

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HEALAN INGREDIENTS LIMITED (formerly known as Mistypeak  
Limited with Company number 08147391)

as adopted by a special written resolution dated 28/7/2021

INTRODUCTION

1. INTERPRETATION

1.1 In these articles, unless the context otherwise requires:

|           |   |
|-----------|---|
| A Shares: | means 320,000 ordinary A shares of £1.00 each in the share capital of the Company ranking pari passu with the B shares save as provided by article 4A.2 (relating to rights to dividends) and by articles 17 to 20 inclusive (relating to transfers); |
| B Shares: | means 35,555 ordinary B shares of £1.00 each in the share capital of the Company ranking pari passu with the A shares save as provided by article 4A.2 (relating to rights to dividends) and by articles 17 to 20 inclusive (relating to transfers);  |
| Act:      | means the Companies Act 2006;   |



|                         |   |
|-------------------------|---|
| Articles:               | means the Company's articles of association for the time being in force;  |
| business day:           | means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;  |
| Call                    | has the meaning given in article 4B.3;  |
| Call Notice             | has the meaning given in article 4B.3;  |
| Company's Lien          | has the meaning given in article 4B.15;   |
| Conflict:               | has the meaning given in article 7.1;   |
| Lien Enforcement Notice | has the meaning given in article 4B.19;   |
| Model Articles:         | means the model articles for private companies limited by shares contained in Schedule 1 of the Companies: (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles; |
| Shareholder:            | means a person holding shares (of any class);   |
| Shares:                 | means the A Shares and/or the B Shares regardless of class;   |

1.2 Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these articles.

1.3 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles.

1.4 A reference in these articles to an 'article' is a reference to the relevant article of these articles unless expressly provided otherwise.

1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or

subordinate legislation is a reference to it as it is in force from time to time, taking account of:

- (a) any subordinate legislation from time to time made under it; and
- (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

- 1.6 Any phrase introduced by the terms '**including**', '**include**', '**in particular**' or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these articles.
- 1.8 Articles 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 21, 30(3), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.9 Article 7(1) of the Model Articles shall be amended by the deletion of the words either a majority decision at a meeting or a decision taken in accordance with article 8' and the insertion of the words 'a majority decision at a meeting' after the word 'be'.
- 1.10 Article 7(2) of the Model Articles shall be amended by the insertion of the words '(for so long as he remains the sole director)' after the words 'and the director may'.
- 1.11 Article 20 of the Model Articles shall be amended by the insertion of the words '(including alternate directors) and the secretary' before the words 'properly incur'.
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words 'subject to article 10' after the word 'But'.
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Model Article 28(2),' after the words 'the transmittee's name'.

## **2. OBJECTS OF THE COMPANY**

2.1 The Company's objects are:

- (a) To carry on business as a general commercial company; and
- (b) any other trade or business which may seem to the Company and its

directors to be advantageous and to directly or indirectly enhance all or any of the business of the Company.

2.2 Notwithstanding article 2.1, the Company's objects are unrestricted.

## SHARES

### 3. FURTHER ISSUES OF SHARES: AUTHORITY

3.1 The share capital of the Company is comprised of A Shares and B Shares of £1.00 each.

3.2 Subject to the remaining provisions of this articles 3, article 4, article 4A and article 4B, the directors are generally and unconditionally authorised, for the purposes of section 550 or, where the Company has more than one class of shares, section 551(1) of the Act and generally, to exercise any power of the Company to:

- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into;
- (c) otherwise deal in, or dispose of,

shares of the class(es) described in article 3.1 above to any person, at any time and subject to any terms and conditions as the directors think proper.

### 4. FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

4.1 Unless otherwise determined by special resolution, if the Company proposes to allot any Shares (other than any Shares to be held under an employees' share scheme), those Shares shall not be allotted to any person unless the Company has first offered them to all existing shareholders on the date of the offer on the same terms, and at the same price, as those Shares are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer

- (a) shall be in writing, shall be open for acceptance for a period of 21 business days from the date of the offer and shall give details of the number and subscription price of the relevant Shares; and
- (b) shall stipulate that any existing shareholder who wishes to subscribe for a

number of Shares in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Shares (Excess Shares) for which he wishes to subscribe.

Provided that this article shall not apply in the event that the Company wishes to allot Shares for non-cash consideration in which case the written approval of at least 75% of the existing shareholders, or a special resolution of the Company, must be obtained.

- 4.2 Any Shares not accepted by shareholders pursuant to the offer made to them in accordance with article 4.1 shall be used for satisfying any requests for Excess Shares made pursuant to article 4.1. If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to the existing shareholders in accordance with article 4.1 (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any shareholder beyond that applied for by him). After that allotment, any Excess Shares remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the existing shareholders.
- 4.3 Any Shares not allotted to shareholders in accordance with articles 4.1 and 4.2 and to section 551 of the Act, shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

#### **4A. SHARE CAPITAL AND DIVIDENDS**

- 4A.1 The share capital of the Company at the date of adoption of these Articles is £355,555 divided into 320,000 A Shares and 35,555 B Shares. Save as provided by article 4A.2 (relating to rights to dividends) and articles 17 to 20 inclusive (relating to transfers) the A Shares and the B Shares shall rank equally in all respects but shall constitute separate classes of shares.
- 4A.2 The directors may at any time resolve to declare a dividend on one or both of the A Shares or the B Shares or to declare a dividend on each of them at different rates.
- 4A.3 On the transfer of any Shares as permitted by these articles:
- 4A.3.1 a Share transferred to a non-shareholder member shall remain of the same class as before the transfer; and

4A.3.2 a Share transferred to an existing shareholder shall automatically be re-designated on transfer as a share of the same class as those shares already held by the existing shareholder.

#### **4B. PARTLY PAID SHARES**

4B.1 Subject to the existence of a valid authorisation granted to the directors under section 551 of the Act (and subject to this authorisation not having expired or otherwise been revoked), the directors shall be entitled to allot B Shares for less than the aggregate of their nominal value or any premium which would otherwise be paid to the Company in consideration for their issue.

4B.2 The partly paid B Shares shall have the same voting rights and dividend rights as any other Shares (subject always to the provisions of article 4A.2 (relating to dividends) and articles 17 to 20 inclusive (relating to transfers) and the remaining provisions of this article 4B).

4B.3 Subject to the Articles and to the terms on which B Shares are allotted, the directors may send a notice (a **Call Notice**) to a shareholder requiring the shareholder to pay the company a specified sum of money (a **Call**) which is payable in respect of B Shares in the company held by that shareholder at the date when the directors decide to send the Call Notice.

4B.4 A Call Notice:

4B.4.1 may not require a shareholder to pay a Call which exceeds the total sum unpaid on that shareholder's B Shares (whether in respect of nominal value or premium);

4B.4.2 must state when and how any Call to which it relates is to be paid; and

4B.4.3 may permit or require the Call to be made in instalments.

4B.5 A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 30 clear days (that is, excluding the date on which the notice is given and the date on which that 30 day period expires) have passed since the notice was sent and, in any event, no Call may be made by the directors on or before 15 October 2021 PROVIDED ALWAYS that if the B Shares are transferred the Company's Lien shall continue to exist at all times that the B Shares remain partly paid and provided that whilst the B Shares remain partly paid

nothing in this article 4B.5 shall prevent the deduction (and subsequent payment to the Company) of the outstanding subscription sums in accordance with the provisions of articles 18.20 or 19.3.2 (as the case may be).

4B.6 Before the company has received any Call due under a Call Notice the directors may:

4B.6.1 revoke it wholly or in part; or

4B.6.2 specify a later time for payment than is specified in the notice,

by a further notice in writing to the shareholder in respect of whose B Shares the Call is made.

4B.7 Liability to pay a Call is not extinguished or transferred by transferring the B Shares in respect of which it is required to be paid.

4B.8 Joint holders of a B Share are jointly and severally liable to pay all Calls in respect of that B Share.

4B.9 Subject to the terms on which B Shares are allotted, the directors may, when issuing B Shares, provide that Call Notices sent to the holders of those B Shares may require them:

4B.9.1 to pay Calls which are not the same; or

4B.9.2 to pay Calls at different times.

4B.10 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a B Share is issued, as being payable to the company in respect of that B Share (whether in respect of nominal value or premium):

4B.10.1 on allotment;

4B.10.2 on the occurrence of a particular event; or

4B.10.3 on a date fixed by or in accordance with the terms of issue,

but if the due date for payment of such a sum has passed and it has not been paid, the holder of the B Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

4B.11 If a person is liable to pay a Call and fails to do so by the call payment date:

4B.11.1 the directors may issue a notice of intended forfeiture to that person; and

4B.11.2 until the Call is paid, that person must pay the company interest on the Call from the call payment date at the relevant rate.

4B.12 For the purposes of this article 4B:

4B.12.1 the "call payment date" is, subject to article 4B.5, the time when the Call Notice states that a Call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date; and

4B.12.2 the "relevant rate" is:

4B.12.2.1 the rate fixed by the terms on which the B Share in respect of which the Call is due was allotted;

4B.12.2.2 such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the directors; or

4B.12.2.3 if no rate is fixed in either of these ways, 5% per annum.

4B.13 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

4B.14 The directors may waive any obligation to pay interest on a Call wholly or in part.

4B.15 The Company has a lien (the **Company's Lien**) over every B Share, which is not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the B Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the company, whether or not the Company has yet issued a Call Notice (as defined in article 4B.3).

4B.16 The Company's Lien over a B Share:



- 4B.16.1 takes priority over any third party's interest in that B Share; and
- 4B.16.2 extends to any dividend or other money payable by the company in respect of that B Share and (if the lien is enforced and the B Share is sold by the company) the proceeds of sale of that B Share.
- 4B.17 The directors may at any time decide that a B Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.
- 4B.18 Subject to the other provisions of this article 4B, if:
- 4B.18.1 a Lien Enforcement Notice has been given in respect of a B Share; and
- 4B.18.2 the person to whom the notice was given has failed to comply with it,
- the company may sell that B Share in such manner as the directors decide.
- 4B.19 A Lien Enforcement Notice:
- 4B.19.1 may only be given in respect of a B Share which is subject to the Company's Lien and in respect of a sum payable to the company for which the due date for payment has passed;
- 4B.19.2 must specify the B Share concerned;
- 4B.19.3 must require payment of the sum within 30 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 30 day period expires);
- 4B.19.4 must be addressed either to the holder of the B Share or to a transmittee of that holder; and
- 4B.19.5 must state the company's intention to sell the B Share if the notice is not complied with.
- 4B.20 Where B Shares are sold under this article 4B:
- 4B.20.1 the directors may authorise any person to execute an instrument of transfer of the B Shares to the purchaser or to a person nominated by the purchaser; and
- 4B.20.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of

the process leading to the sale.

4B.21 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

4B.21.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

4B.21.2 second, to the person entitled to the B Shares at the date of the sale, but only after the certificate for the B Shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the B Shares before the sale for any money payable by that person (or his estate or any joint holder of the B Shares) after the date of the Lien Enforcement Notice.

4B.22 A statutory declaration by a director that the declarant is a director and that a B Share has been sold to satisfy the Company's Lien on a specified date:

4B.22.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the B Share; and

4B.22.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the B Share.

4B.23 A notice of intended forfeiture:

4B.23.1 may be sent in respect of any B Share in respect of which a Call has not been paid as required by a Call Notice;

4B.23.2 must be sent to the holder of that B Share (or all the joint holders of that B Share) or to a transmittee of that holder;

4B.23.3 must require payment of the Call and any accrued interest and all expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

4B.23.4 must state how the payment is to be made; and

- 4B.23.5 must state that if the notice is not complied with, the B Shares in respect of which the Call is payable will be liable to be forfeited.
- 4B.24 If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the directors may decide that any B Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited B Shares and not paid before the forfeiture.
- 4B.25 Subject to the Articles, the forfeiture of a B Share extinguishes:
- 4B.25.1 all interests in that B Share, and all claims and demands against the company in respect of it; and
  - 4B.25.2 all other rights and liabilities incidental to the B Share as between the person whose B Share it was prior to the forfeiture and the company.
- 4B.26 Any B Share which is forfeited in accordance with the Articles:
- 4B.26.1 is deemed to have been forfeited when the directors decide that it is forfeited;
  - 4B.26.2 is deemed to be the property of the company; and
  - 4B.26.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.
- 4B.27 If a person's B Shares have been forfeited:
- 4B.27.1 the company must send that person notice that forfeiture has occurred and record it in the register of shareholders;
  - 4B.27.2 that person ceases to be a shareholder in respect of those B Shares;
  - 4B.27.3 that person must surrender the certificate for the B Shares forfeited to the company for cancellation;
  - 4B.27.4 that person remains liable to the company for all sums payable by that person under the Articles at the date of forfeiture in respect of those B Shares, including any interest (whether accrued before or after the date of forfeiture); and
  - 4B.27.5 the directors may waive payment of such sums wholly or in part or enforce

payment without any allowance for the value of the B Shares at the time of forfeiture or for any consideration received on their disposal.

4B.28 At any time before the company disposes of a forfeited B Share, the directors may decide to cancel the forfeiture on payment of all Calls and interest and expenses due in respect of it and on such other terms as they think fit.

4B.29 If a forfeited B Share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.

4B.30 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a B Share has been forfeited on a specified date:

4B.30.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the B Share; and

4B.30.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the B Share.

4B.31 A person to whom a forfeited B Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the B Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the B Share.

4B.32 If the company sells a forfeited B Share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which:

4B.32.1 was, or would have become, payable; and

4B.32.2 had not, when that B Share was forfeited, been paid by that person in respect of that B Share,

but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them.

4B.33 A shareholder may surrender any B Share:

4B.33.1 in respect of which the directors may issue a notice of intended forfeiture;

4B.33.2 which the directors may forfeit; or

4B.33.3 which has been forfeited.

4B.34 The directors may accept the surrender of any such B Share.

4B.35 The effect of surrender on a B Share is the same as the effect of forfeiture on that B Share.

4B.36 A B Share which has been surrendered may be dealt with in the same way as a B Share which has been forfeited.

## **5. DIRECTORS' MEETINGS**

5.1 A decision of the directors must be taken at a meeting of directors in accordance with the Act. All decisions made at any meeting of the directors shall be made only by resolution and resolutions at any meeting of the directors shall be decided by a majority of votes. Where there is only one director such decision is taken when that director comes to a view on the matter.

5.2 The quorum for the transaction of business at a meeting of directors is any two directors, however if there is only one director in office, the quorum for such meeting shall be one director. When the Company has only two directors, and the board is considering whether to authorise a conflict pursuant to article 7, the quorum for those purposes shall be one (but the director having the conflict shall not vote or count towards the quorum).

5.3 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall have a casting vote.

## **6. DIRECTORS' DEALINGS WITH THE COMPANY**

6.1 A director who is in any way, whether directly or indirectly interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.

6.2 A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act unless the interest has already been declared in

accordance with article 6.1 above.

6.3 Subject to sections 177(5), 177(6), 182(5) and 182(6) of the Act, the disclosures required under articles 6.1 and 6.2 and any terms and conditions imposed by the directors, a director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.

6.4 A director need not declare an interest under article 6.1 and article 6.2 as the case may be:

- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) of which the director is not aware, although for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware;
- (c) if, or to the extent that, the other directors are already aware of it, and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware; or
- (d) if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a board meeting.

## **7. DIRECTORS' CONFLICTS OF INTEREST**

7.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest provided that the required quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director (Conflict).

7.2 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

- (b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; and
- (c) be terminated or varied by the directors at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

7.3 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:

- (a) disclose such information to the directors or to any director or other officer or employee of the Company; or
- (b) use or apply any such information in performing his duties as a director, where to do so would amount to a breach of that confidence.

7.4 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director

- (a) is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;
- (b) is not given any documents or other information relating to the Conflict; and
- (c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

7.5 Where the directors authorise a Conflict:

- (a) the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict; and insofar as he does not do so their authorisation will no longer be valid; and
- (b) the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its

authorisation and provided that the conflicted director is not in breach of his duties set out in s171 to 177 of the Act otherwise than by reason of the mere existence of the conflict.

- 7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **8. RECORDS OF DECISIONS TO BE KEPT**

Where decisions of the directors are taken by electronic means (including but not limited to telephone, text message or e-mail) such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

### **9.1 NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any limitation. When the minimum number of directors shall be one, a sole director may exercise all powers and authorities vested in the directors by the Model Articles and by these articles.

### **9.2 ALTERNATE DIRECTORS**

- 9.2.1 Any director (other than an alternate director) (in this article, the appointor) may appoint any person (whether or not a director) to be an alternate director to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

- 9.2.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

- 9.2.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the



proposed alternate that he is willing to act as the alternate of the director giving the notice.

9.2.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's appointor.

9.2.5 Except as the articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

9.2.6 A person who is an alternate director but not a director

- (e) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating); and
- (f) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, and does not himself participate).

9.2.7 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision).

9.2.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's appointor as the appointor may by notice in writing to the Company from time to time direct.

**9.2.9 An alternate director's appointment as an alternate terminates:**

- (g) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (h) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director; or
- (i) when the alternate director's appointor ceases to be a director for whatever reason.

**10. APPOINTMENT OF DIRECTORS**

In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

**11. SECRETARY**

The Company is not required to have a secretary, but directors may choose to appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

**12. RIGHT TO DEMAND A POLL**

- 12.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 12.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words 'A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made' as a new paragraph at the end of that article.

**13. PROXIES**

Article 45(1) (d) of the Model Articles shall be deleted and replaced with the words 'is delivered to the Company in accordance with the articles not less than 48 hours

before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate'.

#### **14. NOTICE**

14.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

14.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

#### **15. INDEMNITY**

15.1 Subject to article 15.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
  - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

- (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs but not including any of the matters set out in section 234 (3) of the Act; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 15(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

15.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

15.3 In this article:

companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

a 'relevant officer' means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

## **16. INSURANCE**

In accordance with section 233 of the Act, the directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any liability attaching to him which relates to the Company.

## **17. TRANSFER OF SHARES**

- 17.1 Subject to the provisions of article 18 dealing with the transfer of the B Shares, Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 17.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 17.3 The Company may retain any instrument of transfer which is registered.
- 17.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 17.5 The A Shares held by Maurizio Lapi or Chabrun Investissements S.A. shall be freely transferable by the holders thereof without any restriction but in respect of any other member holding A Shares article 20 shall apply.

## **18. TRANSFER OF B SHARES**

- 18.1. The following definitions apply for the purposes of this article 18:
  - 18.1.1 **Act:** means the Companies Act 2006.
  - 18.1.2 **Auditor:** means the Company's appointed auditors or if it has no appointed auditors, its accountants.
  - 18.1.3 **Proposing Transferor:** any member proposing to transfer B Shares in the Company.
  - 18.1.4 **Transfer Notice:** a notice given by a Proposing Transferor indicating his desire to transfer B Shares in the Company and specifying the number of B Shares and price per B Share which in his opinion constitutes fair value for those B Shares.
  - 18.1.5 **In Principle Purchase:** has the meaning given to it in article 18.5.1 below.
  - 18.1.6 **Offer Notice:** a notice to be given by the Company offering the Sale Shares to the members.
  - 18.1.7 **Sale Notice:** has the meaning given to it in article 18.15.

- 18.1.8 **Sale Shares:** means the B Shares in the Company that are the subject of a Transfer Notice.
- 18.1.9 any reference to **fair value being determined** shall mean fair value as determined under articles 18.9 to 18.14 inclusive and subject always to the provisions of article 18.20.
- 18.2. The directors may, in their absolute discretion and without assigning any reason for their decision, decline to register any transfer or transmission which would otherwise be permitted under this article if it is a transfer:
- 18.2.1 of a share on which the Company has a lien; or
- 18.2.2 of a share (not being a fully paid share) to a person of whom they do not approve.
- 18.3. A Proposing Transferor shall give a Transfer Notice to the Company when he wishes to transfer any of his B Shares in the Company.
- 18.4. The Transfer Notice shall constitute the Company the agent of the Proposing Transferor for the sale of the Sale Shares.
- 18.5. The Sale Shares shall be offered firstly to the Company and:
- 18.5.1 the Company shall have 56 days from receipt of the Transfer Notice to decide in principle (subject only to the provisions of the Act and, if applicable, the determination of fair value) to purchase all the Sale Shares (an **In Principle Purchase**);
- 18.5.2 upon deciding to make an In Principle Purchase it shall purchase all the Sale Shares in accordance with the relevant provisions of this article 18 or request a determination of fair value;
- 18.5.3 where a determination of fair value is requested pursuant to article 18.5.2 the Company shall within 28 days of the determination of fair value resolve to complete the In Principle Purchase or, issue an Offer Notice;
- 18.5.4 the Company shall issue an Offer Notice if it has failed to declare an In Principle Purchase within the time limit set out in article 18.5.1 or (if sooner) at such point as it may determine not to proceed with an In Principle Purchase.

- 18.6. Secondly the remainder of the Sale Shares shall be offered to the members (other than the Proposing Transferor) as nearly as may be in proportion that the nominal amount of A Shares held by each of them bears to the then total issued A Shares respectively and such offers shall be by way of Offer Notice sent by the Company.
- 18.7. The Offer Notice shall subject to article 18.19, state the price per Sale Share specified in the Transfer Notice (or, if fair value has already been determined such fair value if it is lower) and shall invite each member to state in his reply the number of additional Sale Shares (if any) in excess of his proportion which he desires to purchase and it shall also state:
- 18.7.1 where fair value has already been determined that the offer may only be accepted prior to the date falling 21 days after the date of the Offer Notice;  
or
- 18.7.2 where fair value has not already been determined that a member may request for fair value to be determined in which case the offer may be accepted at any time prior to the date falling 14 days after the determination of fair value but if no member so elects the offer may only be accepted prior to the date falling 21 days after the date of the Offer Notice.
- 18.8. If all the members do not accept the offer in respect of their respective proportions in full, the Sale Shares not so accepted shall be used to satisfy the claims for additional Sale Shares as nearly as may be in proportion to the number of A Shares already held by them respectively, provided that no member shall be obliged to take more Sale Shares than he has applied for. If any Sale Shares are not capable without fractions of being offered to the members in proportion to their existing holdings, they shall be offered to the members, or some of them, in such proportions or in such manner as may be determined by drawing lots, and the lots shall be drawn in such manner as the directors may think fit.
- 18.9. If a request is made for fair value to be determined (in accordance with articles 18.5.2 or 18.7.2 above) the requestor (which, in the case of an In Principle Purchase shall be a director of the Company) shall serve on the Company a notice in writing requesting a determination of fair value.
- 18.10. Upon receipt of such notice the Company shall instruct the Auditor (or at the discretion of the Auditor, a person nominated by the President for the time being of the Institute of Chartered Accountants in the Country of the situation of its registered

office) to certify in writing the sum which in his opinion represents the fair value of the Sale Shares comprised in the Transfer Notice as at the date of the Transfer Notice, and for the purpose of this article reference to the Auditor shall include any person so nominated. The members and the Company shall use all reasonable endeavours to procure that the Auditor shall procure such certification within 30 days of being so instructed.

18.11. For the purpose of this article (subject always to the provisions of article 18.19) the fair value of each Sale Share shall be:

18.11.1 its value as a rateable proportion of the total value of all the issued shares of the Company and shall not be discounted or enhanced by reference to the number of shares referred to in the Transfer Notice; and

18.11.2 assessed on the basis of a sale between a willing buyer and willing seller on an arm's length basis; and

18.11.3 if the Company is then carrying on business as a going concern, assessed on the basis that each Sale Share is capable of being transferred without restriction.

The costs of such valuation shall be apportioned among the Proposing Transferor or the Company and the purchasing members (as the case may be) or borne by any one or more of them as the Auditor in his absolute discretion shall decide.

18.12. In certifying fair value, the Auditor shall be considered to be acting as an expert and not as an arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply and his decision shall be final and binding (save in the case of manifest error).

18.13. Subject to the provisions of article 18.19, upon receipt of the certificate of the Auditor, the Company shall by notice in writing inform all Members:

18.13.1 of the price per Sale Share specified in the Transfer Notice and Offer Notice;

18.13.2 of the fair value of each Sale Share as determined by the Auditor; and

18.13.3 of the actual price at which each Sale Share is offered (which shall be the lower of the price specified in the Transfer Notice and the fair value of each Sale Share as determined by the Auditor).



- 18.14. Upon receipt of the certificate of the Auditor, the Company shall (other than in the case of an In Principle Purchase) by notice in writing inform all members of the fair value of each Sale Share and of the price per Sale Share (being the lower of the price specified in the Transfer Notice and the fair value of each Sale Share) at which the Sale Shares are offered for sale.
- 18.15. If purchasers are found for all of the Sale Shares the Company shall, not later than 7 days after:
- 18.15.1 in the case of the Sale Shares being purchased by the members, the end of the period specified in the last Offer Notice; or
- 18.15.2 in the case of an In Principle Purchase, the date on which the Company resolves to complete the In Principle Purchase,
- give notice in writing (the **Sale Notice**) to the Proposing Transferor stating specifying the identities of the purchaser(s) and the number of Sale Shares each purchaser has been allocated.
- 18.16. Upon service of the Sale Notice, the purchasers shall be bound to purchase and the Proposing Transfer shall be bound to transfer the Sale Shares on a date to be agreed between them but in any event no later than 28 days after service of the Sale Notice.
- 18.17. If in any case the Proposing Transferor, after having become bound to transfer the Sale Shares, makes default in transferring any Sale Shares, the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such Sale Shares in favour of the Company or purchasing member as the case may be. The receipt of the Company for the purchase money shall be a good discharge to the purchasing member. The Company shall pay the purchase money into a separate bank account.
- 18.18. If the Company does not give a Sale Notice to the Proposing Transferor within the times specified in article 18.15 above, he shall, during the period of 6 months following the expiry of the time so specified, be at liberty, subject to article 18.2 above, to transfer all the Sale Shares to any person or persons at the lower of fair value determined by the Auditor (if so determined) or the price stated in the Transfer Notice (save for a transfer upon death when, after the provisions of this article 18 have been followed, if there are remaining Sale Shares, the transfer can then be made at nil value as a transfer under the Proposing Transferor's will or intestacy).

18.19. Subject to article 18.20, if a Transfer Notice in respect of B Shares is given (or deemed to be given for whatever reason) on or before:

18.19.1 15 October 2020 then the price of the Sale Shares shall be the subscription price; or

18.19.2 15 October 2021 then the price of the Sale Shares shall be their fair value (determined in accordance with the foregoing provisions of this article 18) after the same has been reduced by multiplying it by 25%; or

18.19.3 15 October 2022 then the price of the Sale Shares shall be their fair value (determined in accordance with the foregoing provisions of this article 18) after the same has been reduced by multiplying it by 50%; or

18.19.4 15 October 2023 then the price of the Sale Shares shall be their fair value (determined in accordance with the foregoing provisions of this article 18) after the same has been reduced by multiplying it by 75%,

notwithstanding (in each case) anything to the contrary contained in these articles and fair value (without such discounts) may not be requested **PROVIDED ALWAYS** that any transfer occurring on or before 15 October 2023 under the provisions of articles 19.1 and 19.2 (Drag and Tag Along) shall occur at the transfer price determined in accordance with the provisions of articles 19.1 and 19.2 as set out in this article 18.19. For the avoidance of doubt, if there is a transfer or deemed transfer of B Shares after 15 October 2023 then this article 18.19 shall not apply and such transfer or deemed transfer shall be in accordance with the other provisions of these articles.

18.20. Where a Transfer Notice is given (or deemed to be given for whatever reason under any of the provisions of this article 18), then any determination of the price of such transfer (determined in accordance with the foregoing provisions of this article 18) shall be reduced by such an amount (if any) as remains outstanding for the allotment of such B Shares (calculated as at the date on which the Proposing Transferor gives a Transfer Notice to the Company) as a result of them having been allotted as partly paid shares pursuant to the provisions of article 4B and such reduction shall instead be paid directly to the Company.

18.21. In the application of articles 27 to 29 inclusive of the Model Articles to B Shares in the Company:

18.21.1 any person becoming entitled to any number of B Shares in consequence of the death or bankruptcy of a member shall give a Transfer Notice before he elects in respect of any share to be registered himself or to execute a transfer;

18.21.2 if a person so becoming entitled has not given a Transfer Notice in respect of any shares within six months of the death or bankruptcy, the Directors may at any time after that, upon resolution passed by them, give notice that such person shall be deemed to have given a Transfer Notice relating to those B Shares in respect of which he has still not given a Transfer Notice;

18.21.3 where a Transfer Notice is given or deemed to be given under this article and no price per B Share is specified, the Transfer Notice shall be deemed to specify the sum which shall, on the application of the Directors, be certified in writing by the Auditor in accordance with article 18.10 of this article as the fair value.

## **19. OFFERS MADE TO THE A SHAREHOLDERS**

### **19.1. "Drag Along"**

19.1.1 Where Maurizio Lapi and Chabrun Investissements S.A. (**A Shareholders** for the purpose of this article 19) receive an offer from a third party (not being an existing Shareholder of the Company) (the **Offeror**) which is on bona fide arms' length terms for their entire holding of A Shares in the Company which the A Shareholders decide to accept any remaining Shareholders of the Company (other than the A Shareholders) (the **Remaining Shareholders**) shall if the Offeror so requires be required to offer for sale all their Shares in the Company to the Offeror **PROVIDED THAT** such Remaining Shareholders shall (subject to the provisions of article 19.3.2) receive the same price per Share and on the same terms and conditions as is offered by the Offeror to the A Shareholders.

19.1.2 The A Shareholders shall give notice in writing to any Remaining Shareholders of any such offer received under article 19.1.1 including reasonable details of the offer and the identity of the Offeror within 15 business days of a confirmed offer having been made by the Offeror to the A Shareholders in writing (**Offer**) unless during such interval the Offer is withdrawn.

19.1.3 A notice exercising the rights under article 19.1.2 once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the A Shareholders do not transfer his or their Shares in the Company which are the subject of the relevant transaction to the Offeror or the Offeror's nominee not later than six months from the date of the Offer.

19.1.4 In the event that any Shareholder fails to accept the Offer made or, having accepted such Offer, fails to complete the sale of any of their Shares in the Company pursuant to the Offer or otherwise fails to take any action required of him under the terms of the Offer (**Defaulting Shareholder**), in order to ensure compliance with this article 19.1 the A Shareholders may authorise any person to act as the Defaulting Shareholder's attorney to accept the Offer on behalf of the Defaulting Shareholder or undertake any action required either under the terms of the Offer on the part of the Defaulting Shareholder or otherwise to comply with this article 19.1. The A Shareholders may in particular authorise any person to execute a transfer of any Shares in the Company held by the Defaulting Shareholder in favour of the Offeror (or its nominee) and the authorised person may give a good receipt for the purchase price of such Shares and the Company may register the Offeror (or its nominee) as holder thereof and issue to it certificates for the same. The Remaining Shareholders (including any Defaulting Shareholder) shall in such case be bound to deliver up their certificate(s) for their Shares to the Company whereupon they shall be entitled to receive the purchase price for such Shares which shall in the meantime be held by the authorised person on trust for them, but without interest. After the name of the Offeror (or its nominee) has been entered in the register of members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

## 19.2. "Tag Along"

19.2.1 The A Shareholders may only accept the Offer if:

19.2.1.1 the A Shareholders despatch a notice within 30 days of accepting the Offer notifying all the Remaining Shareholders of the main terms of the Offer and that they have indicated a wish to accept the Offer as permitted by this article, such notice to

constitute a warranty and representation by the A Shareholders to the Remaining Shareholders that the Offer and the A Shareholders' acceptance of it is bona fide in all respects to the best of the A Shareholders' knowledge, information and belief;

19.2.1.2 the Offeror has made a binding written offer to the Remaining Shareholders at the same price per share (subject to the provisions of article 19.3.2) and on terms that are not worse than those in the Offer that is kept open for at least 30 days from delivery of the notice sent by the A Shareholders to the Remaining Shareholders; and

19.2.1.3 the period mentioned in article 19.2.1.2 has elapsed or all Remaining Shareholders have accepted or completed the offer made to them.

### 19.3. Application of Drag Along (19.1) and Tag Along (19.2)

19.3.1 For the avoidance of doubt, in circumstances where this article 19 applies no transfer notice shall need to be served in respect of such proposed transfers and the provisions of this article 19 shall apply in preference to the other provisions of these articles dealing with the transfer of Shares.

19.3.2 Where an offer is received in accordance with articles 19.1.1 or 19.2.1.2 and there are outstanding amounts due to the Company, pursuant to the provisions of article 4B (in respect of the allotment of such B Shares, as partly paid shares), then the price per B Share shall be reduced by such an amount (if any) as remains outstanding and such reduction shall instead be paid directly to the Company.

## 20. TRANSFER OF SMALL A SHAREHOLDINGS

20.1. The following definitions apply for the purposes of this article 20:

20.1.1 **Proposing Transferor:** any member other than Maurizio Lapi or Chabrun Investissements S.A. proposing to transfer any amount of A Shares in the Company.

20.1.2 **Transfer Notice:** a notice given by a Proposing Transferor indicating his or

her desire to transfer A Shares in the Company and specifying the number of A Shares and price per A Share which in his or her opinion constitutes fair value for those A Shares;

20.1.3 **Sale Shares:** means the A Shares in the Company that are the subject of a Transfer Notice.

20.2. A Proposing Transferor shall give a Transfer Notice to the Company when he or she wishes to transfer any of his or her A Shares in the Company.

20.3. The Transfer Notice shall constitute the Company the agent of the Proposing Transferor for the sale of the Sale Shares.

20.4. The Sale Shares shall be offered to the member holding A Shares from whom the Sale Shares were originally transferred and at the price that is the lower of the price specified in the Transfer Notice and the fair value of each Sale Share (and the fair value of the Sale Shares shall be determined in the same manner as set out in articles 18.10 to 18.12 (inclusive)) and he shall have 30 days after receipt of the certificate of the Auditor to accept such offer and if he does accept such offer then the Company shall notify the Proposing Transferor of that fact and upon such notice the Proposing Transferor shall be bound to transfer the Sale Shares to such person on a date to be agreed between them but in any event no later than 28 days after service of his notice.

20.5. If in any case the Proposing Transferor, after having become bound to transfer the Sale Shares, makes default in transferring any Sale Shares, the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such Sale Shares in favour of the Company or purchasing member as the case may be. The receipt of the Company for the purchase money shall be a good discharge to the purchasing member. The Company shall pay the purchase money into a separate bank account.

20.6. If the person to whom the Sale Shares are offered does not notify the Proposing Transferor that he wishes to accept such offer in the 30 day period specified in article 20.4 then the A Shares held by the Proposing Transferor shall be freely transferable (at not less than the lower of fair value as determined by the Auditor and the amount specified in the Transfer Notice), during the period of 6 months thereafter following the expiry of the time so specified.

20.7. In the application of articles 27 to 29 inclusive of the Model Articles to A Shares in the Company in respect of the persons defined as Proposing Transferors in this article:

20.7.1 any person becoming entitled to any number of A Shares in consequence of the death or bankruptcy of a member shall give a Transfer Notice before he elects in respect of any share to be registered himself or to execute a transfer; and

20.7.2 if a person so becoming entitled has not given a Transfer Notice in respect of any shares within six months of the death or bankruptcy, the Directors may at any time after that, upon resolution passed by them, give notice that such person shall be deemed to have given a Transfer Notice relating to those A Shares in respect of which he has still not given a Transfer Notice.