to F) Regulations 1985 (as amended) ('Table A') shall apply to the company save in so far as they are hereby modified or excluded.
- 1.2 Regulations 8 to 22 inclusive, 24, 25, 26, 64 to 69 inclusive, 73 to 80 inclusive, and 89 and 94 of Table A shall not apply to the company.
- 1.3 References in Table A and in these Articles to writing shall include typewriting, printing, lithography, photography, telex and fax messages and other means of representing or reproducing words in a legible and non-transitory form.
- 1.4 In these Articles 'Holding Company' means a company which is the registered holder of not less than 90% of the issued shares.
- 1.5 The company is a private company and accordingly no offer shall be made to the public (whether for cash or otherwise) of any shares in or debentures of the company and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the company with a view to all or any of those shares or debentures being offered for sale to the public.

2 Shares and allotment

- 2.1 At the date of the adoption of these Articles the share capital of the company is £10,000,000 divided into 10,000,000 ordinary shares of £1 each.
- 2.2 The directors may unconditionally exercise the power of the company to allot relevant securities (within the meaning of Section 80(2) of the Act)
- 2.3 The general authority conferred by this Article shall:
 - 2.3.1 extend to all relevant securities of the company unissued as at the date of adoption of this article;
 - 2.3.2 expire on the fifth anniversary of the adoption of these Articles unless varied or revoked or renewed by the company in general meeting; and
 - 2.3.3 entitle the directors 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 thereof.

2.4 Subject to and without prejudice to the generality of the provisions of Article 4 below any shares unissued at the date of the adoption of these Articles and any shares hereafter created shall be under the control of the directors who may allot, grant options over or otherwise deal with or dispose of the same to such persons (including the directors themselves) on such terms and in such manner as they think fit, provided that no shares shall be issued at a discount.

2.5 In accordance with Sections 89(1), 90(1) to (6) inclusive and 91(1) of the Act shall be excluded from applying to the company.

2.6 The directors shall register a transfer of shares which is presented for registration duly stamped.

3 Proceedings at general meetings

3.1 Regulation 40 of Table A shall be deleted and the following substituted therefor:

'No business shall be transacted at any meeting unless a quorum is present. One person entitled to vote being a member registered as the holder of not less than 90% of the issued shares or a proxy for such member or a duly authorised representative of a holding company shall be a quorum'.

3.2 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 of Table A shall be modified accordingly.

3.3 The first sentence of Regulation 38 of Table A shall be amended by deleting the words 'or a resolution appointing a person as a director'.

3.4 Notices of meetings need not be given to the directors as such and Regulation 38 of Table A is modified accordingly.

3.5 If and so long as there is only one member of the company, a decision taken by the member which may be taken in general meeting is as effective as if agreed by the company in general meeting.

3.6 A decision taken by a sole member of the company under paragraph 3.5 of this Article (unless taken by way of written resolution) shall be recorded in writing and a copy provided to the company.

4 Votes of members

A proxy shall be entitled to vote on a show of hands and Regulation 54 of Table A shall be modified accordingly. An instrument appointing a proxy shall be deemed to confer authority to vote on any amendment or a resolution put to the meeting for which it is given as the proxy thinks fit and shall be valid as well for any adjournment of the meeting as for the meeting to which it relates.

5 Appointment, disqualification and removal of directors

5.1 The directors shall not be liable to retire by rotation.

5.2 A director shall not be required to hold any share qualification.

5.3 The minimum number of directors shall be one and unless otherwise determined by ordinary resolution, the number of directors is not subject to a maximum. A sole

director may exercise all the powers and discretions given to the company by these Articles.

5.4 The company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

5.5 If and so long as there is a Holding Company or a member registered as the holder of not less than 90% of the issued shares of the company, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as and against all other provisions of these Articles:

5.5.1 the Holding Company or a member registered as the holder of not less than 90% of the issued shares of the company may at any time and from time to time appoint any person to be a director or remove from office any director however appointed but so that in the case of a managing director his removal from office shall be deemed an act of the company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office;

5.5.2 no unissued shares shall be issued or agreed to be issued or put under option without the consent of the Holding Company or a member registered as the holder of not less than 90% of the issued shares of the company;

5.5.3 any or all powers of the directors shall be restricted in such respects and to such extent as the Holding Company or a member registered as the holder of not less than 90% of the issued shares of the company may by notice to the company from time to time lawfully prescribe.

Any such appointment, removal, consent or notice shall be in writing served on the company and signed on behalf of the Holding Company by any two of its directors or by any one of its directors and its secretary or some other person duly authorised for the purpose or by a member registered as the holder of not less than 90% of the issued shares of the company. No person dealing with the company shall be concerned to see or enquire as to whether the powers of the directors have been in any way restricted hereunder or as to whether any requisite consent of the Holding Company or a member registered as the holder of not less than 90% of the issued shares of the company has been obtained and no obligation incurred or security given or transaction effected by the company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the directors.

6 Proceedings of the directors

6.1 Subject to the provisions of Section 317 of the Act, a director may vote on any contract or arrangement in which he is interested and on any matter arising therefrom 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. Regulation 95 of Table A shall be modified accordingly and Regulation 96 shall not apply.

6.2 Any director or member of a committee of the directors may participate in a meeting of the directors or such committee by means of conference, telephone or similar communications equipment whereby all participating in the meeting can

hear each other and participation in such a meeting in this manner shall be deemed to constitute presence in person at such meeting.

7 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

7.1 Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution:

7.1.1 decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account, capital redemption reserve or any other reserve; and

7.1.2 appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

7.2 Capitalised sums must be applied:

7.2.1 on behalf of the persons entitled; and

7.2.2 in the same proportions as a dividend would have been distributed to them.

7.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

7.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

7.5 Subject to the articles the directors may:

7.5.1 apply capitalised sums in accordance with paragraphs 7.3 and 7.4 partly in one way and partly in another;

7.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

7.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

7.6 Regulation 110 in Table A shall not apply to the Company.