

Articles of Association

of

HYRO Energy Limited

Company number: 14411495

(Private company limited by shares)

as adopted by written resolution passed on

5 April 2023

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The Companies Act 2006

Private company limited by shares

Articles of Association

of

HYRO Energy Limited

(as adopted by written resolution passed on 2023)

Part 1

Interpretation and other miscellaneous provisions

1. Defined terms

1.1 In these articles, unless the context requires otherwise:

"A Director" means a director appointed by the holders of A Ordinary Shares pursuant to Article 7.1.

"A Ordinary Shares" means the A ordinary shares of £1.00 each in the capital of the Company.

"A Preference Dividend" has the meaning set out in Article 35.1.

"A Preference Dividend Rate" means twelve (12) per cent per annum accruing on a daily basis and calculated on the basis of a 365 day year from the Issue Date, compounding annually, in accordance with Article 35.1

"A Preference Shares" means the cumulative 12% redeemable A preference shares of £1.00 each in the capital of the Company.

"Acts" means the Companies Acts and every other statute, order, regulation, or other subordinate legislation from time to time in force concerning companies and affecting the Company.

"Adoption Date" means the date of adoption of these articles.

"Affiliates" has the meaning given to it in the Shareholders Agreement (and **Affiliate** shall be construed accordingly).

"alternate" or **"alternate director"** has the meaning set out in article 25 (*Appointment and removal of alternates*).

"appointor" has the meaning set out in article 25 (*Appointment and removal of alternates*).

"articles" means the Company's articles of association as altered or varied from time to time (and **"article"** means a provision of these articles).

"associated company" has the meaning set out in Section 256, CA 2006.

"B Director" means a director appointed by the holders of B Ordinary Shares pursuant to Article 7.2.

"B Ordinary Shares" means the B ordinary shares of £1.00 each in the capital of the Company.

"B Preference Dividend" has the meaning set out in Article 35.1.

"B Preference Dividend Rate" means eight (8) per cent per annum accruing on a daily basis and calculated on the basis of a 365 day year from the Issue Date, compounding annually, in accordance with Article 35.1.

"B Preference Shares" means the cumulative 8% redeemable B preference shares of £1.00 each in the capital of the Company.

"CA 2006" means the Companies Act 2006.

"capitalised sum" has the meaning set out in article 44 (*Authority to capitalise and appropriate of capitalised sum*).

"chairperson" has the meaning set out in article 15 (*Chairing of directors' meetings*).

"chairperson of the meeting" has the meaning set out in article 48 (*Chairing general meetings*).

"Companies Acts" means the Companies Acts (as defined in Section 2, CA 2006), in so far as they apply to the Company.

"Company Fair Valuation Process" has the meaning given to it in the Shareholders' Agreement.

"conflicted director" has the meaning set out in article 17.1 (*Authorisation of conflicts of interest*).

"conflict situation" has the meaning set out in article 17.1 (*Authorisation of conflicts of interest*).

"director" means a director of the Company, and includes any person occupying the position of director, by whatever name called.

"Disposal" means the sale or other disposal (whether by one transaction or a series of related transactions) of all or substantially all of the business and assets of the Company.

"distribution recipient" has the meaning set out in article 42 (*Payment of dividends and other distributions*).

"document" includes, unless otherwise specified, any summons, notice, order, register, certificate or other legal process and includes any such document sent or supplied in electronic form.

"electronic form" has the meaning set out in Section 1168, CA 2006.

"eligible director" means a director who would be entitled to vote on the matter at a directors' meeting (but excluding any director whose vote is not to be counted in respect of the particular matter) and including an Eligible Director (as defined and determined in accordance with the Shareholders' Agreement).

"Equity Shares" means the A Ordinary Shares and the B Ordinary Shares.

"Exclusivity Period" has the meaning given to it in the Shareholders' Agreement.

"Fair Value" means the amount as determined in accordance with the Company Fair Valuation Process or as otherwise provided for in the Shareholders' Agreement.

"Fund Manager" means a person whose principal business is to make, manage or advise upon investments in securities.

"fully paid" in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company.

"hard copy form" has the meaning set out in Section 1168, CA 2006 2006.

"holder" in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares.

"holding company" has the meaning set out in Section 1159, CA 2006.

"instrument" means a document in hard copy form.

"Issue Date" means the date of issue by the Company of the relevant Share.

"Issue Price" means £1.00 per Share in respect of the Preference Shares, £1.00 in respect of the A Ordinary Shares and £1.00 per Share in respect of the B Ordinary Shares as may be adjusted for any Reorganisation of the Company's share capital.

"Interest Date" means 31 March, 30 June, 30 September and 31 December in each calendar year.

"Listing" means the becoming effective of a listing of the Company's (or holding company formed for the purpose) securities on a Stock Exchange or the granting of permission for any of the Company's securities to be traded on a Stock Exchange and the listing shall be treated as occurring on the day on which trading in the securities began.

"Listing Shares" means the issued equity share capital of the Company (or holding company formed for the purpose) upon a Listing (excluding any equity share capital to be subscribed and issued on such Listing other than new Shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversion of Shares).

"Listing Value" means, in the event of a Listing, the market value of the Listing Shares determined by reference to the price per Share at which such Shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the financial advisers to the Company or, if none, the broker appointed by the Board to advise in connection with the Listing.

"Loan Agreements" has the meaning given to it in the Shareholders' Agreement.

"Model Articles" means the model articles for private companies limited by shares as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229).

"nil paid" in relation to a Share, means that none of that Share's nominal value or any premium at which it was issued has been paid to the Company.

"ordinary resolution" has the meaning set out in Section 282, CA 2006.

"paid" means paid or credited as paid.

"parent undertaking" save as provided otherwise in these articles, has the meaning set out in Section 1162, CA 2006.

"participate", in relation to a directors' meeting, has the meaning set out in article 13 (*Participation in directors' meetings*).

"partly paid" in relation to a Share, means that part of that Share's nominal value or any premium at which it was issued has not been paid to the Company.

"Permitted Transferee" means an Affiliate of a shareholder.

"persons entitled" has the meaning set out in article 44.1 (*Authority to capitalise and appropriation of capitalised sum*).

"Preference Shares" means the A Preference Shares and/or the B Preference Shares.

"relevant director" means any director or former director.

"relevant loss" means any costs, charges, losses, expenses and liabilities which has been or may be incurred by a relevant director secretary or other officer in the actual or purported execution or discharge of their duties or in the actual or purported exercise of their powers in relation to the affairs of the Company or any associated company.

"Reorganisation" means any return of capital, bonus issue of Shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the holders of the Preference Shares or any consolidation or sub-division or any repurchase or redemption of Shares (other than the Preference Shares) or any variation in the subscription price or conversion rate applicable to any outstanding Shares of the Company.

"Sale" means the sale or other disposal (whether by one transaction or a series of related transactions) of all of the Equity Shares of the Company to a purchaser who is not (and whose connected persons are not) a holder of any Equity Shares of the Company.

"shareholder" means a person who is the holder of a Share.

"Share" means any share in the capital of the Company and **"Shares"** shall be construed accordingly.

"Shareholders' Agreement" means the shareholders' agreement dated on or around Adoption Date and made between (1) ORI JV Holdings 6 Limited, (2) RES UK & Ireland Limited; and (3) the Company.

"Shareholder Consent" means the consent of holders of all of the Equity Shares.

"special resolution" has the meaning set out in Section 283, CA 2006.

"Stock Exchange" means The London Stock Exchange plc (including the main market and AIM market operated by The London Stock Exchange plc), or any other recognised investment exchange (as defined by Section 285 of the Financial Services and Markets Act 2000) , any recognised overseas investment exchange (as defined by Section 292 of the Financial Services and Markets Act 2000) or any investment exchange included in the Financial Conduct Authority's list of designated investment exchanges and their respective share dealing markets.

"subsidiary" save as provided otherwise in these articles, has the meaning set out in Section 1159, CA 2006.

"subsidiary undertaking" has the meaning set out in Section 1162, CA 2006.

"Transfer Notice" has the meaning set out in Article 38.2 which shall include a deemed Transfer Notice where the context requires.

"working day" has the meaning set out in Section 1173, CA 2006.

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods and **"written"** shall be construed accordingly.

- 1.2 Unless the context otherwise requires (or unless otherwise defined or stated in these articles), words or expressions contained in these articles shall have the same meaning as in the CA 2006 as in force from time to time.
- 1.3 Notwithstanding any other provision of these articles, no regulations for management of a company set out in any statute concerning companies or contained in any regulations, order, instrument or other subordinate legislation made pursuant to a statute (including, but not limited to, the regulations contained in the Model Articles (as amended from time to time)) shall apply to the Company. The following shall be the articles of association of the Company.
- 1.4 References in these articles to a document or information being sent or supplied by or to a company (including the Company) shall be construed in accordance with the provisions of Section 1148(3), CA 2006 and any reference to **"sent"** or **"supplied"** (or other similar term) shall be construed in accordance with the provisions of Section 1148(2), CA 2006.

2. **Liability of members**

The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

3. **Company's name**

The Company may change its name by means of a decision of the directors made in accordance with the provisions of article 10 (*Directors to take decisions collectively*) or article 11 (*Unanimous decisions*). The provisions of Section 79, CA 2006 shall be complied with on any change of Company name made pursuant to this article.

4. **Domicile**

The Company's registered office is to be situated in England and Wales.

Part 2

Directors and Secretary

Directors' powers and responsibilities

5. **Number of directors**

The number of directors (other than Alternate Directors) shall not be less than 2 and unless approved by way of a special resolution shall not be more than 4. In any case, one half of the number of directors shall be appointed by the holders of A Ordinary Shares in accordance with article 7.1 and one half shall be appointed by the holders of B Ordinary Shares in accordance with article 7.2.

6. **Directors' general authority**

Subject to these articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

7. Shareholders' rights to appoint directors and reserve power

- 7.1 The holders of not less than 50% of A Ordinary Shares shall by written notice to the Company be entitled to appoint and remove up to two directors (each being an A Director). The appointment or removal shall take effect from the date of receipt by the Company.
- 7.2 The holders of not less than 50% of B Ordinary Shares shall by written notice to the Company be entitled to appoint and remove up to two directors (each being a B Director). The appointment or removal shall take effect from the date of receipt by the Company.
- 7.3 The holders of the Equity Shares may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 7.4 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

8. Directors may delegate

- 8.1 Subject to these articles, the directors may delegate any of the powers which are conferred on them under these articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions,

as they think fit (including whether any such delegation shall be made either collaterally with or to the exclusion of the powers otherwise conferred on the directors under these articles). Any such delegation must be in writing and signed by at least one A Director and one B Director.

- 8.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 8.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions, provided that no such revocation or alteration shall have retrospective effect.

9. Committees

- 9.1 Committees to which the directors delegate any of their powers must comprise an equal number of members, one half of which shall be appointed by the holders of A Ordinary Shares and one half shall be appointed by the holders of B Ordinary Shares. Such committees must follow procedures which are based as far as they are applicable on those provisions of these articles which govern the taking of decisions by directors.
- 9.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these articles if they are not consistent with them.
- 9.3 Committees to whom the directors delegate any of their powers may consist of one or more co-opted persons other than directors on whom voting rights may be conferred as members of the committee.

Decision-making by directors

10. Directors to take decisions collectively

- 10.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 11 (*Unanimous decisions*).

11. Unanimous decisions

- 11.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other in the form of a resolution in writing, where each eligible director has signed one or more copies of it or to which each eligible director has otherwise indicated agreement in writing.
- 11.2 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at a directors' meeting held to discuss the matter in question.

12. Calling a directors' meeting

- 12.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- 12.2 Notice of any directors' meeting must indicate:
- (a) its proposed date and time, and such notice period must be in accordance with the Shareholders' Agreement and otherwise on not less than 5 Business Days (unless the number of directors who would constitute a quorum at such meeting waive that notice requirement);
 - (b) where it is to take place; and
 - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 12.3 Notice of a directors' meeting must be given to each director and must be given in writing.
- 12.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

13. Participation in directors' meetings

- 13.1 Subject to these articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- (a) the meeting has been called and takes place in accordance with these articles; and
 - (b) they can each communicate orally including by means of telephone, video conference or other audio or audio-visual link or any other form of telecommunication to the others any information or opinions they have on any particular item of the business of the meeting.
- 13.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other, provided that all persons participating in the meeting can hear each other.

- 13.3 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.
14. **Quorum for directors' meetings**
- 14.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 14.2 Subject to Section 175(6), CA 2006 the quorum for the transaction of the business of the directors shall be two, comprising one A Director and one B Director; and in relation to any meeting (or part of any meeting) held pursuant to article 17 (*Authorisation of conflicts of interest*), if, at the relevant time, the Company has only one director other than the conflicted director, the quorum for such meeting (or the part thereof dealing with the authorisation pursuant to article 17 (*Authorisation of conflicts of interest*)) shall be one eligible director.
- 14.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- (a) to appoint further directors; or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors
- provided that any such appointment is in accordance with the terms of the Shareholders' Agreement.
15. **Chairing of directors' meetings**
- 15.1 The directors may appoint a director to chair their meetings.
- 15.2 The person so appointed for the time being is known as the chairperson.
- 15.3 The directors may terminate the chairperson's appointment at any time.
- 15.4 If the chairperson is unwilling to chair a directors' meeting or is not participating in a directors' meeting within ten minutes of the time at which it was to start or, if at any time during the meeting, the chairperson ceases to be a participating director, the participating directors must appoint one of themselves to chair it (or chair such part of it in relation to which the chairperson ceases to be a participating director, as the case may be).
16. **Casting vote**
- 16.1 If, at a meeting of the directors, the numbers of votes for and against a proposal are equal, the chairperson or other director appointed to chair the meeting pursuant to article 15.4 (*Chairing of directors' meetings*) shall not have a casting vote.
17. **Authorisation of conflicts of interest**
- 17.1 Subject to and in accordance with the CA 2006:
- (a) the directors may authorise any matter or situation arising in which a director (the "**conflicted director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties (the "**conflict situation**");

- (b) any authorisation given in accordance with this article 17:
 - (i) may be made on such terms and subject to such conditions and/or limitations as the directors may, in their absolute discretion, determine (including, without limitation, excluding the conflicted director and any other interested director from certain directors' meetings, withholding from them certain board or other papers and/or denying them access to certain confidential Company information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated; and
 - (ii) shall be effective only if:
 - (A) any requirement as to the quorum at any meeting of the directors at which the matter is considered is met without counting either the conflicted director or any other interested director; and
 - (B) the matter or situation was agreed to and any relevant resolution was passed without counting the votes of the conflicted director and without counting the votes of any other interested director (or such matter or situation would have been so agreed and such relevant resolution would have been so passed if their votes had not been counted); and
- (c) in considering any request for authorisation in respect of a conflict situation, the directors shall be entitled to exclude the conflicted director from any meeting or other discussion (whether oral or written) concerning the authorisation of such conflict situation and they shall also be entitled to withhold from such conflicted director any board papers or other papers concerning the authorisation of such conflict situation.

17.2 If any conflict situation is authorised or otherwise permitted under these articles, the conflicted director (for as long as they reasonably believe such conflict situation subsists):

- (a) shall not be required to disclose to the Company (including the directors or any committee) any confidential information relating to such conflict situation which they obtain or have obtained otherwise than in their capacity as a director of the Company, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by them to another person in relation to such matter, office, employment or position;
- (b) shall be entitled to attend or absent themselves from all or any meetings of the directors (or any committee) at which anything relating to such conflict situation will or may be discussed; and
- (c) shall be entitled to make such arrangements as they think fit to receive or not to receive documents or information (including, without limitation, directors' papers (or those of any committee of the directors)) relating to any such conflict situation and/or for such documents or information to be received and read by a professional adviser on their behalf,

and in so doing, such conflicted director shall not be in breach of any general duty they owe to the Company pursuant to Sections 171 to 177 (inclusive), CA 2006 and the provisions of this article 17 shall be without prejudice to any equitable principle or rule of law which may excuse the conflicted director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under these articles.

17.3 A director, notwithstanding the director's office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of Shares) in, the shareholder who appointed them as a director of the Company, or any Affiliate of such shareholder, and no authorisation under Article 17.1 shall be necessary in respect of any such interest.

- 17.4 For the purposes of this article 17, an interest of a person who is, for any purpose of the CA 2006 (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of their appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

18. Directors may have interests and vote and count for quorum

- 18.1 Provided permitted by the Acts, and provided they have disclosed to the other directors the nature and extent of their interest pursuant to Section 177 or 182, CA 2006 or otherwise pursuant to these articles (as the case may be), a director, notwithstanding their office:

- (a) may be a party to, or otherwise directly or indirectly interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested and may hold any other office or position of profit under the Company (except that of auditor or of auditor of a subsidiary of the Company) in addition to the office of director and may act by themselves or through their firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the directors may arrange either in addition to or in lieu of any remuneration provided for by any other article;
- (b) may be a member, director or other officer of, or employed by, or hold any other office or position with, or be directly or indirectly interested in any contract, arrangement, transaction or proposal with or a party to or otherwise directly or indirectly interested in, any subsidiary and subsidiary undertaking of the Company or any other body corporate promoted by the Company or in which the Company is otherwise interested;
- (c) shall not, by reason of their office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which they derive from:
 - (i) any matter, office, employment or position which relates to a conflict situation authorised in accordance with article 17 (*Authorisation of conflicts of interest*); or
 - (ii) any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to paragraphs (a) and (b) of this article,

and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any director having any such interest or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit authorised in accordance with article 17 (*Authorisation of conflicts of interest*) or permitted pursuant to paragraphs (a) or (b) of this article and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176, CA 2006.

- 18.2 For the avoidance of doubt, a director may be or become subject to one or more conflict situations as a result of any matter referred to paragraph (b) of article 18.1 (*Directors may have interests and vote and count for quorum*) without requiring authorisation under the provisions of article 17 (*Authorisation of conflicts of interest*) provided they have declared, as soon as reasonably practicable, the nature and extent of their interest in the conflict situation. The provisions of Section 177(2), Section 177(3), Section 177(5), Section 177(6), Section 184 and Section 185, CA 2006 shall be applied (with any necessary modifications) in respect of any such declaration.
- 18.3 Subject to Section 175(6), CA 2006 and save as otherwise provided in these articles, a director may vote at any meeting of the directors or any meeting of any committee of which they are a member on any resolution and a director may participate in the transaction of the business of the directors and count in the quorum at any such meeting of the directors or meeting of any committee of which they are a member notwithstanding that it concerns or relates in any way to

a matter in which such director has directly or indirectly any kind of interest or duty. This article does not affect any obligation of a director to disclose any such interest, whether pursuant to Section 177, CA 2006, Section 182, CA 2006 or otherwise. Subject to article 18.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairperson whose ruling in relation to any director other than the chairperson is to be final and conclusive (except in a case where the nature or extent of any interest of the director has not been fairly disclosed).

- 18.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairperson, the question is to be decided by a decision of the directors at that meeting (and such decision must be approved by at least one A Director and one B Director present at the meeting), for which purpose the chairperson is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 18.5 For the purposes of this article 18, an interest of a person who is, for any purpose of the CA 2006 (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of their appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.
- 18.6 Any A Director or B Director shall be entitled from time to time to disclose to the holders of the A Ordinary Shares (in the case of any A Director) or the holders of the B Ordinary Shares (in the case of any B Director) such information concerning the business and affairs of the Company as the A Director or B Director (as the case may be) shall at their discretion see fit.
19. **Records of decisions to be kept**
- The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.
20. **Directors' discretion to make further rules**
- Subject to these articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

Appointment of Directors

21. **Methods of appointing directors**
- 21.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- (a) by ordinary resolution;
 - (b) by a decision of the directors; or
 - (c) pursuant to Articles 7.1 or 7.2
- provided that any such appointment is in accordance with the terms of the Shareholders' Agreement.

22. **Termination of director's appointment**

A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the CA 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (e) any A Director is removed from office by the holders of A Ordinary Shares pursuant to Article 7.1; or
- (f) any B Director is removed from office by the holders of B Ordinary Shares pursuant to Article 7.2.

23. **Directors' remuneration**

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

23.2 Directors shall not be entitled to any remuneration.

24. **Directors' expenses**

The Company may pay any reasonable expenses which the directors and the company secretary (if any) properly incur in connection with their attendance at (or returning from):

- (a) meetings of directors or committees of directors;
- (b) general meetings; or
- (c) separate meetings of the holders of any class of Shares or of debentures of the Company, or otherwise in connection with the business of the Company, the exercise of their powers and the discharge of their duties and responsibilities in relation to the Company.

Alternate directors

25. **Appointment and removal of alternates**

25.1 Any director (other than an alternate director) (the "**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors, who is willing to act to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor. A person (whether or not otherwise a director) may be appointed as an alternate by more than one appointor.

25.2 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.

25.3 The notice must identify the proposed alternate and, 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.

25.4 The appointment of an alternate director who is not otherwise a director shall be valid notwithstanding that they are approved by a resolution of the directors after their appointment as alternate director. Where an alternate director who is not otherwise a director attends a meeting of the directors and no objection is raised at the meeting to their presence then they shall be deemed to have been approved by a resolution of the directors.

26. Rights and responsibilities of alternate directors

26.1 Except as these articles specify otherwise, an alternate director has the same rights in relation to any directors' meeting, directors' written resolution or any other directors' decision-making as the alternate's appointor, including, but not limited to, the right to receive notice of all meetings of directors and all meetings of committees of directors of which their appointor is a member.

26.2 Except as these articles specify otherwise, alternate directors:

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

26.3 A person who is an alternate director but not otherwise a director:

- (a) 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
- (b) may participate in a unanimous decision of the directors (but only if that person's appointor is an eligible director in respect of such decisions and only if that person's appointor does not participate),

provided that (notwithstanding any other provision of these articles) such person shall not be counted as more than one director for the purposes of paragraphs (a) and (b) above.

26.4 A director who is also an alternate for one or more directors is entitled, in the absence of the relevant appointor, to a separate vote on behalf of each appointor in addition to their own vote on any decision of the directors (provided the relevant appointor is an eligible director in relation to that decision) but shall not count as more than one director for the purposes of determining whether a quorum is present.

26.5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director.

27. Termination of alternate directorship

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) 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;

- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor ceases to be a director for any reason.

28. Secretary

The directors may appoint any person who is willing to act as the secretary of the Company on such terms (including but not limited to, term of office and remuneration) and subject to such conditions as they may think fit and from time to time remove such person and, if the directors determine, appoint a replacement secretary of the Company, in each case by a decision of the directors.

Part 3

Shares and Distributions

Shares

29. Issue of Shares

- 29.1 Shares may be issued by the Company which are nil, partly or fully paid.

30. Share capital

- 30.1 Except as otherwise provided in these Articles the A Ordinary Shares and B Ordinary Shares shall rank pari passu in all respects but each shall constitute separate classes of Shares.
- 30.2 In these Articles, unless the context requires otherwise, references to Shares of a particular class shall include Shares created and/or issued after the Adoption Date and ranking pari passu in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares of the relevant class then in issue.

31. Authority to allot Shares

- (a) Subject to the CA 2006 and to the Shareholders' Agreement, the Company may offer, allot, grant rights or warrants to subscribe for, grant options over, or otherwise deal with or dispose of unissued Shares in the Company to such persons and generally on such terms in such manner and at such times as the Board may determine.
- (b) By virtue of section 567(1) of the CA 2006, the provisions of sections 561 and 562 of the CA 2006 shall not apply to an allotment made by the Company of equity securities (as defined in section 560(1) of the CA 2006).

32. Powers to issue different classes of share

- 32.1 Subject to these articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.
- 32.2 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, and the directors may determine the terms, conditions and manner of redemption of any such Shares.

33. Authority to purchase own Shares with cash

The Company is authorised to purchase its own Shares pursuant to Section 692(1ZA), CA 2006.

34. **Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or these articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

35. **Rights attaching to Shares**

35.1 **Income**

(a) *A Preference Dividend*

The holders of A Preference Shares shall be entitled to receive, in priority to the holders of any other class of Shares, a fixed cumulative preferential net cash dividend (the "**A Preference Dividend**") at the A Preference Dividend Rate on the subscription price of each A Preference Share from the Issue Date of the relevant A Preference Shares. The A Preference Dividend will be rolled-up in arrears on each Interest Date following the Issue Date (a "**Rolled-up A Preference Dividend**"). Commencing on each such Interest Date the A Preference Dividend will accrue at the A Preference Dividend Rate on both the Issue Price and the aggregate of all Rolled-up A Preference Dividends (if any) as if the Issue Price had been increased by an amount equal to the aggregate of all previous Rolled-up A Preference Dividends; and

(b) *B Preference Dividend*

The holders of B Preference Shares shall be entitled to receive, subject to the prior payment of the Rolled-up A Preference Dividend, in priority to the holders of any other class of Shares (other than the holders of A Preference Shares), a fixed cumulative preferential net cash dividend (the "**B Preference Dividend**") at the B Preference Dividend Rate on the subscription price of each B Preference Share from the Issue Date of the relevant B Preference Shares. The B Preference Dividend on each Interest Date following the Issue Date (a "**Rolled-up B Preference Dividend**"). Commencing on each such Interest Date the B Preference Dividend will accrue at the B Preference Dividend Rate on both the Issue Price and the aggregate of all Rolled-up B Preference Dividends (if any) as if the Issue Price had been increased by an amount equal to the aggregate of all previous Rolled-up B Preference Dividend

provided that the entitlement to receive the A Preference Dividend and the B Preference Dividend is subject to the provisions of the Shareholders' Agreement which state that in certain circumstances such dividends will cease to continue to accrue and in which case will be receivable for the period up to the date of cessation.

(c) *Further Distributions*

The balance of any profits which the Company or the Board may determine to distribute in any financial year or period shall be distributed amongst the holders of the Equity Shares (equally as if they were one class of Share) pro rata according to the number of Equity Shares held save that no profits will be distributed pursuant to this Article 35.1 unless and until:

- (i) any payments of the A Preference Dividend and B Preference Dividend due in respect of that or any previous financial year have been paid in full; and
- (ii) all payments of the interest due on the Loan Agreements and the payment of any sum due on the redemption of the Loan Agreements have been paid in full; and

and provided that any proposed distribution will be in accordance with the provisions of the Shareholders' Agreement in respect of distributions.

(d) *Declaration and payment of dividends*

- (i) Subject to the provisions of Article 35.1(d)(iii) (*Declaration and payment of dividends*) below, every sum which shall become payable by the Company in respect of any A Preference Dividend and/or B Preference Dividend on any due date (each a "**Dividend Date**") in respect of the A Preference Shares and/or the B Preference Shares shall on the relevant Dividend Date and without any resolution of the directors or of the Company in general meeting, become a debt due from the Company and immediately payable.
- (ii) The Company shall procure that each of its subsidiaries shall from time to time and so far as it is legally able declare and pay to the Company such dividends as are lawful and necessary to permit prompt payment by the Company of the A Preference Dividend and/or the B Preference Dividend.
- (iii) In the event, whether by reason of any principle of law or otherwise, the Company is unable to pay in full on a Dividend Date any A Preference Dividend and/or B Preference Dividend (each a "**relevant dividend**"), then:
 - (A) on the relevant Dividend Date the Company shall pay the maximum sum (if any) which can then consistently with any such principle of law or other restrictive circumstance be properly paid by the Company first, in or towards paying off all arrears of the A Preference Dividend and second, in or towards paying off all arrears of the B Preference Dividend; and
 - (B) on every subsequent Dividend Date the Company shall pay to such holders and in such order on account of the balance of the relevant dividend for the time being remaining outstanding (until the relevant dividend shall have been paid in full) the maximum sum (if any) on each such succeeding Dividend Date respectively which can, consistent with any principle of law or circumstance still prevailing, be properly paid by the Company after payment of the A Preference Dividend and the B Preference Dividend in respect of the relevant Dividend Date.

35.2 **Capital**

- (a) On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of Shares of any class or the purchase by the Company of its own Shares), the assets of the Company available for distribution amongst its members after payment of its liabilities shall be applied in the following manner and order of priority:
 - (i) first, in paying to each holder of A Preference Shares (to the extent such A Preference Shares have not been redeemed pursuant to Article 35.4 (*Redemption of Preference Shares*) an amount equal to the Issue Price for each A Preference Share held by such holder together with any Rolled-up A Preference Dividend;
 - (ii) next, in paying to each holder of A Preference Shares (to the extent such A Preference Shares have not been redeemed pursuant to Article 35.4 (*Redemption of Preference Shares*) an amount equal to all unpaid arrears and accruals of the A Preference Dividends on the A Preference Shares held by such holder, calculated down to the date of the return of capital on the A Preference Shares (such arrears and accruals being payable irrespective of whether the A Preference Dividend has become due and payable in accordance with the Articles) and if there is a shortfall, the assets shall be distributed to the holders of the A Preference Shares pro rata to the number of A Preference Shares held by each of them respectively;

- (iii) next, in paying to each holder of B Preference Shares (to the extent such B Preference Shares have not been redeemed pursuant to Article 35.4) (*Redemption of Preference Shares*) an amount equal to the Issue Price for each B Preference Share held by such holder, together with any Rolled-up B Preference Dividend;
- (iv) next, in paying to each holder of B Preference Shares (to the extent such B Preference Shares have not been redeemed pursuant to Article 35.4) (*Redemption of Preference Shares*) an amount equal to all unpaid arrears and accruals of the B Preference Dividends on the B Preference Shares held by such holder, calculated down to the date of the return of capital on the B Preference Shares (such arrears and accruals being payable irrespective of whether the B Preference Dividend has become due and payable in accordance with the Articles) and if there is a shortfall, the assets shall be distributed to the holders of the B Preference Shares pro rata to the number of B Preference Shares held by each of them respectively;
- (v) next, in paying to each holder of the Equity Shares (pari passu as if they constituted one class of Share) an amount equal to the Issue Price for each Equity Share held by such holder; and
- (vi) finally, in paying the remaining balance the assets of the Company available for distribution following payment of the amounts set out in Article 35.2(a)(i) to 35.2(a)(v) to the holders of the A Ordinary Shares and B Ordinary Shares (pari passu as if the constituted one class of Share) pro rata to the number of A Ordinary Shares and B Ordinary Shares held by each of them respectively.

35.3 **Exit and Disposal provisions**

- (a) Upon a Sale, the members who sell their Shares in such Sale will be entitled to share in the proceeds of the Sale in the manner and order of priority set out in Article 35.2 (*Capital*).
- (b) Upon a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 35.2 (*Capital*) provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the members shall take or defer any action required until such time as it is possible to achieve a distribution in the manner and order of priority set out in Article 35.2 (*Capital*).
- (c) Immediately prior to and conditional upon a Listing, all holders shall enter into such reorganisation of the share capital of the Company as they may agree, acting in good faith, to ensure that the Listing Value is allocated amongst the holders of the Shares in the same proportions as the provisions of Article 35.3(a) (*Exit provisions*) would provide on a Sale at the Listing Value. As part of such reorganisation, the Shares shall ultimately be re-classified into ordinary shares of the same class and with the same nominal value so as to ensure all holders of Shares participate in the Listing to the extent of their economic entitlements on Listing pursuant to this Article 35.3(c) (*Exit provisions*).
- (d) If, and to the extent that, any deferred or other consideration is subsequently paid in respect of a Sale or Disposal, it shall be allocated to the selling members on the same basis as set out in Article 35.2 (*Capital*) taking into account prior allocations or distributions to the selling members that have already taken place.

35.4 **Redemption of Preference Shares**

- (a) All issued Preference Shares may be redeemed at par immediately on the occurrence of any of the following events:

- (i) an event of default in respect of which any notice has been issued or rights exercised by any lender under the Loan Agreements;
 - (ii) (at any time where the Company has no liabilities remaining in respect of the Loan Agreements):
 - (A) the failure by the Company to redeem any Preference Shares and/or pay all arrears of the Preferred Dividend when required in accordance with these Articles;
 - (B) the taking of any steps by any person with a view to the dissolution or the passing of a resolution for the voluntary winding up of the Company;
 - (C) the presentation of a winding up petition or the making of a winding up order in respect of the Company;
 - (D) the making of an application to Court for an administration order or the giving or filing of notice of an intention to appoint an administrator in respect of the Company;
 - (E) the Company being or becoming unable or capable of being deemed unable to pay its debts as they fall due;
 - (F) the Company entering into any composition or arrangement with its creditors;
 - (G) proceedings being commenced against the Company under any law or regulation or procedure relating to the reconstruction or adjustment of debts;
 - (iii) prior to or on a Sale or Listing unless in the case of a Sale an offer to purchase all of the Preference Shares has been accepted by all the Preference Shareholders;
 - (iv) in accordance with clause 32 of the Shareholders Agreement; and/or
 - (v) at the election of the Company (with Shareholder Consent or otherwise in accordance with these Articles).
- (b) Any redemption of some but not all of the Preference Shares shall be made amongst the holders of the Preference Shares pro rata nearly as possible to their respective holdings of Preference Shares.
- (c) On the date(s) fixed for any redemption the Company shall pay to the holder of each Preference Share then to be redeemed:
- (i) an amount equal to the Issue Price of each Preference Share together with all Rolled-up A Preference Dividend or Rolled-up B Preference Dividend (as applicable) on such Preference Share; and
 - (ii) all other arrears and accruals of the A Preference Dividend and/or B Preference Share Dividend payable on it (whether earned or declared or not) calculated to and including the date fixed for redemption which shall become a debt due and payable by the Company to the holder.
- (d) If there is more than one holder of Preference Shares, the number of Preference Shares to be redeemed on each occasion shall be apportioned rateably (or as near thereto as may be practicable to avoid the apportionment of a fraction of a share) amongst all

holders of the Preference Shares (as if one class) but with A Preference Shares being paid in priority to B Preference Shares.

- (e) If the Company is unable at any time to redeem in accordance with the Companies Acts the number of Preference Shares then due to be redeemed pursuant to this Article, the Company shall redeem on the date fixed for redemption such number of Preference Shares as it is then able to redeem in accordance with the Companies Acts and shall redeem the balance as soon as it is able to do so.

35.5 Voting rights

- (a) The Preference Shares shall not have any voting rights.
- (b) Each holder of an Equity Share shall be entitled to receive notice of, and each holder of an Equity Share shall be entitled to attend and vote at, general meetings of the Company; on a show of hands every holder of an Equity Share who is present by a duly authorised representative or by proxy shall have one vote and on a poll every holder of an Equity Share (as the case may be) so present in person or by proxy shall have one vote for each Equity Share held by them.

36. Share certificates

36.1 The Company must issue each shareholder with one or more certificates in respect of the Shares which that shareholder holds and, save as provided otherwise in these articles, such certificates must be issued free of charge.

36.2 Every certificate must specify:

- (a) in respect of how many Shares, of what class, it is issued;
- (b) the nominal value of those Shares;
- (c) the amount paid up on the Shares; and
- (d) any distinguishing numbers assigned to them.

36.3 No certificate may be issued in respect of Shares of more than one class.

36.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

36.5 Certificates must:

- (a) have affixed to them the Company's common seal; or
- (b) be otherwise executed in accordance with the Companies Acts.

37. Replacement share certificates

37.1 If a certificate issued in respect of a shareholder's Shares is:

- (a) damaged or defaced; or
- (b) said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

- 37.2 A shareholder exercising the right to be issued with such a replacement certificate:
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

38. Transfers of Shares – general

- 38.1 In Articles 38 to 40 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 38.2 Any member who wishes to transfer (or enter into an agreement to transfer) any Share or interest in any Share must in accordance with the provisions of these Articles, before transferring or agreeing to transfer such Share or interest, first serve written notice on the Company of their intention to make that transfer (a "**Transfer Notice**") unless such Shares are transferred in accordance with the terms of the Shareholders' Agreement.
- 38.3 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 38.4 If a shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles or the Shareholders' Agreement they will be deemed immediately to have served a Transfer Notice in respect of all Shares held by them.
- 38.5 Any transfer of a Share by way of sale which is required to be made under Articles 38 to 40 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 38.6 Unless express provision is made in these Articles to the contrary, during the Exclusivity Period no Shares shall be transferred without Shareholder Consent or unless such transfer is in permitted in accordance with the terms of the Shareholders' Agreement.
- 38.7 The Directors may refuse to register a transfer if:
- (a) it is a transfer of a Share which is not fully paid or to a person that is not approved or is otherwise not permitted in accordance with the terms of the Shareholders' Agreement;
 - (b) the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
 - (c) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; or
 - (d) these Articles otherwise provide that such transfer shall not be registered.

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 38.8 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 the 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 38.8 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

- 38.9 If a Transfer Notice is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:
- (a) the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the CA 2006) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares; and
 - (b) the Seller wishes to transfer all of the Shares held by it.
- 38.10 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of:
- (a) the transferor; and
 - (b) (if any of the Shares is partly or nil paid) the transferee.

39. Permitted Transfers

- 39.1 A shareholder (who is not a Permitted Transferee) (the "**Original Shareholder**") may transfer all (but not part of) of its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 39.2 Shares previously transferred as permitted by Article 39.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 39.3 If a Permitted Transferee ceases to be an Affiliate of the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or an Affiliate of the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 39.4 On the liquidation, administration or administrative receivership of a Permitted Transferee, its liquidator, administrator or administrative receiver must within five Business Days after the date of the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder (if not in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder is in liquidation, administration or administrative receivership, the liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

40. Transfers of Shares subject to pre-emption rights

- 40.1 Save where the provisions of Articles 39 apply or a transfer is in accordance with the terms of the Shareholders' Agreement and not subject to pre-emption, any transfer of Shares by a shareholder shall be subject to the pre-emption rights contained in this Article 40.

40.2 A shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing a Transfer Notice to the Company specifying:

- (a) the number of Shares which they wish to transfer (which shall comprise all not part of its shareholding of Shares) (the "**Sale Shares**");
- (b) if they wish to sell the Sale Shares to a third party, the name of the proposed transferee; and
- (c) the price at which they wish to transfer the Sale Shares.

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed by the Board. The price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within 15 Business Days of the Company receiving the Transfer Notice.

40.3 Except with Shareholder Consent (or as otherwise specified in these Articles), no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

40.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

40.5 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice; and
- (b) in the case where the Transfer Price has not been agreed, the determination of the Transfer Price in accordance with Article 38.9,

the Board shall offer the Sale Shares for sale to the shareholders in the manner set out in Articles 40.6 and 40.7. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

40.6 **Priority for offer of Sale Shares**

- (a) If the Sale Shares include A Ordinary Shares, the Company shall offer them to the B Ordinary Shareholders on the basis as set out in Article 40.7.
- (b) If the Sale Shares include B Ordinary Shares the Company shall offer them to the A Ordinary Shareholders on the basis as set out in Article 40.7.

40.7 **Transfers: Offer**

- (a) As soon as practicable following the receipt of a Transfer Notice the Board shall offer the Sale Shares for sale to the A Ordinary Shareholders or B Ordinary Shareholders (as applicable) in the manner set out in Article 40.7(b).
- (b) The Board shall offer the Sale Shares specified in the offer to the A Ordinary Shareholders or B Ordinary Shareholders (as applicable and either the "**Receiving Shareholder**") inviting it to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (inclusive) (the "**Offer Period**") for all (and not part) of the Sale Shares and the price payable.
- (c) The Receiving Shareholder may within the 20 Business Days of receiving such Transfer Notice give notice that:-
 - (i) it wishes to buy all the Sale Shares and shall specify the purchase price together with any other relevant conditions (the "**Specified Terms**"); or

- (ii) it does not wish to buy the Sale Shares.

40.8 If the Receiving Shareholder gives notice to buy all the Sale Shares, either:

- (a) the Seller shall accept, in which case the Receiving Shareholder shall have a further 20 days or such period as agreed between the parties to sign the documentation in respect of the transaction to the purchase of the Sale Shares and effect any prepayment of the Seller's Loans; or
- (b) the Seller shall reject or the 20 day period shall expire, in which case the Seller shall be permitted to transact with any third party within the period of six months from the date but for not less than the Specified Terms.

Dividends and Other Distributions

41. Procedure for declaring dividends

- 41.1 Save as otherwise provided in Article 35.1, the Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 41.2 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 41.3 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 41.4 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 41.5 If the directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

42. Payment of dividends and other distributions

- 42.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:
 - (a) transfer to a bank or building society account specified by the distribution recipient in writing; or
 - (b) any other means of payment as the directors agree with the distribution recipient in writing.
- 42.2 In these articles, "the distribution recipient" means, in respect of a Share in respect of which a dividend or other sum is payable the holder of the Share.

43. Waiver of distributions

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect.

Capitalisation of Profits

44. Authority to capitalise and appropriation of capitalised sums

44.1 Subject to these articles, the directors may, if they are so authorised by an Shareholder Consent:

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

44.2 Capitalised sums must be applied:

- (a) on behalf of the persons entitled; and
- (b) in the same proportions as a dividend would have been distributed to them.

44.3 Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct. A capitalised sum which was appropriated from profits available for distribution may be applied:

- (a) in or towards paying up any amounts unpaid on existing Shares held by the person(s) entitled; or
- (b) in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

44.4 Subject to these articles, the directors may:

- (a) apply capitalised sums in accordance with article 44.3(a) and article 44.3(b) partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article.

Part 4

Decision-making by Shareholders

Organisation of General Meetings

45. Notice of general meetings

45.1 A general meeting of the Company (other than an adjourned meeting) shall be called by notice issued by any director or by authorising the company secretary (if any) of at least 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the holders of Equity Shares (which must include at least one holder of A Ordinary

Shares and one holder of B Ordinary Shares) having a right to attend and vote being a majority together holding not less than ninety percent in nominal value of the Shares giving that right.

45.2 Every notice convening a general meeting shall specify:

- (a) the place, the date and the time of the meeting;
- (b) the general nature of the business to be dealt with at the meeting;
- (c) if the meeting is convened to consider a special resolution, the text of the resolution and intention to propose the resolution as a special resolution; and
- (d) with reasonable prominence, that a member is entitled to appoint another person (who does not have to be a member) as their proxy to exercise all or any rights of their to attend, speak and vote at the meeting and that a member may appoint more than one proxy in relation to the meeting (provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by them) and shall also specify any more extensive rights (if any) conferred by these articles to appoint more than one proxy.

45.3 The notice shall be given to the members (other than any who under the provisions of these articles or of any restrictions imposed on any Shares are not entitled to receive notice from the Company) to the directors and to the auditors and if more than one for the time being, to each of them.

45.4 Subject to the provisions of these articles, notice of a general meeting of the Company may be given:

- (a) in hard copy form;
- (b) in electronic form; or
- (c) by means of a website,

or partly by one such means and partly by another and the provisions of article 56 (*Company Communications*) shall apply accordingly.

45.5 The accidental failure to give notice of general meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy, or to give notice of a resolution intended to be moved at a general meeting to, or the non-receipt of any of them by, any person or persons entitled to receive the same shall not invalidate the proceedings at that meeting and shall be disregarded for the purpose of determining whether the notice of the meeting, instrument of proxy or resolution were duly given.

46. **Attendance and speaking at general meetings**

46.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

46.2 A person is able to exercise the right to vote at a general meeting when:

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

- 46.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 46.4 In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other.
- 46.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
47. **Quorum for general meetings**
- 47.1 No business other than the appointment of the chairperson of the meeting is to be transacted at a general meeting unless the persons attending it constitute a quorum (which shall be constituted by at least one holder of A Ordinary Shares and at least one holder of B Ordinary Shares) when the meeting proceeds to business and when other business is being transacted at such general meeting.
48. **Chairing general meetings**
- 48.1 If the directors have appointed a chairperson, the chairperson shall chair general meetings if present and willing to do so.
- 48.2 If the directors have not appointed a chairperson, or if the chairperson is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- (a) the directors present; or
 - (b) (if no directors are present), the meeting,
- must appoint a director or shareholder (which may not include any proxy appointed by a shareholder) to chair the meeting, and the appointment of the chairperson of the meeting must be the first business of the meeting.
- 48.3 The person chairing a meeting in accordance with this article is referred to as "the chairperson of the meeting".
49. **Attendance and speaking by directors and non-shareholders**
- 49.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 49.2 The chairperson of the meeting may permit other persons who are not:
- (a) shareholders of the Company; or
 - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,
- to attend and speak at a general meeting.
50. **Adjournment**
- 50.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, the chairperson of the meeting must adjourn it.
- 50.2 The chairperson of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment; or

- (b) it appears to the chairperson of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 50.3 The chairperson of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 50.4 When adjourning a general meeting, the chairperson of the meeting must:
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 50.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
 - (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- 50.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting (or if, during the meeting, a quorum ceases to be present), the meeting shall be dissolved.

Voting at General Meetings

- 51. **Voting: general**
- 51.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these articles.
- 51.2 No shareholder shall, unless the directors otherwise decide, be entitled to vote (either in person or by proxy) at a general meeting, at any adjournment of it or on any poll called at or in relation to it in respect of any Share held by them or to exercise any right as a shareholder unless all calls or other sums presently payable by them in respect of that Share in the Company have been paid to the Company.
- 52. **Errors and disputes**
- 52.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

Any such objection must be referred to the chairperson of the meeting, whose decision is final and conclusive.
- 53. **Demanding a poll and procedure on a poll**
- 53.1 A poll on a resolution may be demanded:
 - (a) in advance of the general meeting where it is to be put to the vote; or

- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

53.2 A poll may be demanded by:

- (a) the chairperson of the meeting;
- (b) the directors;
- (c) any holder of A Ordinary Shares; or
- (d) any holder of B Ordinary Shares.

53.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the chairperson of the meeting consents to the withdrawal,

and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

53.4 Polls must be taken immediately and in such manner as the chairperson of the meeting directs.

54. Written resolutions of shareholders

A written resolution proposed in accordance with the provisions of Chapter 2 of Part 13 of the CA 2006 shall lapse if it is not passed before the period of 14 days beginning with the circulation date (as such is construed pursuant to Section 290, CA 2006).

55. Amendments to resolutions

55.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairperson of the meeting may determine); and
- (b) the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.

55.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

- (a) the chairperson of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

55.3 If the chairperson of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairperson's error does not invalidate the vote on that resolution.

Part 5

Administrative Arrangements

56. Company communications

- 56.1 Subject to the provisions of the Acts (and save as otherwise provided in these articles), any document or information required or authorised to be sent or supplied by the Company to any member or any other person (including a director) pursuant to these articles, the Companies Acts or any other rules or regulations to which the Company may be subject, may be sent or supplied in hard copy form, in electronic form, by means of a website or in any other way in which documents or information may be sent or supplied by the Company pursuant to the Companies Acts.
- 56.2 Subject to these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked in writing to be sent or supplied with such notices or documents for the time being.
- 56.3 The provisions of the CA 2006 which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts by making it available on a website shall, mutatis mutandis, apply to the sending or supplying of any document or information required or authorised to be sent by these articles or any other rules or regulations to which the Company may be subject, by making it available on a website.
- 56.4 The Company may send or supply any document or information to a member or any other person (including a director) pursuant to these articles, the Companies Acts or any other rules or regulations to which the Company may be subject, either personally, or by post in a prepaid envelope addressed to the member (or such other person) at their registered address or at their address for service, or by leaving it at that address or any other address for the time being notified to the Company by the member (or such other person) for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to the Company by the member (or such other person) for the purpose, or by any other means authorised in writing by the member (or such other person) concerned.
- 56.5 A shareholder whose registered address is not within the United Kingdom and who gives the Company an address within the United Kingdom to which documents or information may be sent or supplied to them or gives an electronic address to which documents or information may be sent or supplied using electronic means, shall be entitled to have documents or information sent or supplied to them at that address, but otherwise no such shareholder shall be entitled to receive any document or information from the Company.
- 56.6 Any shareholder present, in person or by proxy at any meeting of the Company or of the holders of any class of Shares of the Company, shall be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was called.
- 56.7 Save as provided otherwise in these articles, any document or information, addressed to a shareholder (or other person to whom such document or information is required or authorised to be sent pursuant to these articles, the Companies Acts or otherwise) at their registered address or address for service (in the case of a shareholder, in the United Kingdom) or electronic address, as the case may be shall:
- (a) if hand delivered or left at a registered address or other address for service (in the case of a shareholder in the United Kingdom), be deemed to have been served or delivered on the day on which it was so delivered or left;
 - (b) if sent or supplied by post (whether in hard copy form or in electronic form), be deemed to have been received at the expiration of 48 hours after the envelope was posted;

- (c) if sent or supplied by electronic means (other than by means of website), be deemed to have been received (if sent or supplied between the hours of 9 a.m. and 5 p.m. on a working day) at the time it was sent, or (if sent or supplied at any other time) at 9 a.m. on the next following working day; and
 - (d) if sent or supplied by means of a website, be deemed to have been received when the material was first made 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.
- 56.8 In calculating a period of hours for the purpose of article 56.7, no account shall be taken of any part of a day that is not a working day.
- 56.9 A director may agree with the Company that documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than those set out in article 56.7.
- 56.10 Subject to article 56.6, in proving such service or delivery it shall be sufficient to prove that the envelope containing the document or information was properly addressed and put into the post in a prepaid envelope or, in the case of a document or information sent or supplied by electronic means, that it was sent or supplied in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators entitled "Electronic Communications with Shareholders 2007" (as such guidance is amended or updated from time to time).
- 56.11 The Company shall not be held responsible for any failure in transmission beyond its reasonable control and the provisions of article 56.6 to article 56.10 (inclusive) shall apply regardless of any document or information being returned undelivered and regardless of any delivery failure notification or "out of office" or other similar response and any such "out of office" or other similar response shall not be considered to be a delivery failure.

Directors' Indemnity, Funds and Insurance

57. Indemnity and Funds

- 57.1 Subject to article 57.2 (but otherwise to the fullest extent permitted by law) and without prejudice to any indemnity to which they may otherwise be entitled a relevant director, secretary or other officer (other than any person engaged as auditor) of the Company or an associated Company shall, at the discretion of the directors, be indemnified out of the Company's assets against all or any part of any costs, charges, losses, expenses and liabilities incurred by that director secretary or other officer in the actual or purported exercise of their powers in relation to the affairs of the Company or associated Company.
- 57.2 This article does not authorise any indemnity or provision of funds which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

58. Insurance

Subject to the provisions of the CA 2006, the directors may in their absolute discretion decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director secretary or other officer (other than any person engaged as auditor) of the Company or associated Company in respect of all or any part of any relevant loss.