

SH10

Notice of particulars of variation of rights attached to shares

FRIDAY



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20/07/2018 #105
COMPANIES HOUSE

☒ **What this form is for**
You may use this form to give notice of particulars of variation of rights attached to shares.

☒ **What this form is NOT for**
You cannot use this form to give notice of particulars of variation of class rights of members of a company without share capital. To do this, please use form SH12.

1 Company details

Company number 1 1 4 4 2 7 1 0

Company name in full Chaplin Topco Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2 Date of variation of rights

Date of variation of rights d 1 3 m 0 7 y 2 0 y 1 8

3 Details of variation of rights

Please give details of the variation of rights attached to shares.

Variation

The rights of the A Ordinary Shares have been varied to the following (please see continuation page):

Continuation pages
Please use a continuation page if you need to enter more details.

4 Signature

I am signing this form on behalf of the company.

Signature

Signature

X

X

This form may be signed by:

Director ①, Secretary, Person authorised ②, Administrator, Administrative receiver, Receiver, Receiver manager, Charity commission receiver and manager, CIC manager.

① Societas Europaea

If the form is being filed on behalf of a Societas Europaea (SE), please delete 'director' and insert details of which organ of the SE the person signing has membership.

② Person authorised

Under either Section 270 or 274 of the Companies Act 2006.

3.	Details of the variation of rights attached to shares.
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CHAPLIN TOPCO LIMITED

COMPANY NUMBER: 11442710

2. DEFINITIONS AND INTERPRETATION

2.1 In these Articles the following expressions shall have the following meanings:

A Growth Shares means the A growth shares of £[0.0001] each in the capital of the Company.

A Ordinary Shares means the A ordinary shares of £[0.001] each in the capital of the Company.

Accepting Shareholders shall be as defined in Article 14.2.

Act means the Companies Act 2006.

Acquisition Issue means an issue of Securities to a third party (who is not, for the avoidance of doubt, an existing Security Holder or an Investor Related Party) by way of consideration in respect of an acquisition of the shares, assets or undertaking of any entity approved by the Majority Investors (acting by Investor Consent), provided always that the dilutive effect of such issue does not have a Disproportionate Economic Effect on any existing holders of Securities.

Adoption Date means the date of adoption of these Articles.

Assets Sale means a sale by the Company or any other member of the Group of all or substantially all of the Group's business, assets and undertaking to a single buyer or to one or more buyers as part of a single transaction or series of connected transactions (other than as part of a Reorganisation).

Available Profits means profits available for distribution within the meaning of the Act.

B Growth Shares means the B growth shares of £[0.0001] each in the capital of the Company.

B Growth Share Priority Return means, in respect of a B Growth Share, an amount equal to the aggregate amount of the dividends paid on an A Growth Share during the period from the Completion Date until the date of the Capital Return.

B Ordinary Shares means the B ordinary shares of £[0.0001] each in the capital of the Company.

Bad Leaver shall be as defined in Article 13.6.2.

Bidco means Chaplin Bidco Limited, a company registered in England and Wales with company number 11442932.

Board means the board of directors of the Company (or any duly authorised committee thereof) from time to time.

Breach Date means:

- (a) in respect of a Leaver who is classified as a Bad Leaver pursuant to Article 13.6.2(a) or 13.6.2(b), the date on which such person became a Bad Leaver; or
- (b) in respect of a Leaver who is classified as a Bad Leaver pursuant to Article 13.6.2(c) the date on which the Majority Investors reasonably believe such person first took any action referred to in Article 13.6.2(c).

Bridging Loan Note Instrument means the loan note instrument constituting the Bridging Loan Notes, executed by Bidco and dated on or around the Completion Date.

Bridging Loan Notes means the £30,000,000 5% unsecured loan notes 2019 constituted by the Bridging Loan Note Instrument or, as the case may be, the amount of such notes from time to time issued and outstanding, and references to a "Bridging Loan Note" shall be construed accordingly.

Business Day means any day other than a Saturday, Sunday or English bank or public holiday.

Buyer Group means the Proposed Buyer and its subsidiary undertakings, its parent undertaking (whether direct or indirect) and any other subsidiary undertakings of such parent undertaking at the relevant time.

Capital Return shall be as defined in clause 6.1.

Capital Surplus shall be as defined in clause 6.1.

C Growth Shares means the C growth shares of £[0.020] each in the capital of the Company.

C Ordinary Share Priority Return means, in respect of a C Ordinary Share, an amount equal to the aggregate amount of the dividends paid on an A Ordinary Share during the period from the Completion Date until the date of the Capital Return.

C Ordinary Shares means the C ordinary shares of £[0.0001] each in the capital of the Company.

Company means Chaplin Topco Limited, a company registered in England and Wales with company number 11442710.

Company Redemption Notice shall be as defined in Article 8.2.

Company's website means any website operated or controlled by the Company which contains information about the Company.

Completion Date means [•] 2018.

Confidential Information shall be as defined in Article 20.4.

Default Event shall mean any of the following:

- (a) failure by the Company to pay any Fixed Preference Dividend on the relevant due date without Investor Consent (irrespective of whether such dividend would be unlawful or would be incapable of payment by virtue of Article 26 (Overriding Provisions) save where there are sufficient available funds within the Group to make such payment but, due to there being an obstacle to up-streaming distributable reserves as a result of the capital structure in place in respect of the Company, Midco or Bidco, it is unlawful for such payment to be made);
- (b) failure by Bidco or any other Group Company to pay any amount due in respect of the Bridging Loan Notes or other Securities (whether interest or principal) within 5 Business Days of the relevant due date without Investor Consent (irrespective of whether such payment would be prohibited by virtue of Article 26 (Overriding Provisions));
- (c) the proposal of a resolution: (i) for a Winding-Up; (ii) for a reduction in the capital of the Company; or (iii) varying any of the rights attaching to the Preference Shares and/or A Ordinary Shares, in each case without Investor Consent; or
- (d) any member of the Group being, or, in the reasonable opinion of the Majority Investors (acting by Investor Direction), having no reasonable prospect of avoiding becoming, in material breach of any provision of any of the Equity Documents and/or any Financing Documents (and for this purpose no account shall be taken of any waiver given in respect of any such breach by any person or any standstill agreement or similar arrangements with any person).

Deferred Shares means the deferred shares in the capital of the Company.

Defaulting Shareholder shall be as defined in Article 11.3.

Director means a director of the Company from time to time.

Director Interest shall be as defined in Article 20.3.

Disproportionate Economic Effect means an adverse effect on the rights attaching to Securities of a particular class held by a Shareholder where there is no equivalent and/or proportionate effect (as appropriate) on the rights attaching to the Securities of the same, or an equivalent, class held by the other Shareholders (and for these purposes the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares shall be deemed to be Shares of the same class and the A Growth Shares, B Growth Shares and C Growth Shares shall be deemed to be Shares of the same class), provided that in no circumstances shall: (i) the effect of the

application of, in each case in accordance with their terms, the provisions of Article 5 (Dividend Rights), Article 6 (Return of Capital), Article 7 (Voting), Article 13 (Leavers), Article 14 (Drag Along), Article 15 (Tag Along); and/or (ii) the issue of any Securities in accordance with Article 4 (Share Issues), be treated as having a Disproportionate Economic Effect.

Dividend Participation Percentage means:

- (a) in respect of an A Ordinary Share and/or a B Ordinary Share, 100%; and
- (b) in respect of an A Growth Share or a C Growth Share:
 - (i) at any time prior to the first anniversary of the Completion Date, 0%;
 - (ii) at any time on or after the first anniversary of the Completion Date but prior to the second anniversary of the Completion Date, 33.33%;
 - (iii) at any time on or after the second anniversary of the Completion Date but prior to the third anniversary of the Completion Date, 66.66%;
 - (iv) at any time on or after the third anniversary of the Completion Date, 100%.

Drag Completion Date shall be as defined in Article 14.5.

Drag Notice shall be as defined in Article 14.5.

Employee Trust means any trust established, with Investor Consent, to enable or facilitate the holding of Securities by, or for the benefit of, all or most of the bona fide employees of any Group Company.

Equity Documents means these Articles, the Investment Agreement, the Bridging Loan Note Instrument and any instrument or agreement under which any other Security has been issued and/or constituted.

Equity Shares means the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares, A Growth Shares, B Growth Shares, C Growth Shares and any other class of equity securities in issue from time to time.

Excluded Notice means a Sale Notice, or a notice to a Defaulting Shareholder under Article 10.3 or a notice to appoint or remove a Director under Article 21 (Appointment and Removal of Directors).

Exit means a Sale, Assets Sale, Listing or Winding-Up.

Fair Price shall be as defined in Article 13.6.5.

Family Member means, in relation to a Relevant Employee, his spouse, civil partner and/or any one or more of his children (including step-children).

Family Trust means, in relation to a Relevant Employee, a trust or settlement set up wholly for the benefit of that person and/or his Family Members including a self-invested personal pension scheme which is a registered scheme within the meaning of the Finance Act 2004.

Final Leaving Date shall be as defined in Article 13.2.

Financing Documents means any agreement entered into after the Completion Date by any Group Company with an Investor or a third party lender for the provision of debt and other facilities together with the associated security documents and intercreditor deed referred to therein in such case as amended, supplemented, novated or replaced from time to time.

First Threshold shall be as defined in clause 6.1.2.

Fixed Preference Dividend means, in respect of each Preference Share, a fixed cash cumulative dividend at the rate per annum of 8 per cent on the Issue Price of such Preference Share.

Further Drag Shares shall be as defined in Article 14.8.

Further Leaver Interests shall be as defined in Article 13.10.

Garden Leave shall mean any period during which any Group Company shall (with Investor Consent), in respect of an employee and pursuant to the service agreement between the relevant Group Company and that employee cease or have ceased to provide that employee with work and withdraw or have withdrawn his right of access to any premises of the relevant Group Company following notice of termination being given by the relevant Group Company or the employee pursuant to such service agreement.

Good Leaver shall be as defined in Article 13.6.1.

Group means the Company and any undertaking which is a subsidiary undertaking of the Company from time to time (including from the Completion Date, any member of the Target Group) and, if applicable, any New Holding Company and references to "**Group Company**" and "**members of the Group**" shall be construed accordingly.

Growth Shares means the A Growth Shares, B Growth Shares and C Growth Shares.

Growth Tag Percentage means, in respect of a Proposed Sale:

- (a) if the number of A Ordinary Shares held by Investor(s) immediately prior to the Sweet Tag Sale is greater than or equal to 50% of the number of A Ordinary Shares held by the Investor(s) at the Completion Date, such proportion (expressed as a percentage) as:
 - (i) the number of A Ordinary Shares sold by the Investors since the Completion Date (excluding any transfers made in accordance with Article 12 (Permitted Transfers) taken together; with

(ii) the number of A Ordinary Shares which the Investor(s) propose to sell pursuant to the Proposed Sale taken together; with

(iii) the number of A Ordinary Shares which other A Ordinary Shareholders elect to sell pursuant to the tag rights set out in Article 15,

bears to the total number of A Ordinary Shares held by all Investor(s) at the Completion Date; or

(b) if the number of A Ordinary Shares held by the Investor(s) immediately prior to the Sweet Tag Sale is less than 50% of the number of A Ordinary Shares held by the Investor(s) at the Completion Date, such proportion (expressed as a percentage) as (in each case without double counting any A Ordinary Shares):

(i) the number of A Ordinary Shares which the Investor(s) propose to sell pursuant to the Proposed Sale taken together; with

(ii) the number of A Ordinary Shares which other A Ordinary Shareholders elect to sell pursuant to the tag rights set out in Article 15,

bears to the total number of A Ordinary Shares held by all Investor(s) immediately prior to the Proposed Sale.

in electronic form means in a form specified by section 1168(3) of the Act and otherwise complying with the requirements of section 1168 of that Act.

Independent Expert means a partner at Ernst & Young LLP, KPMG LLP, Deloitte LLP, PricewaterhouseCoopers LLP or, where no such person is able or willing to act, or where the Investors, by Investor Direction, so direct, any other reputable international accountancy firm or reputable international corporate finance house nominated by the Board (with Investor Consent) (in each case acting as an expert and not as an arbitrator) who shall, in each case, be engaged on terms to be agreed by the Board (with Investor Consent).

Intermediate Leaver shall be as defined in Article 13.6.3.

Investment Agreement means the investment agreement entered into on or around the Completion Date between (1) the Company, (2) Midco, (3) Bidco, (4) the Managers (each as defined therein), (5) ZGC and (6) Caledonia Investments plc.

Investor means any person who is or becomes an Investor for the purposes of the Investment Agreement and "Investors" shall be construed accordingly.

Investor Director means a Director appointed by the Majority Investors pursuant to the Investment Agreement.

Investor Group means, in relation to an Investor, that Investor and its subsidiary undertakings or, as the case may be, that Investor, any parent undertaking, whether direct

or indirect, of that Investor and any other subsidiary undertaking of any such parent undertaking from time to time (excluding any portfolio company thereof) and references to "member" or "members" of the or an "Investor Group" shall be construed accordingly.

Investor Related Party means, in relation to any Investor:

- (a) any company within that Investor's Group;
- (b) any fund, partnership, investment vehicle or other entity (whether corporate or otherwise) established in any jurisdiction and which is either (i) managed by any company within that Investor's Group or (ii) utilised for the purpose of allowing employees of that Investor's Group to participate directly or indirectly in the growth in value of the Company; or
- (c) any nominee or trustee holding shares on behalf of any person falling within paragraphs (a) or (b) above.

Investor Shares means the shares to be subscribed for by the Investors pursuant to the Investment Agreement and any other Shares held by an Investor from time to time.

Issue Price means the price at which the relevant Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon.

Leaver means:

- (a) any Shareholder who is on or at any time after the Completion Date a Relevant Employee and who subsequently ceases, or has ceased, to be a Relevant Employee;
- (b) any Shareholder who is on or at any time after the Completion Date a Relevant Employee, who remains a Relevant Employee but who becomes or has become a Non-Contributory Employee;
- (c) ZGC in its capacity as Shareholder in respect of Lester Richard Zellan as a Relevant Employee;
- (d) any Shareholder who is (or is the nominee of) a Family Member of any person who is on or at any time after the Completion Date a Relevant Employee, who subsequently either ceases to be a Relevant Employee or remains a Relevant Employee but who becomes or has become a Non-Contributory Employee;
- (e) any Shareholder who is (or is the nominee of) the trustee of a Family Trust of any person who is on or at any time after the Completion Date a Relevant Employee, who subsequently either ceases to be a Relevant Employee or remains a Relevant Employee but who becomes or has become a Non-Contributory Employee, in each case in respect of the Shares held on behalf of such person or on behalf of any Family Member of such person;

- (f) any Shareholder (not being an Investor) holding Shares as a result of a transfer made after the Completion Date by a person in relation to whom such Shareholder was a Permitted Transferee under the provisions of Articles 12.1.1 or 12.1.2 who ceases to be such a Permitted Transferee in relation to such person, including, without limitation, any Shareholder who ceases to be the spouse or civil partner of a Relevant Employee unless such Shares or other Securities are transferred back to the original transferor (provided that the original transferor is not also at that time a Leaver);
- (g) any person who holds or becomes entitled to any Shares or other Securities:
 - (i) following the death of a Shareholder;
 - (ii) following the bankruptcy of a Shareholder (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a Shareholder (if a company), in each case not being an Investor or a nominee of an Investor; or
 - (iii) following the exercise of an option after ceasing to be a Relevant Employee or whilst a Relevant Employee after becoming a Non-Contributory Employee; or
- (h) any Shareholder holding Shares as a nominee for any person who is on or at any time after the Completion Date a Relevant Employee, who subsequently either ceases, or who has ceased, to be a Relevant Employee or who remains a Relevant Employee but who becomes, or has become, a Non-Contributory Employee, in either case in respect of the Shares held on behalf of such person,

provided that, for the purposes of this definition, a person shall be deemed to cease or have ceased to be a Relevant Employee under limb (a) of that definition upon the commencement of any period during which the relevant person is placed on Garden Leave, (notwithstanding that the relevant person remains an employee of the Company or any other Group Company) or, if not placed on Garden Leave, upon the date on which the relevant person is given notice of termination of his employment, appointment or engagement or in the case of a Relevant Employee who has become a Non-Contributory Employee, upon the date on which the Relevant Employee is designated as a Non-Contributory Employee by the Board (with Investor Consent).

Leaver Loan Notes shall be as defined in Article 13.8.

Leaver's Shares means in respect of a Leaver, his Leaver's Sweet Shares and his Leaver's Strip Shares.

Leaver's Strip Shares means all B Ordinary Shares and C Ordinary Shares held by a Leaver, or to which a Leaver is entitled, on the Leaving Date and any other Securities acquired by such Leaver, or to which such Leaver becomes entitled, after the Leaving Date, whether under an employee share scheme or otherwise, excluding any Leaver's Sweet Shares.

Leaver's Sweet Shares means all of the A Growth Shares, B Growth Shares and C Growth Shares held by a Leaver, or to which he is entitled, on the Leaving Date, and any A Growth Shares, B Growth Shares and C Growth Shares acquired by a Leaver or to which he becomes entitled after the Leaving Date whether under an employee share scheme or otherwise, excluding any Leaver's Strip Shares.

Leaving Date means the date on which the relevant person becomes a Leaver.

LIBOR means the London Inter-Bank Offered Rate for Pounds Sterling (for twelve month interest settlement periods) from time to time as determined by reference to the Financial Times, or such other reputable publication as the Company (acting reasonably) (with Investor Consent) may determine.

Listing means the admission of the whole of any class of the issued share capital of the Company (or any New Holding Company) to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's market for listed securities or to trading on the Alternative Investment Market of the London Stock Exchange or on any other Recognised Stock Exchange or other stock exchange or multi-lateral trading facility nominated by Investor Direction.

Listing Price means the price at which any Listing Share is sold in connection with, and at the same time as, the relevant Listing.

Listing Shares means the ordinary shares resulting from the consolidation, subdivision and/or redesignation of Shares pursuant to Article 9.2 on a Listing, having such rights and restrictions as are set out in the New Articles.

Majority Investors means those Investors holding more than 50% in number of the Investor Shares for the time being in issue.

Manager shall be as defined in the Investment Agreement.

Manager Majority means the holders (who at the relevant time are not Leavers) of more than 50% in number of the Manager Shares (as if such shares constituted one class of shares) in issue at the relevant time (excluding any Manager Shares held at the relevant time by any person who is a Leaver).

Managers' Representative shall be as defined in the Investment Agreement.

Manager Shares means B Ordinary Shares, C Ordinary Shares and the Growth Shares held by the Managers or any of them as the context requires.

Midco means Chaplin Midco Limited, a company registered in England and Wales with company number 11442839.

New Articles means articles of association of the Company adopted on a Listing in accordance with Article 9.6.

New Holding Company means any new parent undertaking of the Company formed for the purpose of facilitating a Refinancing, an Exit or a Reorganisation.

Non-Contributory Employee means an employee who ceases or has ceased for any reason to perform any work for or provide any services to the Group in any capacity for a period of more than six consecutive months (excluding any period of Garden Leave or maternity, adoption, paternity, shared parental or parental leave) and who is designated by the Board (with Investor Consent) as a Non-Contributory Employee.

Offeror shall be as defined in Article 14.1.1.

Offeror Group means the Offeror and its subsidiary undertakings, its parent undertaking (whether direct or indirect) and any subsidiary undertakings of such parent undertaking at the relevant time.

Other Shareholders shall be as defined in Article 14.5.

Ordinary Shares means the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares.

Ordinary Tag Beneficiaries shall be as defined in Article 15.1.1.

Ordinary Tag Percentage means, in respect of a Proposed Sale:

- (a) in relation to a holder of A Ordinary Shares, such proportion (expressed as a percentage) as the number of A Ordinary Shares which the Proposed Seller(s) propose to sell pursuant to the Proposed Sale bears to the total number of A Ordinary Shares held by that Proposed Seller(s) immediately prior to the Proposed Sale;
- (b) in relation to a holder of B Ordinary Shares, such proportion (expressed as a percentage) as (i) the number of A Ordinary Shares which the Proposed Seller(s) propose to sell pursuant to the Proposed Sale taken together with (ii) the number of A Ordinary Shares which other A Ordinary Shareholders elect to sell pursuant to the tag rights set out in Article 15 (Tag Along), bears to the total number of A Ordinary Shares held by all Investor(s) immediately prior to the Proposed Sale; and
- (c) in relation to a holder of C Ordinary Shares, such proportion (expressed as a percentage) as (i) the number of A Ordinary Shares which the Proposed Seller(s) propose to sell pursuant to the Proposed Sale taken together with (ii) the number of A Ordinary Shares which other A Ordinary Shareholders elect to sell pursuant to the tag rights set out in Article 15 (Tag Along), bears to the total number of A Ordinary Shares held by all Investor(s) immediately prior to the Proposed Sale.

Ordinary Tag Securities shall be as defined in Article 15.1.1.

Permitted Transferee means, in respect of a Shareholder, a person to whom such Shareholder is permitted to transfer Shares under Article 12 (Permitted Transfers).

Permitted Transferor shall be as defined in Article 13.6.4.

Preference Shares means the cumulative redeemable preference shares in the capital of the Company with an 8 per cent per annum compounding coupon.

Priority Returns means the B Growth Share Priority Return and the C Ordinary Share Priority Return.

Proposed Buyer shall be as defined in Article 15.1.

Proposed Sale shall be as defined in Article 15.1.

Proposed Sellers shall be as defined in Article 15.1.

Qualifying Offer shall be as defined in Article 14.1.1.

Recognised Stock Exchange means a recognised investment exchange, recognised overseas investment exchange, designated investment exchange or designated overseas investment exchange, in each case for the purposes of the Financial Services and Markets Act 2000.

Refinancing shall be as defined in the Investment Agreement.

Relevant Employee shall mean:

- (a) an employee of the Company or any other Group Company; or
- (b) (in the case of any other person) a Director or a director of any other Group Company (other than in either case, for the purposes of Article 13 (Leavers), an Investor Director).

Relevant Investor shall be as defined in Article 20.3.2(b).

Relevant Shares shall be as defined in Article 11.4.

Reorganisation shall be as defined in the Investment Agreement.

Sale means the sale of more than 50% in number of the A Ordinary Shares to a single buyer or to one or more buyers as part of a single transaction or series of connected transactions (other than as part of a Reorganisation or a sale to one or more Permitted Transferees).

Sale Notice shall be as defined in Article 13.2.

Sale Price shall be as defined in Article 13.6.4.

Second Threshold shall be as defined in clause 6.1.2(b).

Securities means, as the context permits, collectively or any of, the Bridging Loan Notes, the Shares and any other securities (whether equity or debt securities) or other instruments evidencing indebtedness or similar and/or any rights convertible into, or exchangeable or

exercisable for, any equity or debt securities of any Group Company or other indebtedness issued from time to time by any Group Company (excluding: (i) any amount borrowed or payable under the Financing Documents; (ii) any amount borrowed from or payable to any other lending institution; and (iii) any securities issued by a Group Company to another Group Company) and reference to a "**Security**" shall be construed accordingly.

Security Holder means a holder of a Security or Securities from time to time.

Security Interest means any mortgage, charge (whether fixed or floating) lien, option, pledge, restriction, equity, right of first refusal, right of pre-emption, third party right or interest, assignment, trust arrangement or other security interest of any kind or other type of agreement or arrangement having or which would have similar effect and any agreement (whether conditional or otherwise) to create any of the foregoing.

Share means any share in the capital of the Company from time to time.

Shareholder means any holder of any Share from time to time.

Shareholder Communication means any notice, resolution, document or information which the Company wishes or is required to communicate with Shareholders or other persons.

Situational Conflict means a direct or indirect interest of a Director which conflicts or may potentially conflict with the interests of the Company (other than a Transactional Conflict or in circumstances which cannot reasonably be regarded as likely to give rise to a conflict of interest). For these purposes a conflict of interest shall include a conflict of interest and duty and a conflict of duties.

Start Date shall be as defined in Article 13.6.4.

Statutes means the Act and the Electronic Communications Act 2000 (including any subordinate legislation made under them).

Sweet Tag Sale means a Proposed Sale following completion of which the Investor(s) will hold less than 50% of the A Ordinary Shares held by them on the Completion Date.

Sweet Tag Securities shall be as defined in Article 15.1.2.

Tagging Shareholder shall be as defined in Article 15.6.

Tag Offer shall be as defined in Article 15.2.

Tagging Shareholder shall be as defined in Article 15.6.

Tag Shares shall be as defined in Article 15.1.2.

Tag Shortfall shall be as defined in Article 15.5.

Target means Cooke Optics Group Limited, a company incorporated in England and Wales (company number 09460256).

Target Group means the Target and its subsidiary undertakings from time to time.

Total Subscription Proceeds means £[●].

Transactional Conflict means a direct or indirect conflict of interest of a Director which arises in relation to an existing or proposed transaction or arrangement with the Company.

Unvested Portion shall be as defined in Article 13.6.4(c)(iii).

Vested Portion shall be as defined in Article 13.6.4(c)(i).

website communication means the publication of a Shareholder Communication on the Company's website in accordance with Part 4 of Schedule 5 of the Act.

Winding-Up means any winding-up, dissolution or liquidation of the Company or a New Holding Company (including following an Assets Sale).

X Allocation shall be as defined in Article 6.1.2.

Y Allocation shall be as defined in Article 6.1.2.

ZGC shall be as defined in the Investment Agreement.

A ORDINARY SHARES

5. DIVIDEND RIGHTS

- 5.1** Subject to: (i) the Board recommending payment of the same and (ii) Investor Consent, any Available Profits which the Company may determine to distribute in respect of any financial year shall be distributed in the following order of priority:
- 5.1.1** *first, in paying to the holders of Preference Shares, in respect of each Preference Share held by them, any arrears or accruals of the Fixed Preference Dividend on such Preference Share (together with any interest thereon);*
 - 5.1.2** *second, in paying to the holders of Preference Shares in respect of that financial year, in respect of each Preference Share held by them, the Fixed Preference Dividend;*
 - 5.1.3** *third, any balance shall be apportioned amongst and paid to the holders of A Ordinary Shares, B Ordinary Shares, A Growth Shares and C Growth Shares pro rata to the respective Dividend Participation Percentages of the A Ordinary Shares, B Ordinary Shares, A Growth Shares and C Growth Shares held by each of them respectively.*
- 5.2** The Fixed Preference Dividend shall accrue daily and shall be payable on the last day in every financial year, the first such dividend on any Preference Share to be payable on the first of such payment dates falling after its date of issue, in respect of the period from the date of issue to that payment date.
- 5.3** Any amounts in respect of the Fixed Preference Dividend not paid on the due date shall (whether or not there were available to the Company any distributable profits or other funds out of which the same could have been paid, and whether or not payment was prohibited or restricted by any provision in any Financing Documents or otherwise) be increased by an amount equivalent to interest thereon at 8 per cent per annum from and including the due date until the actual date of payment, such amount accruing daily and being compounded annually on the anniversary of the due date. Such interest having the effect of compounding and not being additional to such compounding.
- 5.4** The Company shall procure (so far as it is able) that each of its subsidiaries and each of its subsidiary undertakings which has Available Profits shall from time to time declare and pay to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company or parent undertaking) such dividends as are necessary to permit lawful and prompt payment by the Company of the distributions as set out in Article 5.1.
- 5.5** Model Article 70(1) shall be amended by the insertion of the words "Subject to Articles 5.1 to 4.7 inclusive" at the start of that Model Article.
- 5.6** Model Article 70(2) shall be amended by the insertion of the words "Subject to Articles 5.1 to 4.7 inclusive" at the start of that Model Article.
- 5.7** Model Article 74 shall be amended by the insertion of the words "(other than in accordance with Article 5.3)" after the words "or other sum payable in respect of a share" and prior to the words "unless otherwise provided by".

6. RETURN OF CAPITAL RIGHTS

6.1 On a return of capital on liquidation or otherwise (the "**Capital Return**"), the surplus assets of the Company remaining after payment of its liabilities (the "**Capital Surplus**") shall be distributed as follows:

6.1.1 first, to the holders of Preference Shares, until each holder of Preference Shares is allocated in aggregate an amount equal to the aggregate of:

- (a) the Issue Price of each Preference Share held by him;
- (b) any arrears or accruals of the Fixed Preference Dividend in respect of each Preference Share held by him (together with any interest on),

calculated down to the date of the Capital Return, irrespective of whether such dividends have been earned or declared or not;

6.1.2 second, 84.5% to the holders of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares pro rata to their respective holdings of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares (the "**X Allocation**") and 15.5% to the holders of C Ordinary Shares and B Growth Shares pro rata to the amount of their respective aggregate Priority Returns (the "**Y Allocation**") until either:

- (a) the holders of C Ordinary Shares are allocated in respect of each C Ordinary Share the C Ordinary Share Priority Return and the holders of B Growth Shares are allocated in respect of each B Growth Share the B Growth Share Priority Return, in each case from the Y Allocation (the "**First Threshold**"); or
- (b) the holders of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares are allocated an amount in aggregate equal to the Total Subscription Proceeds from the X Allocation (the "**Second Threshold**");

6.1.3 third:

- (a) if the First Threshold applies, to the holders of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares pro rata to their respective holdings of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares until the aggregate amount allocated to them from the X Allocation and pursuant to this Article 6.1.3(a) is an amount equal to the Total Subscription Proceeds; or
- (b) if the Second Threshold applies, to the holders of C Ordinary Shares and B Growth Shares pro rata to the amount of their respective aggregate Priority Returns until the aggregate amount allocated from the Y Allocation and pursuant to this Article 6.1.3(b) in respect of each C Ordinary Share is the C Ordinary Share Priority Return and in respect of each B Growth Share is the B Growth Share Priority Return; and

6.1.4 fourth, any balance to the holders of Equity Shares in proportion to the numbers of Equity Shares held by each of them respectively (as if such shares constituted a single class).

7. VOTING RIGHTS

7.1 The voting rights attached to each class of Shares shall be as set out in this Article:

7.1.1 on a written resolution, every Shareholder holding one or more A Ordinary Shares, B Ordinary Shares or C Ordinary Shares on the date on which the resolution is circulated as required by the Act shall, subject to sections 289 and 290 of the Act and these Articles, have one vote for each A Ordinary Share, one vote for each B Ordinary Share and one vote for each C Ordinary Share held by him;

7.1.2 on a resolution to be passed at a general meeting of the Company on a show of hands or a poll, every Shareholder holding one or more A Ordinary Shares, B Ordinary Shares or C Ordinary Shares, who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote for each A Ordinary Share, one vote for each B Ordinary Share and one vote for each C Ordinary Share of which he is the holder.

7.2 Notwithstanding any other provisions of these Articles, if at any time a Default Event has occurred and the Investors (by an Investor Direction) so direct, then:

7.2.1 the B Ordinary Shares and C Ordinary Shares shall cease to entitle each holder thereof to vote on any written resolution of the Company or of the holders of any class of Shares, or to attend and vote (whether on a show of hands or on a poll) at any general meeting of the Company or at any separate class meeting provided that if a holder of B Ordinary Shares and/or C Ordinary Shares qualified for Entrepreneurs Relief immediately prior to such direction, then, unless expressly otherwise required in writing by Investor Direction in circumstances where, acting reasonably, the Majority Investor, believe a written resolution is required for which in excess of 90% of votes is required, rather than a complete cessation of the voting rights attached to such Shares, the aggregate voting rights of the B Ordinary Shares and/or C Ordinary Shares of such holder shall be restricted to 5% of the votes cast; and

7.2.2 subject to the provisions of Article 4, new shares in the Company may be issued, ranking ahead of or *pari passu* with any class of Shares, without the consent of the holders of the such class or classes of Shares.

7.3 The provisions of Article 7.2 shall continue for so long as the breach or failure giving rise to the Default Event subsists (and for this purpose no account shall be taken of any waiver given by any person in respect of any such breach or any standstill agreement or similar arrangement with any person) or until the Majority Investors confirm in writing that a Default Event shall be deemed to no longer subsist.

7.4 For the avoidance of doubt, the provisions in Article 7.2 shall enable the holders of the Investor Shares in issue from time to time to:

7.4.1 consent to the holding of a general meeting of the Company or a separate class meeting on short notice pursuant to the Act on the basis that such holders would constitute the only Shareholders who would be entitled to attend and vote at the general meeting and/or separate class meeting; and

- 7.4.2** pass written resolutions of the Company and/or of the holders of any class of Shares in the Company pursuant to the Act, on the basis that such holders would constitute the only Shareholders who would be entitled to vote on such a written resolution,

provided always that such actions do not have a Disproportionate Economic Effect in respect of the Shares held by Managers as compared to the Shares held by the Investors.

- 7.5** The provisions of Article 7.6 shall apply (unless the Investors by an Investor Direction direct otherwise) if at any time:

- 7.5.1** any Shareholder (other than an Investor) is, in the reasonable opinion of the Majority Investors, in material breach of any provision of any of the Equity Documents (without prejudice to the provisions of Article 11.3);

- 7.5.2** any Group Company is entitled to terminate any contract of employment by reason of a repudiatory breach thereof by an employee who is a Shareholder or whose Permitted Transferee(s) are Shareholders or who is otherwise entitled to Shares held by a nominee or trustee on his behalf; or

- 7.5.3** any person becomes a Leaver.

- 7.6** Notwithstanding any other provisions of these Articles, if the provisions of this Article apply:

- 7.6.1** the Shares which any person referred to in Article 7.5 holds or to which he is entitled;

- 7.6.2** any Shares formerly held by any person referred to in Article 7.5, which have been transferred either in breach of the provisions of these Articles or in accordance with Article 12 (Permitted Transfers); and

- 7.6.3** any Shares formerly held by a Family Member of any person referred to in Article 7.5 or trustee of a Family Trust of such person, which have been transferred either in breach of the provisions of these Articles or in accordance with Article 12 (Permitted Transfers),

shall immediately cease to entitle the holders thereof to vote on any written resolution of the Company or of the holders of any class of Shares in the Company and to attend and vote (whether on a show of hands or on a poll) at any general meeting of the Company or at any separate class meeting (including, for the avoidance of doubt, for the purposes of Articles 7.8 to 7.14 (inclusive)).

- 7.7** The provisions of Article 7.6 shall continue:

- 7.7.1** in the case of Article 7.5.1, for so long as such breach subsists (and for this purpose no account shall be taken of any waiver given by any person in respect of any such breach or any standstill agreement or similar arrangement with any person); or

- 7.7.2** in the case of Articles 7.5.2 and 7.5.3, until such time as such person, and any Permitted Transferee of such person under Articles 12.1.1 or 12.1.2, ceases to be a Shareholder.

- 7.8** The class rights attaching to the A Ordinary Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the A Ordinary Shares (excluding any A Ordinary Shares held by a person who is at the relevant time a Leaver) who would have been entitled to vote at a separate meeting of the holders of A Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the A Ordinary Shares. Any variation or abrogation which does not affect the class rights attaching to the A Ordinary Shares shall not require such consent.
- 7.9** The class rights attaching to the B Ordinary Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the B Ordinary Shares (excluding any B Ordinary Shares held by a person who is at the relevant time a Leaver) who would have been entitled to vote at a separate meeting of the holders of B Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the B Ordinary Shares. Any variation or abrogation which does not affect the class rights attaching to the B Ordinary Shares shall not require such consent.
- 7.10** The class rights attaching to the C Ordinary Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the C Ordinary Shares (excluding any C Ordinary Shares held by a person who is at the relevant time a Leaver) who would have been entitled to vote at a separate meeting of the holders of C Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the C Ordinary Shares. Any variation or abrogation which does not affect the class rights attaching to the C Ordinary Shares shall not require such consent.
- 7.11** The class rights attaching to the A Growth Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the A Growth Shares (excluding any A Growth Shares held by a person who is at the relevant time a Leaver) who would have been entitled to vote at a separate meeting of the holders of A Growth Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the A Growth Shares. Any variation or abrogation which does not affect the class rights attaching to the A Growth Shares shall not require such consent.
- 7.12** The class rights attaching to the B Growth Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the B Growth Shares (excluding any B Growth Shares held by a person who is at the relevant time a Leaver) who would have been entitled to vote at a separate meeting of the holders of B Growth Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the B Growth Shares. Any variation or abrogation which does not affect the class rights attaching to the B Growth Shares shall not require such consent.
- 7.13** The class rights attaching to the C Growth Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the C Growth Shares (excluding any C Growth Shares held by a person who is at the relevant time a Leaver) who would have been entitled to vote at a separate meeting of the holders of C Growth Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the C Growth Shares. Any variation or abrogation which does not affect the class rights attaching to the C Growth Shares shall not require such consent.
- 7.14** The class rights attaching to the Preference Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the Preference Shares (excluding any Preference Shares held by a person who is at the relevant time a Leaver) who would have been entitled to vote at a separate meeting of the holders of Preference Shares

or with the sanction of a special resolution passed at a separate class meeting of the holders of the Preference Shares. Any variation or abrogation which does not affect the class rights attaching to the Preference Shares shall not require such consent.

7.15 Unless otherwise expressly provided by the terms of issue, the rights attaching to any class of Shares shall not be deemed to be varied or abrogated by:

7.15.1 the creation, allotment or issue of further Shares or Securities convertible into Shares, ranking subsequent to, *pari passu* with, or in priority to them, subject to Article 4 (Share Issues), or the issue of any Securities by any Group Company to another Group Company, or the purchase or redemption by the Company of its own Shares in accordance with the Act and the Investment Agreement; or

7.15.2 any alteration to these Articles made conditional upon, or otherwise in connection with, a Sale, a Listing, a Reorganisation or in connection with any matter referred to in Article 7.15.1.

7.16 Notwithstanding any other provision in these Articles, if a Default Event has occurred the rights attaching to any of the Manager Shares as a class or separate classes may be varied by a special resolution of the Company in a general meeting or by a written resolution signed by the holders of 75 per cent in number of the Shares in issue at the relevant time (including Preference Shares but excluding any Equity Shares held by a person who is at that time a Leaver) provided that:

7.16.1 such amendments to the rights attaching to the all or any of the Manager Shares do not have a Disproportionate Economic Effect in respect of the Shares held by Managers as compared to the Shares held by the Investors; and

7.16.2 such amendments do not change the practical effect of the provisions of Article 13 (Leavers), Article 14 (Drag Along) and Article 15 (Tag Along) in so far as they apply to the Manager Shares and Article 12 (Permitted Transfers) as they apply to the Investors.

8. REDEMPTION RIGHTS

8.1 The Preference Shares, subject to any restrictions set out in the Act and the remaining provisions of this Article 8 and Article 26 (Overriding Provisions), may be redeemed by the Company if so directed by an Investor Direction.

8.2 Where Preference Shares are to be redeemed in accordance with Article 8.1, the Company shall give to the holders of the Preference Shares falling to be redeemed prior notice in writing of the redemption (a "**Company Redemption Notice**"). The Company Redemption Notice shall specify the particular Preference Shares to be redeemed and the date fixed for redemption (which, in the case of a redemption immediately prior to an Exit, shall be the expected date for redemption) and shall be given not less than 20 nor more than 28 Business Days prior to the date fixed for redemption. In the case of a redemption immediately prior to an Exit, the Company Redemption Notice shall be conditional on such Exit occurring within one month of the date fixed for redemption, failing which the Company Redemption Notice shall be revoked.

8.3 If the Company is unable, because of having insufficient Available Profits or because of the provisions of Article 26 (Overriding Provisions), to redeem in full the relevant number of Preference Shares on the date fixed for redemption, the Company shall redeem as many of

such Preference Shares as can lawfully and properly be redeemed and the Company shall redeem the balance as soon as it is lawfully and properly able to do so. The Fixed Preference Dividend shall continue to accrue on the balance of those Preference Shares until such date of redemption.

- 8.4** If the Company is at any time redeeming fewer than all the Preference Shares from time to time in issue, the number of Shares to be redeemed shall (subject to any contrary requirement in a Shareholder Redemption Notice) be apportioned between those holders of the Preference Shares then in issue *pro rata* according to the number of Preference Shares held by them respectively at the date fixed for redemption.
- 8.5** On the date fixed for redemption, each of the holders of the Preference Shares falling to be redeemed shall be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such Preference Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of members in respect of such Shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies.
- 8.6** If any certificate delivered to the Company pursuant to Article 8.5 includes any Preference Shares not falling to be redeemed on the date fixed for redemption, a new certificate in respect of those Shares shall be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 20 Business Days thereafter).
- 8.7** There shall be paid on the redemption of each Preference Share an amount equal to:
- 8.7.1** 100% of the Issue Price thereof; and
 - 8.7.2** all accruals and/or unpaid amounts of Fixed Preference Dividend (plus any interest thereon) in respect thereof, calculated down to and including the date of actual payment

and such aggregate amount shall, subject to the Company having Available Profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such Preference Shares.

9. RIGHTS ON EXIT

- 9.1** In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale, upon an Investor Direction, the selling Shareholders immediately prior to such Sale shall procure that the consideration (whenever received) shall be placed in a designated trustee account and shall be distributed amongst such selling Shareholders in such amounts and in such order of priority as would be applicable on a return of capital pursuant to Article 6 (Return of Capital Rights).
- 9.2** In the event of a Listing, the Shares of each class shall, on the occurrence of such Listing, automatically be consolidated and/or subdivided and then redesignated into such number of Listing Shares and (if required) Deferred Shares as shall result in the aggregate value of such Shares being equal to the aggregate value as would have been received in respect of that class of Shares on a return of capital under Article 6 (Return of Capital Rights) on the basis that the Listing Shares are valued at the Listing Price and the Deferred Shares are valued at zero. The Listing Shares and the Deferred Shares shall be apportioned between the

holders of the relevant class of Shares pro rata to the number of Shares of that class held by them (with fractional entitlements being dealt with as the Directors may deem to be appropriate).

9.3 Any consolidation, subdivision and/or redesignation of Shares pursuant to Article 9.2 shall be made on the following terms:

9.3.1 the consolidation, subdivision and/or redesignation shall take effect immediately prior to and conditional upon the occurrence of the relevant Listing at no cost to the holders of the Shares to be consolidated, subdivided and/or redesignated; and

9.3.2 the Company shall issue to the relevant shareholders new certificates for the Listing Shares and Deferred Shares (save for any Deferred Shares which have been bought back within 2 months of conversion in accordance with Article 9.5) resulting from the consolidation, subdivision and/or redesignation.

9.4 Following any conversion of Shares pursuant to Article 9.2, the Company shall procure that all necessary steps are taken to ensure that such conversion is documented accurately and all filings and any other relevant formalities are complied with. Any resolution of the Shareholders which the Board (with Investor Consent) considers to be necessary or desirable to give effect to the pre-Listing reorganisation contemplated in Article 9.2 shall not constitute a variation of the rights attaching to any class of Shares.

9.5 Any Deferred Shares shall (if the Board so resolves) at any time, and from time to time, either be transferred to a person nominated by the Board or (subject to the Act) be purchased by the Company in each case for an aggregate amount of £1 for all Deferred Shares then in issue.

9.6 In the event of a Listing, it is anticipated and agreed that, with effect on the occurrence of such Listing and following the consolidation, subdivision and/or redesignation pursuant to Article 9.2, new articles of association containing such provisions as are confirmed by the Company's legal counsel as customary for the articles of association of a listed company and which are approved by the Board (with Investor Consent) and Shareholders by written resolution or in general meeting shall be adopted as the articles of association of the Company in substitution for, and to the exclusion of, these Articles. Any adoption of new articles of association in accordance with this Article 9.6 shall not constitute a variation of the rights attaching to any class of Shares.