

Company number: 09315365



**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION  
OF  
EGNEDOL WALES LIMITED**  
(Adopted by a special resolution passed on  
*25<sup>th</sup> September* 2020)

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## **CONTENTS**

1	INTRODUCTION	1
2	DEFINITIONS	1
3	POWER TO ISSUE DIFFERENT CLASSES OF SHARE	6
4	CLASSES OF SHARES	6
5	INCOME	6
6	RETURN OF CAPITAL	6
7	VARIATION OF RIGHTS	7
8	NEW ISSUES	7
9	SHARE TRANSFERS	8
10	PERMITTED TRANSFERS	9
11	PRE-EMPTION RIGHTS	10
12	TAG ALONG RIGHTS	11
13	DRAW ALONG RIGHTS	12
14	DECISION MAKING BY DIRECTORSNUMBER OF DIRECTORS	14
15	PARTICIPATION IN DIRECTORS' MEETINGS	14
16	QUORUM AND VOTING FOR DIRECTORS' MEETINGS	15
17	DIRECTORS' WRITTEN RESOLUTIONS	15
18	TRANSACTIONS WITH THE COMPANY	15
19	DIRECTORS' INTERESTS	16
20	APPOINTMENT OF DIRECTORS	16
21	TERMINATION OF DIRECTOR'S APPOINTMENT	16
22	ALTERNATE DIRECTORS	16
23	DIRECTORS' REMUNERATION AND OTHER BENEFITS	18
25	VOTING - GENERAL	19
26	PROCEEDINGS AT GENERAL MEETINGS	19
27	POLL VOTES	20
28	DELIVERY OF PROXY NOTICES	20
29	CHANGE OF NAME	20
30	MEANS OF COMMUNICATION	20
31	WINDING UP	20

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**1 INTRODUCTION**

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the **Model Articles**) shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles:
- 1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
  - 1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa; and
  - 1.3.3 Articles 8(2), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, and 51 of the Model Articles shall not apply to the Company.

**2 DEFINITIONS**

- 2.1 In these Articles the following words and expressions shall have the following meanings:

<b>Act</b>	means the Companies Act 2006 (as amended from time to time);
<b>Affiliate</b>	means any group undertaking of a Shareholder;
<b>Asset Sale</b>	means the disposal by the Company of all or substantially all of its undertaking and assets;

<b>Auditors</b>	means the auditors of the Company from time to time;
<b>Available Profits</b>	profits available for distribution within the meaning of part 23 of the Act;
<b>Board</b>	means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;
<b>Business Day</b>	means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
<b>Capital Event</b>	means a Share Sale, a Listing or a winding up or other return of capital;
<b>Company</b>	means Egnedol Wales Limited (company number: 09315365);
<b>Connected Person</b>	means a person connected with another within the meaning of sections 1122 and 1123 of the Corporation Tax Act 2010;
<b>Controlling Interest</b>	an interest in Shares giving the holder or holders control of the Company within the meaning of Section 1124 of the Corporation Tax Act 2010;
<b>Date of Adoption</b>	means the date on which these Articles were adopted;
<b>Director(s)</b>	means a director or directors of the Company from time to time;
<b>Eligible Director</b>	means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;
<b>Encumbrance</b>	means any mortgage, charge, restriction, right to acquire or other third party right or encumbrance of whatever nature;
<b>Fair Value</b>	is as determined in accordance with Article 11;
<b>Group</b>	means the Company and its Subsidiary Undertaking(s) (if any) from time to time and "Group Company" shall be construed accordingly;

<b>Investor:</b>	means a person designated as an "Investor" under the terms of any Relevant Agreement;
<b>Investor Consent:</b>	means the written consent or approval of the Investor;
<b>Investor Director</b>	means a director appointed by any Investor in accordance with any Relevant Agreement;
<b>Listing</b>	means: <ul style="list-style-type: none"> <li>a) the admission of all or any of the Company's (or any member of the Group's) equity shares to trading on the London Stock Exchange plc's markets for listed securities becoming effective; or</li> <li>b) the admission of all or any of the Company's (or any member of the Group's) equity shares to trading on any other public securities market (including the Alternative Investment Market of the London Stock Exchange plc or any successor market) becoming effective;</li> </ul>
<b>Market Value</b>	means the market value of the Shares concerned on the following assumptions and basis: <ul style="list-style-type: none"> <li>a) to disregard the rights and restrictions attached to the Shares in respect of income, capital and transfer;</li> <li>b) to assume that the sale is on an arms' length basis between a willing vendor and a willing purchaser;</li> <li>c) to disregard whether or not the Shares represent a minority or majority interest; and</li> <li>d) to take no account of whether the Shares do or do not carry control of the Company.</li> </ul>
<b>New Shares</b>	means any Shares or rights to subscribe for or to covert into Shares which, in either case, the Company proposes to allot or grant (as the case may be) after the Date of Adoption;

<b>Permitted Transfer</b>	means a transfer of Shares in accordance with Article 10;
<b>Permitted Transferee</b>	means a person who holds Shares pursuant to a Permitted Transfer in accordance with Article 10;
<b>Relevant Agreement</b>	means any agreement between the Shareholders of which the Company has notice and which (expressly or by implication) supplements and/or prevails over any provision of these Articles;
<b>Relevant Shares</b>	has the meaning given in Article 9.7;
<b>Sale</b>	means a Share Sale or an Asset Sale;
<b>Share Sale</b>	means the sale of any Shares to any person pursuant to a transaction or series of transactions resulting in that person together with any Connected Persons or person acting in concert (as defined in the City Code on Takeovers and Mergers) holding a Controlling Interest in the Company, and persons who are holders of Shares at the Date of Adoption shall not be deemed to be acting in concert with each other;
<b>Shareholder</b>	means a registered holder of any Shares as recorded in the Company's register of members from time to time;
<b>Shares</b>	means the ordinary shares of £0.01 each in the share capital of the Company
<b>Transfer Notice</b>	means any notice given or served or deemed to have been given or served by a Shareholder in accordance with these Articles;
<b>Tag Offer:</b>	has the meaning given in Article 12.1;
<b>Tag Offeror:</b>	has the meaning given in Article 12.1; and
<b>Tag Seller:</b>	has the meaning given in Article 12.1.
2.2	Words and phrases which are defined or referred to in or for the purposes of the Act as it is in force on the Adoption Date shall have the same meanings in these Articles (unless otherwise expressly defined in these Articles).
2.3	In these Articles, (unless the context otherwise requires):
2.3.1	words which refer to the singular number include the plural number and vice versa, words which refer to one gender include all genders, and words which refer to persons include bodies corporate and unincorporated associations;

- 2.3.2 reference to a statute or a statutory provision includes reference to:
- (a) the statute or statutory provision as modified or re-enacted or both from time to time; and
  - (b) any subordinate legislation made under the statutory provision (as modified or re-enacted as set out above);
- 2.3.3 reference to an Article is to a provision of these Articles;
- 2.3.4 reference to a **transfer** of Shares or any similar expression will be deemed to include (without limitation):
- (a) any sale or other disposition of the legal or equitable interest in a Share (including any voting right attached to a Share) (**Interest**);
  - (b) the creation of any Encumbrance over any Interest;
  - (c) any direction by a Shareholder entitled to an allotment or issue of Shares that a Share be allotted or issued to some person other than himself; and
  - (d) any grant of an option to acquire either or both of the legal and equitable ownership of any Share by any Shareholder entitled to any such Share;
- 2.3.5 reference to a **group undertaking** means, in relation to any undertaking, its holding company (if any) and its subsidiaries (as such terms are defined by sections 1159 and 1161 of the Act) and any other subsidiaries of its holding company; and
- 2.3.6 reference to **written** or in **writing** includes any method of representing or reproducing words in a legible form.
- 2.4 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, whether in relation to Market Value of any Shares or otherwise will be referred promptly to the Auditors for final determination. If the Auditors decline to act in respect of any such referral, or if there are no Auditors, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within 5 Business Days after the Auditors have declined to act, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbitrator and their costs will be borne as directed by the Article in question or, if the Article is silent on the point, as directed by the Auditors/independent accountants. In the absence of any such direction, such costs will be borne equally between the parties concerned. The written certificate of the Auditors/independent accountants (as the case may be) will be conclusive and binding on the Company and the Shareholders (except in the case of fraud or manifest error).

- 2.5 The headings in these Articles are included for convenience only and do not affect the meaning of these Articles.
- 2.6 Where, for any purpose, an ordinary resolution of the Company is required, a special resolution is also effective for that purpose.

## **SHARES**

### **General Provisions**

#### **3 POWER TO ISSUE DIFFERENT CLASSES OF SHARE**

- 3.1 Subject to these Articles, but without prejudice to the rights attached to any existing share, the Company may issue and any other Shares with such rights or restrictions as may be determined by ordinary resolution (including for the avoidance of doubt, rights to income and/or capital ranking in priority, *pari passu* or otherwise to any other class of Shares).
- 3.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder.

#### **4 CLASSES OF SHARES**

Except as otherwise provided in these Articles, the Shares shall rank *pari passu* in all respects.

#### **5 INCOME**

Any Available Profits shall be distributed among the holders of the Shares *pro rata* to their respective holdings of Shares.

#### **6 RETURN OF CAPITAL**

- 6.1 On any Capital Event the total of all and any form of consideration received or receivable by the Shareholders at any time in respect of the Shares held by them, or which, in the case of a Share Sale, are the subject of a Share Sale shall be allocated between them so as to ensure the total of all or any form of consideration received or receivable by them will be applied to the holders of the Shares *pro rata* to the number of Shares respectively held by.
- 6.2 If a Listing occurs, the provisions of Article 6.1 shall apply *mutatis mutandis* to the value attributable to the Shares for the purpose of any reorganisation of the Company's share capital for the purpose of the Listing.
- 6.3 Any return on any Shares of a particular class will be made amongst their holders *pro rata* as nearly as possible to their respective holdings of Shares of that class.



## **7 VARIATION OF RIGHTS**

- 7.1 Subject to any Relevant Agreement in force among the Shareholders for the time being that is binding on the Company, the rights attached to the Shares may, in each case, be altered or abrogated (whether or not the Company is being wound up) only with:
- 7.1.1 the prior consent in writing of the holders of 75 per cent or more of that class;
  - 7.1.2 by a special resolution passed at a separate general meeting of the holders of the Shares of that class; or
  - 7.1.3 by a written resolution of the holders of not less than 75 per cent in nominal value of the Shares of that class.
- 7.2 Without prejudice to the general effect of Article 7.1, the following will be deemed to constitute a variation of the rights attached to the Shares:
- 7.2.1 any alteration, increase, reduction, subdivision or consolidation of the Company's share capital or any other variation of any of the rights attached to any of the Shares; or
  - 7.2.2 the reduction in the amount, if any, standing to the credit of the share premium account or capital redemption reserve fund of any Group Company, except as expressly provided in or permitted by these Articles.

### **Issue of Shares**

## **8 NEW ISSUES**

- 8.1 Any New Shares will be offered by the Directors for subscription to the holders of the Shares in such proportions as is equal (as nearly as possible) to the proportion of Shares held by them respectively at that time.
- 8.2 The offer will be made by notice specifying the number and class of Shares offered, the price per Share, and a time (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined. At the end of that period or, if earlier, on the receipt of an indication from the person(s) to whom such notice is given that he/they decline(s) to accept some or all of the Shares so offered, the Directors will offer the declined Shares in the same proportions to the holders of Shares who have accepted all the Shares initially offered to them. This further offer will be made in the same manner as the original offer but may, at the discretion of the Directors, be limited to a period of 7 days after which it will (to the extent that any Shares remain unaccepted) be deemed to have been withdrawn
- 8.3 Any Shares not taken up at the end of the procedure set out in Articles 8.1 and 8.2 may be offered by the Directors to a third party and such Shares will be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms as they think fit. However, subject to any Relevant Agreement in force among the Shareholders for the time being that is binding on the Company:

- 8.3.1 no Shares will be issued at a discount;
  - 8.3.2 no Shares will be issued more than 3 months after the end of the period for acceptance of the last offer of such Shares under Articles 8.1 and 8.2 unless the procedure set out in those Articles is repeated in respect of such Shares; and
  - 8.3.3 no Shares will be issued on terms which are more favourable than those on which they were offered to the Shareholders.
- 8.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (within the meaning of section 560 of the Act) by the Company.
- 8.5 If, due to any inequality between the number of New Shares to be issued and the number of Shares held by Shareholders entitled to have the offer of New Shares made to them, any difficulty arises in the apportionment of any such New Shares amongst the Shareholders, such difficulties will be determined by the Board.

#### **Transfer and Transmission of Shares**

### **9 SHARE TRANSFERS**

- 9.1 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 9.2 Subject only to Article 9.3, the Directors shall register promptly any transfer of Shares made in accordance with Articles 10 to 12 (to the extent applicable), but shall refuse to register any transfer of Shares not so made.
- 9.3 The Directors may refuse to register the transfer of a Share if:
- 9.3.1 the transfer is not lodged at the Company's registered office or such other place as the Directors have appointed; or
  - 9.3.2 the transfer is not accompanied by the certificate for the Shares to which it relates, or such other evidence as the Directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf.
- 9.4 If the Directors refuse to register the transfer of a Share, they shall:
- 9.4.1 send to the transferee notice of refusal, together with the reasons for the refusal, as soon as practicable and in any event within two months of the date on which the instrument of transfer was lodged with the Company; and
  - 9.4.2 return the instrument of transfer to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 9.5 The Directors may, as a condition to the registration of any transfer of Shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any Relevant Agreement (including any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company) in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 9 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 9.6 To enable the Directors to determine whether or not there has been a transfer of Shares in the Company in breach of these Articles, the Directors of any class may from time to time require any Shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a Shareholder fails to provide information or evidence in respect of any Shares registered in its name to the reasonable satisfaction of such Directors within 14 days of their request, such Directors may serve a notice on the Shareholder stating that the Shareholder shall not in relation to those Shares be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of Shares of that class, or to vote on a written resolution of the Shareholders or to receive dividends on the Shares until such evidence or information has been provided to the Directors' satisfaction. Such Directors may reinstate these rights at any time.
- 9.7 If a Shareholder defaults in transferring Shares to be transferred pursuant to these articles of association (the **Relevant Shares**), the defaulting Shareholder will be deemed to have irrevocably appointed any Director to be his agent to execute, complete and deliver a transfer of the Relevant Shares in favour of the proposed purchaser against receipt by the Company of the consideration due for the Relevant Shares. The Company's receipt of the consideration will be a good discharge to the purchaser, who will not be bound to see its application. The Company will hold the consideration on trust for the relevant Shareholder(s) without any obligation to pay interest. Subject to stamping, the Directors will without delay register the transfer(s), after which the validity of such proceedings will not be questioned by any person. Each Shareholder will surrender his share certificate(s) (or, where appropriate provide an indemnity in respect of (it) (them) in a form satisfactory to the Directors) although it will be no impediment to registration of Shares under this Article that no share certificate has been produced. On such surrender or provision, the defaulting Shareholder(s) will be entitled to the consideration for the Relevant Shares transferred on his or its behalf, without interest.

## 10 PERMITTED TRANSFERS

- 10.1 The legal or beneficial interest in any Share may at any time be transferred:
- 10.1.1 with the consent of all of the Shareholders; or

- 10.1.2 to any person pursuant to Article 11 (*Pre-Emption Rights*), to a Tag Offeror pursuant to Article 12 (*Tag Along Rights*) or pursuant to Article 13 (*Drag Along Rights*); or
  - 10.1.3 in accordance with any Relevant Agreement; or
  - 10.1.4 in the case of any Shares transferred pursuant to this Article 10.1, back to the original transferor or to any other person to whom the original transferor, if it still held such Shares, would have been able to transfer them under this Article 10.1.
- 10.2 In the event that any person to whom Shares are transferred pursuant to Article 10.1 ceases to be within the required relationship to the original holder of such Shares, the holder of such Shares shall without delay notify the Company that such change of relationship has occurred and transfer such Shares back to the Shareholder who originally held them or to such other person if any (designated by such original Shareholder) to whom such original Shareholder, if it still held such Shares, would have been able to transfer them under Article 10.1. If the holder of such Shares fails to transfer the Shares pursuant to this Article 10.2 within 10 Business Days of such change of relationship, the provisions of Article (references therein to the holder, Relevant Shares, transferee and documents being construed in accordance with the provisions of this Article) shall apply *mutatis mutandis*.
- 10.3 In the event of bankruptcy or insolvency (**Insolvency Event**) in relation to any Shareholder (an **Affected Shareholder**), the Affected Shareholder shall without delay notify the Board of such Insolvency Event. Within 10 days of the date on which such notice is received by the Board (or the date on which the Board becomes aware of the Insolvency Event if the Affected Shareholder fails to give such notice) the Board may in its absolute discretion but acting with Investor Consent (which consent may be given subject to conditions or restrictions) require the Affected Shareholder to transfer some or all of his Shares to such person(s) as the Board shall determine. The price at which such Shares shall be transferred shall be the Market Value as at the Business Day immediately following the occurrence of the relevant Insolvency Event. If the Affected Shareholder defaults in transferring Shares to be transferred pursuant to this Article 10.3, the provisions of Article 9.7 (references therein to the holder, Relevant Shares, transferee and documents being construed in accordance with the provisions of this Article 10.3) shall apply *mutatis mutandis*.

## 11 PRE-EMPTION RIGHTS

- 11.1 Save where the provisions of Article 10.1.3, 10.1.4 or Article 12 apply, if a Shareholder wishes to transfer shares (a “**seller**”) he or it must serve notice on the Directors (a “**transfer notice**”) specifying the number of Shares he or it wishes to transfer (the “**sale shares**”), details of the proposed transferee and whether he or it is willing to sell some only of these Shares, any such sale being at the Fair Value of the sale shares. Once a transfer notice is served, the seller cannot withdraw it other than in the circumstances described in Article 11.4 below.

11.2 **"Fair Value"** means either:

11.2.1 the price per sale share as agreed in writing between the Directors (acting with Investor Consent) and a seller in respect of the relevant sale shares; or, in the absence of any such agreement,

11.2.2 the Market Value of the sale shares determined in accordance with Article 2.4.

11.3 If the Directors (acting with Investor Consent) and the seller agree the Fair Value of the sale shares in accordance with Article 11.2.1 then the Directors must procure that they are offered to the other Shareholders promptly on agreeing the price.

11.4 If the Fair Value is determined in accordance with Article 11.2.2, the seller must, within 7 days from receipt of the Auditor's or independent accountant's determination, by notice to the Directors either accept the price so determined (at which point the price for the sale shares is agreed) or reject it (whereupon the sale process shall be at an end and the seller shall be responsible for all the Auditor's or independent accountant's costs).

11.5 The sale shares must be offered to the other Shareholders in proportion to their existing holdings and if a Shareholder does not wish to buy all of the Shares offered to him or it then any balance(s) must be offered proportionately to the holdings to those who do. The Directors have 28 days from the date of agreeing the price in accordance with Article 11.3 or Article 11.4 to carry out this offer process and obtain commitments to buy from Shareholders. At the end of it, the seller must sell the sale shares to those who have committed to buy, unless he stated in the transfer notice that he or it was only willing to sell all the sale shares and he or it only has commitments for some of them.

11.6 If the Company or the existing Shareholders have not committed to buy all the sale shares under Article 11.1 above, then the seller may transfer the balance or, if the seller stated in the original notice that he or it was only willing to sell all the sale shares and the Directors only have commitments for some of them from existing Shareholders, all the sale shares to the third party named in the transfer notice for a price not less than the Fair Value during a subsequent 90 day period.

11.7 The Directors must register a transfer properly effected in accordance with the provisions of this Article and if the seller fails to execute any purchase contract with the Company or share transfer necessary to implement the provisions of this Article 11, then the Directors may authorise the company secretary or some other person to execute such document and receive any consideration monies due in trust for the seller and their receipt shall be a good discharge to the Company or any other purchaser.

12 **TAG ALONG RIGHTS**

12.1 If the legal or beneficial interest in a Controlling Interest is proposed to be transferred by one or more Shareholders (the **Tag Seller(s)**) to a person or persons that are not Permitted Transferees of such Tag Seller(s) (the **Tag Offeror**), such Tag Seller(s) will

not be entitled to transfer any such Shares and no such Shares shall be capable of being purchased or transferred unless the Tag Offeror shall have offered (the **Tag Offer**) to purchase from each other Shareholder such proportion of Shares held by each other Shareholder as is equal to the proportion which the Shares being sold by the Tag Seller(s) bears to the total holding of Shares (including the Shares to be sold) held by the Tag Seller(s).

12.2 The Tag Offer will be made on the terms set out in Article 12.3 (unless, in the case of a particular Shareholder, less favourable terms are agreed by the Tag Offeror with that Shareholder).

12.3 The terms of the Tag Offer will be that:

12.3.1 it will be open for acceptance for not less than 30 Business Days from the date on which the Tag Offeror makes a Tag Offer, and will be deemed to have been rejected if not accepted during such period;

12.3.2 the value of such consideration will be equivalent to that offered by the Tag Offeror to the Tag Seller(s), save that in the case where the transfer amounts to a Share Sale, Article 6 (*Return of Capital*) shall apply to the allocation of the consideration amongst the Shares.

For the purposes of this Article 12.3, where a Tag Seller is being offered securities by way of consideration, the value of consideration offered to the other shareholders will be equivalent to that offered by the Tag Offeror to the Tag Seller(s) if it is cash consideration equal to the amount of the subscription price attributable to such securities, at the date of the Share Sale.

12.4 Tag Completion will take place on the same date as the date proposed for completion of the Tag Seller(s) Shares unless any other Shareholders who wish to accept the Tag Offer and the Tag Offeror agree otherwise.

12.5 Any transfer of Shares made in accordance with this Article 12 will not be subject to any other restrictions on transfer contained in these Articles.

## 13 DRAG ALONG RIGHTS

13.1 Subject to the provisions of any Relevant Agreement, after first giving a Transfer Notice and going through the procedure set out in article 11 (pre-emption rights), if the holders of 51% of the Shares in issue for the time being (**Selling Shareholders**) wish to transfer all (but not some only) of their Shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other Shareholders (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**).

13.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the

transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:

- 13.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this article 13;
  - 13.2.2 the person to whom the Called Shares are to be transferred;
  - 13.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and
  - 13.2.4 the proposed date of the transfer.
- 13.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 13.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 13.
- 13.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:
- 13.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or
  - 13.5.2 that date is less than 30 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 30 Business Day after service of the Drag Along Notice.
- 13.6 The proposed sale of the Sellers' Shares by the Selling Shareholders to the Proposed Buyer is subject to the rights of pre-emption set out in Article 11, but the sale of the Called Shares by the Called Shareholders shall not be subject to those provisions.
- 13.7 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 13.2 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.

- 13.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 13 in respect of their Shares.
- 13.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 13.7) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article 13.9.
- 13.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 13 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later that arise from or relate to the removal of the director.

## **DIRECTORS**

### **14 DECISION MAKING BY DIRECTORSNUMBER OF DIRECTORS**

The number of Directors shall be not less than six.

### **15 PARTICIPATION IN DIRECTORS' MEETINGS**

If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is. In the absence of agreement it will be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting is.



## **16 QUORUM AND VOTING FOR DIRECTORS' MEETINGS**

### *Quorum*

- 16.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 16.2 The quorum for meetings of the Directors will be four, including at least one of whom is the Investor (if then a Director) or the Investor Director (if then in office).
- 16.3 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to for 7 days and shall reconvene at the same time and place or at such time and place as determined by the Directors present at such meeting. At the adjourned meeting, a quorum shall be any two Directors and such a quorum shall be able to pass resolution of the Board.

### *Voting*

- 16.4 Decisions of the Board shall be reached by a simple majority of votes or by unanimous written resolution of the Directors.
- 16.5 Each Director shall be entitled to one vote.

## **17 DIRECTORS' WRITTEN RESOLUTIONS**

- 17.1 Notice of a proposed Directors' written resolution must indicate:
  - 17.1.1 the proposed resolution; and
  - 17.1.2 the time by which it is proposed that the Directors should adopt it, failing which the resolution shall lapse. Model Articles 17(4) and 18(2) shall not apply.
- 17.2 A proposed Directors' written resolution is adopted when a majority of the Directors who would have been entitled to vote on the resolution at a Directors' meeting, which must include the Investor Director, have signed one or more copies of it, provided that those Directors would have formed a quorum at such a meeting.

## **18 TRANSACTIONS WITH THE COMPANY**

- 18.1 Provided that he has declared to the other Directors the nature and extent of any interest of his, a Director notwithstanding his office may be a party to, or otherwise directly or indirectly interested in, any proposed or existing transaction or arrangement with the Company.
- 18.2 Provided that he has declared to the other Directors the nature and extent of any interest of his, a Director may participate in the decision-making process and count in the quorum and vote if a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which the Director is interested.

## 19 DIRECTORS' INTERESTS

19.1 Save as otherwise specified in these Articles or the Act and subject to any limitations, conditions or terms attaching to any authorisation given by the Directors for the purposes of s.175(4)(b) of the Act, a Director may vote on, and be counted in the quorum in relation to any resolution relating to a matter in which he has, or can have:

19.1.1 a direct or indirect interest or duty which conflicts, or possibly may conflict, with the interests of the Company; and

19.1.2 a conflict of interest arising in relation to an existing or a proposed transaction or arrangement with the Company.

## 20 APPOINTMENT OF DIRECTORS

20.1 The Directors:

20.1.1 may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director; and

20.1.2 shall appoint any Director in accordance with the terms of any Relevant Agreement.

## 21 TERMINATION OF DIRECTOR'S APPOINTMENT

21.1 Subject to the terms of any Relevant Agreement, in addition to the circumstances set out in Model Article 18, a person, also ceases to be a Director if the other Directors unanimously decide that his office be vacated, such decision being taken either at a meeting of such Directors or in accordance with Model Article 8 (as modified pursuant to Article 11).

## 22 ALTERNATE DIRECTORS

22.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the **Appointor**) may appoint any Director or any other person as he thinks fit to be his alternate Director to:

22.1.1 exercise that Director's powers; and

22.1.2 carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

22.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

22.3 The notice must:

22.3.1 identify the proposed alternate; and

- 22.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
- 22.4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.
- 22.5 Except as these Articles specify otherwise, alternate directors:
- 22.5.1 are deemed for all purposes to be Directors;
  - 22.5.2 are liable for their own acts and omissions;
  - 22.5.3 are subject to the same restrictions as their Appointors; and
  - 22.5.4 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.
- 22.6 A person who is an alternate Director but not a Director:
- 22.6.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
  - 22.6.2 may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).
- No alternate may be counted as more than one Director for such purposes.
- 22.7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each 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).
- 22.8 An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 22.9 An alternate Director's appointment as an alternate shall terminate:
- 22.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
  - 22.9.2 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;
  - 22.9.3 on the death of the alternate's Appointor; or

22.9.4 when the alternate's Appointor's appointment as a Director terminates.

## **23 DIRECTORS' REMUNERATION AND OTHER BENEFITS**

23.1 A Director may undertake any services for the Company that the Directors decide.

23.2 A Director is entitled to such remuneration as the Directors decide (i) for his services to the Company as Director, and (ii) for any other service which he undertakes for the Company provided that such remuneration may reasonably be considered to be on arm's length terms.

23.3 Model Article 20 shall not apply.

## **24 INDEMNITIES, INSURANCE AND FUNDING OF DEFENCE PROCEEDINGS**

24.1 This Article 24 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act. It does not allow for or provide (to any extent) an indemnity which is more extensive than is permitted by the Act and any such indemnity is limited accordingly. This Article 24 is also without prejudice to any indemnity to which any person may otherwise be entitled.

24.2 The Company:

24.2.1 may indemnify any person who is a Director of the Company; and

24.2.2 may indemnify any other person who is an officer (other than an auditor) of the Company,

in each case out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company by reason of his being or having been a Director or other officer of the Company.

24.3 The Directors may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a Director or other officer (other than an auditor) of the Company or of any associated company (as defined in s.256 of the Act) of the Company.

24.4 The Directors may, subject to the provisions of the Act, exercise the powers conferred on them by ss.205 and 206 of the Act to:

24.4.1 provide funds to meet expenditure incurred or to be incurred in defending any proceedings, investigation or action referred to in those sections or in connection with an application for relief referred to in s.205; or

24.4.2 take any action to enable such expenditure not to be incurred.

24.5 Model Articles 52 and 53 shall not apply.

## **DECISION-MAKING BY SHAREHOLDERS**

### **25 VOTING - GENERAL**

- 25.1 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles, Shares will carry votes in accordance with this Article 25.
- 25.2 Subject to articles 25.3 and 25.4, each Share will entitle its holder to receive notice of, attend and vote at any general meeting of the Company, and to receive a copy of and agree to a proposed written resolution as if each Share carried one vote per share.
- 25.3 No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it; or in respect of a written resolution which would otherwise have to be proposed at a general meeting, unless all amounts payable to the Company in respect of that share have been paid.
- 25.4 On a resolution of the Shareholders to remove any Investor Director, the Investor shall have one more vote than all of the other Shares then in issue.

### **Organisation of General Meetings**

### **26 PROCEEDINGS AT GENERAL MEETINGS**

- 26.1 The quorum for a general meeting will be two qualifying persons determined in accordance with section 318(2) and (3) of the Act.
- 26.2 A general meeting may consist of a conference between Shareholders, some or all of whom are in different places if each Shareholder who participates is able:
- 26.2.1 to hear each of the other participating Shareholders addressing the meeting; and
  - 26.2.2 if he so wishes, to address all of the other participating Shareholders simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when these Articles are adopted or not) or by a combination of those methods. A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Shareholders required to form a quorum. A meeting held in this way is deemed to take place at the place where the largest group of participating Shareholders is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. A resolution put to the vote of a meeting will be decided by each Shareholder indicating to the chairman (in such manner as the chairman may direct) whether the Shareholder votes in favour of or against the resolution or abstains. References in this Article 26 to Shareholders includes their duly appointed proxies and, in the case of corporate Shareholders, their duly authorised representatives.

- 26.3 If any meeting is adjourned because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Shareholders present will form a quorum.

**27 POLL VOTES**

A poll may be demanded by the chairman of the meeting, the Directors, or any person having the right to vote on the resolution. Article 36(2) of the Model Articles shall be modified accordingly. A demand that is withdrawn will not be taken to have invalidated the result of a show of hands declared before the demand was made. Polls must be taken immediately and in such manner as the chairman of the meeting directs.

**28 DELIVERY OF PROXY NOTICES**

- 28.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 28.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 28.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 28.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

**MISCELLANEOUS**

**29 CHANGE OF NAME**

- 29.1 The Company may change its name by special resolution.

**30 MEANS OF COMMUNICATION**

Any notice or other document sent by the Company under these Articles which is delivered or left at a registered address otherwise than by post will be deemed to have been received on the day it was so delivered or left. A notice or other document sent by the Company in electronic form will be deemed to have been received at the time it is sent. A notice sent or supplied by means of a website will be deemed to have been received by the intended recipient at the time when the material was first available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

**31 WINDING UP**

- 31.1 If the Company is wound up, the liquidator may, with the authority of a special resolution:

- 31.1.1 divide among the Shareholders in specie the whole or any part of the assets of the Company, (and may, for that purpose, value any assets and determine how the division will be carried out as between the Shareholders or different classes of Shareholders); and
  - 31.1.2 vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the Shareholders as the liquidator determines,
- but no Shareholder will be compelled to accept any assets in respect of which there is a liability.