

**MCLAREN GROUP LIMITED**  
**(Company Number 10720174)**

Minutes of a meeting of the board of directors of McLaren Group Limited (the "**Company**") held on 8 July 2022 at 15:00 hours (London time) at McLaren Technology Centre, Chertsey Road, Woking, Surrey GU21 4YH.

**PRESENT:** Paul Walsh ("**PW**")  
Shaikh Mohammed Bin Essa Al Khalifa ("**SM**")  
Sultan Ojjeh ("**SO**")  
Hisham Al Saie  
Khalid Al Rumaihi  
Roberto Aguirre ("**RA**")  
Jamie Howard (Alternate for Michael Latifi) ("**JH**")  
Omar Syed  
Ibrahim Almojel ("**IA**")  
Scott Graves ("**SG**")  
Cromwell Griffiths

**IN ATTENDANCE:** Tim Murnane (Secretary)  
Kate Ferry (CFO)

**ABSENT** Stefan Jacoby  
Michael Macht

SATURDAY



A06 13/08/2022 #311  
COMPANIES HOUSE

**1. CHAIRMAN, NOTICE AND QUORUM**

1.1 **IT WAS RESOLVED** that Paul Walsh be appointed chairman of the meeting.

1.2 The chairman reported that the meeting had been convened in accordance with the Company's articles of association (the "**Articles**") and that a quorum was present. Accordingly, the chairman declared the meeting duly convened and constituted. References to an "**Article**" in these minutes refers to an article of the Articles.

**2. BUSINESS OF THE MEETING**

2.1 As the Board was aware, the chairman reported that the Company had been in negotiations with the existing holders of the Company's Convertible Preference Shares regarding the upsizing of the Convertible Preference Share instrument in the Company's capital structure in order to provide the Company with further equity financing required in order to fill the group's liquidity needs. The chairman updated the Board that senior management had managed to reach an agreement in principle with the Company's Convertible Preference Shareholders and Ordinary Shareholders in respect of the issuance of a new class of convertible preference shares (the "**Equity Financing**").

2.2 The chairman noted that the Equity Financing is of material importance to the Company's ability to fulfil its FY22 business plan.

2.3 It was proposed that, in order to effect the Equity Financing, the Company would be required to enter into a series of transactions (the "**Proposed Transactions**") in accordance with

applicable law, the Group Shareholders' Agreement (as defined below) and the Articles. In particular, the Proposed Transactions include:

- (a) the issuance by the Company of a new class of securities in the Company, being convertible redeemable preference shares of £0.01 each in the capital of the Company, with substantially similar rights to the Company's existing Convertible Preference Shares issued in 2021, but with changed economics to reflect the change in the Company's financial position (the "**2022 Convertible Preference Shares**"); and
- (b) (in relation to the issuance of the Convertible Preference Shares), the entry by, amongst others, the Company, into an amendment and restatement of the Group Shareholders' Agreement, and the adoption by the Company of new articles of association, in each case, to reflect (among other things) the rights and obligations of the investors (in their personal capacities, and as holders of the new securities to be issued).

2.4 It was noted that the issuance of the 2022 Convertible Preference Shares had been tested commercially with the existing Convertible Preference Shareholders in order to uphold the purpose and intention of the Convertible Preference Shareholders' pre-emptive rights under the Company's existing Group Shareholders' Agreement. It was further noted that Bahrain Mumtalakat Holding Company B.S.C.(c) had agreed to take up its pre-emptive rights and to otherwise subscribe for the full issuance of 2022 Convertible Preference Shares. It was finally noted that the Company would propose that all Convertible Preference Shareholders confirm a formal waiver of the technical requirements (including as to notice periods) of the pre-emptive rights regime in the Group Shareholders' Agreement.

2.5 Accordingly, the chairman reported that the business of the meeting was to consider, and if thought fit, to approve:

- (a) the Equity Financing, including (without limitation) each of the Proposed Transactions; and
- (b) certain documents in relation to the Equity Financing (as required).

2.6 The chairman further noted that pursuant to the Amended and Restated Shareholders' Agreement dated 3 August 2021 between the Company, TAG, Mumtalakat, Favorita, Perlman, Acanitt, McKal, Nidala, the Convertible Preference Shareholders and the Senior Preference Shareholders (each as defined therein) (the "**Group Shareholders' Agreement**"), the following affirmative written consents are required from shareholders of the Company in relation to certain negative covenants to effect the proposed Equity Financing:

- (a) a Super Majority consent (as defined in the Group Shareholders' Agreement) under paragraphs 1 and 3 of Part 1 of Schedule 4; and
- (b) a CPS Majority consent (as defined in the Group Shareholders' Agreement) under paragraphs 1 and 3 of Part 4 of Schedule 4),

each a "**Consent Notice**".

### 3. **DECLARATIONS OF INTEREST**

3.1 Pursuant to section 177 or section 182 of the Companies Act 2006 (the "**Act**"), each of the directors declared the nature and extent of any interest, direct or indirect, in the business to be transacted by the meeting. It was noted that, in accordance with the Articles, each of the Voting Directors (as defined in the Articles) (other than the Group CEO and the

Independent Directors, as defined in the Articles) has been appointed by a Shareholder. PW noted his position as director of McLaren Holdings Limited ("**MHL**").

#### 4. **EQUITY DOCUMENTS**

4.1 In relation to the Equity Financing, the following documents were produced to the meeting:

- (a) a non-binding term sheet setting out the high-level terms of the 2022 Convertible Preference Shares, not designed to be signed, but reflecting the agreement in principle between the Company and the Convertible Preference Shareholders (Appendix 1);
- (b) an amendment and restatement deed to be entered into by the Company and a CPS Majority (as defined in the Group Shareholders' Agreement) effecting amendments to the Group Shareholders' Agreement as set out in the Amended Shareholders' Agreement (as defined below) (Appendix 2);
- (c) a draft amendment and restatement of the Group Shareholders' Agreement setting out, among other things, the rights and obligations of the subscribers for the 2022 Convertible Preference Shares (the "**Amended Shareholders' Agreement**") (Appendix 3);
- (d) a draft of the revised Articles proposed to be adopted to give effect to the Equity Financing, including (without limitation) addition of new articles setting out the terms and conditions of the 2022 Convertible Preference Shares, and varying the rights of the existing Convertible Preference Shares to allow for aggregation of each of the Convertible Preference Share tranches for the purposes of voting (the "**New Articles**") (Appendix 4);
- (e) a copy of the draft shareholders' written resolution of the Company setting out the resolution required to, among other matters, approve the New Articles and provide the necessary authorities for other steps contemplated by the Proposed Transactions (the "**Shareholders' Resolution**"), which also includes the Super Majority consent approval required by the Consent Notice (Appendix 5);
- (f) a copy of the draft CPS Majority Consent Notice, which includes, amongst other things, a waiver of the pre-emption rights in paragraphs 5 and 6 of Schedule 6 of the Group Shareholders' Agreement (Appendix 6); and
- (g) the template subscription letter to be given in favour of the Company and signed by the Company and each of the CPS Investors (the "**CPS Subscription Letter**") (Appendix 7),

(the documents referenced in paragraphs 4(a) to (g) (inclusive), together, the "**Documents**").

#### 5. **ISSUE AND ALLOTMENT OF THE CONVERTIBLE PREFERENCE SHARES**

5.1 The chairman then noted that:

- (a) it was proposed that the Company issue Convertible Preference Shares for an aggregate subscription price not exceeding £125,000,000 to the CPS Investors (in accordance with paragraph 5.2 below); and
- (b) upon the Shareholders' Resolution being duly passed, the directors shall be duly authorised pursuant to section 551 of the Act to exercise any power of the Company to allot the 2022 Convertible Preference Shares.

- 5.2 It was further noted that £80 million of Convertible Preference Shares would be issued immediately on completion of the Proposed Transactions and £45 million would be available for the Company to issue at the determination of the directors of the Company any time after 1 September 2022 and before 31 December 2024 and to the CPS Investors pro rata to their then existing holdings in accordance with the terms of the Subscription Letter.

## 6. SUBSCRIPTION OF SHARES IN MHL

- 6.1 It was proposed that the Company apply the remaining proceeds of the Equity Financing (after deducting the amounts due in respect of transaction costs in relation to the Equity Financing) as a subscription for 100 ordinary shares of £0.01 each in the capital of MHL (at such premium as shall be determined following the calculation of the sums available for such subscription) for the purposes of providing financing to MHL and its group undertakings (the "MHL Subscription").
- 6.2 It was noted that the completion of the MHL Subscription will follow completion of the issue and allotment of the Convertible Preference Shares (see paragraph 5 above).

## 7. APPROVALS

- 7.1 **IT WAS RESOLVED** that, after due and careful consideration, including consideration of those factors set out in section 172 of the Act, the directors were of the view that the Equity Financing, including (without limitation) each of the Proposed Transactions, were most likely to promote the success of the Company for the benefit of the members as a whole, that the Equity Financing are of material importance to the Company's ability to fulfil its FY22 business plan and to the McLaren group of companies' ability to carry on the business of the group as a going concern and as such that time is of the essence, and that:
- (a) each of the Documents be and are hereby approved;
  - (b) entry into each of the Documents would be in the best commercial interests of the Company and would be for the purpose of fulfilling its FY22 business plan;
  - (c) in resolving that the Company should enter into the Documents, each director is of the opinion that:
    - (i) they are acting in good faith to promote the success of the Company for the benefit of its members as a whole and in accordance with their other duties;
    - (ii) the Company is entering into the Documents in good faith;
    - (iii) the Company is acting for the purpose of carrying on its business; and
    - (iv) there are reasonable grounds for believing that entering into the Documents to which the Company is a party will materially benefit the Company, including in particular by putting the Company in the best position possible with respect to maintaining the business of the McLaren group as a going concern;
  - (d) any director (including their alternate), officer or authorised signatory of the Company be authorised to do all such acts and things and agree and execute (by whatever means, including electronically) the Documents and all such documents, certificates and notices and other communications as may be required in connection with, or as may be necessary to complete, the Equity Financing and the Proposed Transactions and which are required by hand only;
  - (e) any of the Documents required to be executed by the Company as a deed be so executed by the signing thereof by two directors or a director (including any

respective alternate) and the secretary or by the signature of a director duly witnessed; and

- (f) pursuant to section 323 of the Act, any director of the Company be appointed a corporate representative of the Company at any meeting of shareholders or for the purpose of executing a shareholders' resolution of any company of which the Company is a member from time to time and, at his or her discretion, may exercise the powers of the Company as he or she may think fit in relation to any such company in connection with the Documents.

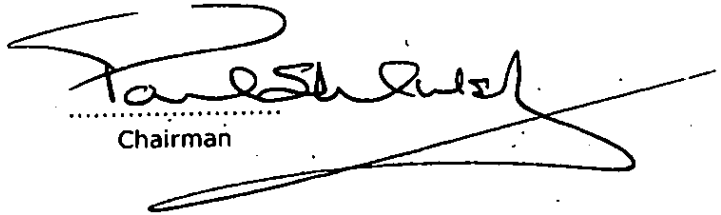
It was noted that:

- (g) JH and RA were not supportive of the amendments to the Amended Shareholders' Agreement and did not vote in favour of the resolutions as a result.
- (h) IA and SG abstained from voting on the resolutions.

7.2 **IT IS FURTHER RESOLVED** that, to the extent that any acts and/or things have already been implemented or carried out by or on behalf of the Company in connection with the matters approved by these resolutions connected with the Documents (as the same may be amended or altered), such acts and/or things be and are hereby authorised and ratified.

8. **CLOSE**

There being no further business, the chairman declared the meeting closed.

  
Chairman