

Articles of Association
boohoo holdings limited

CONTENTS

ARTICLE	PAGE
1. DEFINITIONS AND INTERPRETATION	1
2. SHARE CAPITAL	5
3. GENERAL	5
4. VOTING	5
5. DIVIDENDS	6
6. CAPITAL	6
7. SHARE SALE.....	9
8. ISSUE OF NEW SHARES	9
9. TRANSFER OF SHARES	9
10. LEAVERS.....	10
11. OBLIGATORY TRANSFER EVENTS	11
12. DRAG ALONG RIGHT	12
13. TAG ALONG RIGHT.....	14
14. DIRECTOR'S GENERAL AUTHORITY	14
15. QUORUM FOR DIRECTORS' MEETINGS.....	14
16. TRANSACTION OR OTHER ARRANGEMENTS WITH THE COMPANY.....	14
17. DIRECTORS' CONFLICTS OF INTEREST	15
18. RECORDS OF DECISIONS TO BE KEPT	16
19. NUMBER OF DIRECTORS.....	16
20. APPOINTMENT AND REMOVAL OF DIRECTORS	16
21. ALTERNATE DIRECTORS	16
22. ALTERNATE DIRECTORS' EXPENSES	18
23. SECRETARY.....	18
24. COMPLIANCE.....	18
25. TRANSMITTEES BOUND BY PRIOR NOTICES	18
26. PROCEEDINGS AT GENERAL MEETINGS	18
27. PROXIES.....	19
28. CHANGE OF COMPANY NAME.....	19
29. MEANS OF COMMUNICATION TO BE USED	19
30. INDEMNITY AND INSURANCE	20

Company number: 11941376

The Companies Act 2006
Private Company Limited by Shares
Articles of Association
of
boohoo holdings limited (the "Company")
(Adopted by special resolution passed on 8 March 2023)

Introduction

1. DEFINITIONS AND INTERPRETATION

1.1 The following definitions and rules of interpretation shall apply in these Articles:

"Acquisition Cost" means the price at which a C Shareholder acquires its C Shares;

"Act" means the Companies Act 2006;

"Acting in Concert" has the meaning set out in the City Code on Takeovers and Mergers from time to time;

"AIM Rules" means the rules of the Alternative Investment Market, operated by the London Stock Exchange plc;

"Approved Offer" as defined in Article 12;

"Articles" means the Company's articles of association for the time being in force;

"Auditors" means the auditors of the Company from time to time;

"Bad Leaver" means a Leaver who is not a Good Leaver;

"Beneficial Owner" means a person on behalf of whom a Nominee holds the shares in question;

"Board" means the board of the Company;

"Business Day" means a day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business

"C Share End Date" means 8 March 2028;

"C Shareholder" means a Shareholder who holds C Shares;

"C1 Shares" means the C1 ordinary shares of £0.001 each issued in the capital of the Company, having the rights set out in Articles 3 to Article 7 (inclusive);

"C2 Shares" means the C2 ordinary shares of £0.001 each issued in the capital of the Company, having the rights set out in Articles 3 to Article 7 (inclusive);

"C3 Shares" means the C3 ordinary shares of £0.001 each issued in the capital of the Company, having the rights set out in Articles 3 to Article 7 (inclusive);

"C4 Shares" means the C4 ordinary shares of £0.001 each issued in the capital of the Company, having the rights set out in Articles 3 to Article 7 (inclusive);

"C5 Shares" means the C5 ordinary shares of £0.001 each issued in the capital of the Company, having the rights set out in Articles 3 to Article 7 (inclusive);

"C Shares" means the shares comprised in all of the C Share Sub-Classes;

"C Share Sub-Classes" means each of the sub-classes of share comprising, respectively, the C1 Shares, the C2 Shares, the C3 Shares, the C4 Shares and the C5 Shares (and each individually being a **"C Share Sub-Class"**);

"Conflict" means a situation in which a director has or can have, a direct or indirect interest that conflicts, or may possibly conflict with the interests of the Company;

"Control" has the meaning set out in section 1124 or section 450 of the Corporation Tax Act 2010 (as the context requires);

"Determination Date" means:

- (a) in the case of, or in respect of, a Leaver other than as referred to in Article 10.3(b), the Leaving Date, unless provided otherwise by the Parent in the Mandatory Transfer Notice;
- (b) in the case of, or in respect of, a Leaver as referred to in Article 10.3(b), the date on which the obligation to transfer the shares in question pursuant to Article 10.3(b) first arose;

"Drag Notice" as defined in Article 12;

"Eligible Director" means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

"Encumbrance" means any claim, mortgage, charge (whether fixed or floating), pledge, lien, option, equitable right, power of sale, pledge, hypothecation, retention of title, trust, encumbrance, security interest, assignment by way of security or other third party right or interest (legal or equitable) including any right of pre-emption or right of first refusal over or in respect of the relevant asset, security or right or any other agreement or arrangement having similar effect;

"Exempt Disposal" means either:

- (a) a disposal to connected persons within the meaning of section 1122 of the Corporation Tax Act 2010; or
- (b) a disposal to another holder of Shares;

"Good Leaver" means cessation of employment due to:

- (a) ill health, injury or disability as rendering the Leaver permanently incapable of carrying out his/her role as an employee and/or director save where such incapacity has arisen as a result of the abuse of drugs or alcohol (as evidenced to the satisfaction of the Remuneration Committee);
- (b) death; and

- (c) the transfer of the Leaver's office or employment to a non-Group Company as part of a business transfer;

"Group" means the Company, any subsidiary or any holding company of the Company from time to time, and any subsidiary from time to time of a holding company and member of the Group shall mean any of them and Group Company shall be construed accordingly;

"holding company" has the meaning given in Article 1.6;

"Leaver" means:

- (a) any C Shareholder or Beneficial Owner of C Shares who ceases to be an executive director and/or an employee of any member of the Group for any reason whatsoever; and /or
- (b) any C Shareholder or Beneficial Owner of C Shares who is subject to an Obligatory Transfer Event as referred to in Article 11;

"Leaving Date" means:

- (a) in the circumstances of being a Leaver under paragraph (a) of the definition of Leaver the earlier of:
 - (i) the date on which the notice of termination of employment or engagement by any member of the Group is given by, or to, such Leaver; and
 - (ii) the date on which the relevant Leaver actually ceases to be employed by, or engaged by, any member of the Group,provided that on such date, there is no understanding or arrangement in place where the relevant Leaver will subsequently recommence employment or engagement with any member of the Group;
- (b) in the circumstances of being a Leaver under paragraph (b) of the definition of Leaver, the date of the relevant Obligatory Transfer Event;

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the date of adoption of these Articles and reference to a numbered Model Article is a reference to that article of the Model Articles;

"Nominee" means any shareholder who holds Shares as nominee or trustee for another person or persons;

"Obligatory Transfer Event" has the meaning given to it in Article 11;

"Ordinary Shares" means the ordinary shares of £0.001 each issued in the capital of the Company, having the rights set out in Articles 3 to Article 7 (inclusive);

"Parent" means boohoo group plc, a public limited company registered in Jersey with company registration number 114397, being the holder of the Ordinary Shares;

"Parent Consent" means the written consent of the Remuneration Committee;

"Remuneration Committee" means the remuneration committee of the Parent from time to time, or where no such committee exists, the board or a duly authorised committee of the board of directors of the Parent;

"Share Sale" means any transaction or series of transactions by which one person, or persons Acting in Concert (other than the Parent and/or any other member of the Group) acquires Control of the Company except for an Exempt Disposal;

"Shareholder" means a registered holder of an issued Share from time to time, as recorded in the register of members of the Company;

"Shares" means any shares in the capital of the Company;

"Surplus Assets" has the meaning given in Article 6; and

"Vesting Date" means, in respect of a C Share within any particular C Share Sub-Class, the first date upon which there would be a Return of Capital on that date that C Share would entitle the holder thereof to receive distributions on such Return of Capital.

1.2 Unless expressly provided otherwise in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles. The final paragraph of Model Article 1 shall not apply to the Company.

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

1.4 A reference in these Articles to a numbered Article is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.5 Unless expressly provided otherwise in these Articles, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

(a) any subordinate legislation made under it, whether before or after the date of adoption of these Articles; and

(b) any amendment or re-enactment, whether before or after the date of adoption of these Articles and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

This Article 1.5 shall not apply to the definition of Model Articles in Article 1.1.

1.6 A reference to a holding company or subsidiary means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security, or (b) its nominee.

1.7 Any words following the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

1.8 Where the context permits, other and otherwise are illustrative and shall not limit the sense of the words preceding them.

1.9 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.

1.10 Model Articles 8(3), 11(2) and (3), 14(1), (2), (3) and (4), 21, 38, 41(1) to (5), 52 and 53 shall not apply to the Company.

- 1.11 Model Article 7 shall be amended by:
- (a) the insertion of the words "for the time being" at the end of Model Article 7(2)(a); and
 - (b) the insertion in Model Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 In Model Article 8(2), the words "copies of which have been signed by each eligible director" shall be deleted and replaced with the words "of which each Eligible Director has signed one or more copies".
- 1.13 Model Article 20 shall be amended by the insertion of the words "and the company secretary (if any)" before the words "properly incur".
- 1.14 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.15 In Model Article 30(4), the words "the terms on which shares are issued" shall be deleted and replaced with "the rights attached to any shares".
- 1.16 In Model Article 32(a), the words "the terms on which the share was issued" shall be deleted and replaced with "the rights attached to the share".
- 1.17 Model Article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Model Article.
- 1.18 Paragraphs 52 to 62 (inclusive) of Schedule 3 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date shall apply to the Company (including any defined terms therein).

Shares and Shareholders

2. SHARE CAPITAL

The share capital of the Company consists of Ordinary Shares and C Shares.

3. GENERAL

The shares of each class of Share shall entitle the holders thereof to the respective rights and obligations set out in these Articles.

4. VOTING

4.1 Subject to the provisions of the Act, a holder of Ordinary Shares:

- (a) shall be entitled to receive notice of, and to attend and speak at any general meeting and at any separate class of meeting of the Company for Shares of that class they hold;
- (b) who (being an individual) is present in person or by proxy, or (being a corporation) is present by a representative duly authorised under section 323 of the Act, shall on a show of hands at a general meeting of the Company have one vote;
- (c) present in person, by representative or by proxy shall on a poll at a general meeting of the Company have one vote for each Share of which it is the holder;
- (d) shall on a written resolution have one vote for each Share of which it is a holder.

- 4.2 The holders of the C Shares shall not in their capacity as such be entitled to receive notice of, attend or vote at any general meeting of the Company.
- 4.3 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present. The Parent must be present in person, by proxy or by duly authorised representative (if a corporation) at any general meeting for quorum to be present.
- 4.4 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors (with Parent Consent) may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same the Shareholders present shall form a quorum. Model Article 41(1) to (5) inclusive shall not apply to the Company.

5. **DIVIDENDS**

- 5.1 Subject to the provisions of the Act, the Company may with the prior consent of the Parent by ordinary resolution declare dividends and the directors may decide to pay interim dividends at their discretion.
- 5.2 The C Shares shall not entitle the holders thereof in their capacity as such to receive any dividends of other distributions from the Company (other than as provided by Article 6).

6. **CAPITAL**

- 6.1 On a return of capital, whether on liquidation, capital reduction or otherwise (but excluding a purchase of own shares) ("**Return of Capital**"), any surplus assets of the Company remaining after the payment of its liabilities ("**Surplus Assets**") shall be distributed amongst the Shareholders as follows:

- (a) first, to the holders of the C Shares in their capacity as such as to the amounts (if any) calculated in accordance with Article 6.2; and
- (b) second, as to the balance of the Surplus Assets, to the holders of the Ordinary Shares pro-rata to their holdings thereof.

- 6.2 Each C Share within a particular C Share Sub-Class (the "**Relevant C Share Sub-Class**") shall confer an entitlement to receive the following amount pursuant to a Return of Capital:

- (a) if prior to the earlier of the Return of Capital Date and the C Share End Date there has been a Share Price Achievement Date in respect of the Relevant C Share Sub-Class, such entitlement shall be to receive an amount equal to:

$$\left(\frac{1}{10,000}\right) \times \left(\frac{A}{B}\right) \times \text{Relevant Amount}$$

where:

A is the Parent Spot Share Price on the Return of Capital Date; and

B is the Parent Spot Share Price on the relevant Share Price Achievement Date;

- (b) if prior to the earlier of the Return of Capital Date and the C Share End Date:
 - (i) there has not been a Share Price Achievement Date in respect of the Relevant C Share Sub-Class (so that (a) above does not apply); and

- (ii) there has been a Parent Change of Control in respect of which the Change of Control Price is at least the Target Share Price of the Relevant C Share Sub-Class, such entitlement shall be to receive an amount equal to:

$$\left(\frac{1}{10,000}\right) \times \text{Relevant Amount}$$

- (c) if prior to the earlier of the Return of Capital Date and the C Share End Date:

- (i) there has not been a Share Price Achievement Date (so that (a) above does not apply);
- (ii) there has not been a Parent Change of Control in respect of which the Change of Control Price is at least Target Share Price of the Relevant C Share Sub-Class (so that (b) above does not apply); and
- (iii) there has been a Parent Change of Control in respect of which the Change of Control Price is more than the Lower Amount of the Relevant C Share Sub-Class,

such entitlement shall be to receive an amount equal to:

$$\left(\frac{1}{10,000}\right) \times \left(\frac{C}{D}\right) \times \text{Relevant Amount}$$

where:

C is amount by which the Change of Control Price in respect of the Parent Change of Control exceeds the Lower Amount of the Relevant C Share Sub-Class; and

D is the amount by which the Target Share Price of the Relevant C Share Sub-Class exceeds such Lower Amount,

PROVIDED THAT this Article 6.2(c) shall not apply to the C1 Shares; and

- (d) if none of (a), (b) or (c) above apply, the C Shares within the Relevant C Share Sub-Class shall not confer any entitlement to receive any amount in respect of the Return of Capital.

6.3 In Article 6.2:

"Change of Control Price" means the price per share at which ordinary shares of the Parent are acquired pursuant to the terms of the Parent Change of Control;

"Daily Official List" means the daily official list of the London Stock Exchange plc;

"Lower Amount" means, in respect of:

- (i) the C2 Shares: the Target Share Price of the C1 Shares;
- (ii) the C3 Shares: the Target Share Price of the C2 Shares;
- (iii) the C4 Shares: the Target Share Price of the C3 Shares; and
- (iv) the C5 Shares: the Target Share Price of the C4 Shares;

"Parent Average Share Price" means the daily volume weighted average Parent Spot Share Price for a trailing 90 day period ending on (and including) the Business Day immediately prior to the day in question;

"Parent Change of Control" means, with respect to the ordinary share capital of the Parent either (i) a scheme of arrangement under Part 26 of the Act becoming effective pursuant to its terms or (ii) a takeover offer (as defined in Chapter 3 of Part 28 of the Act) having been declared or having become unconditional in all respects in accordance with the requirements of the City Code on Takeovers and Mergers;

"Parent Spot Share Price" means the closing middle market price of an ordinary share in the capital of the Parent on the Business Day immediately prior to the day in question, as derived from the AIM appendix to the Daily Official List (or if the ordinary shares in the capital of the Parent have a primary listing on a Recognised Investment Exchange other than AIM, as derived from that Recognised Investment Exchange);

"Recognised Investment Exchange" means a recognised investment exchange as defined by section 285 of the Financial Services and Market Act 2000;

"Relevant Amount" means the amount set out in column (3) of the Table opposite the name of the Relevant C Share Sub-Class;

"Return of Capital Date" means the date on which the Return of Capital in question takes place;

"Share Price Achievement Date" means, in respect of a particular C Share Sub-Class, the first date on which the Parent Average Share Price is at least the Target Share Price of that C Share Sub-Class;

"Table" means the following table:

(1)	(2)	(3)
C Share Sub-Class	Target Share Price (pence)	Relevant Amount (£million)
C1 Shares	95	17.5
C2 Shares	158	25
C3 Shares	237	37.5
C4 Shares	316	40
C5 Shares	395	55

"Target Share Price" means the figure set out in column (2) of the Table opposite the name of the C Share Sub-Class in question (subject to amendment in accordance with Article 6.4).

6.4 If the Parent:

- (a) issues ordinary shares by way of bonus issue; or
- (b) sub-divides or consolidates its ordinary shares

(an "**Adjustment Event**"),

each of the figures set out in column (2) of the Table shall be deemed amended so as to be:

$$A \times \frac{B}{C}$$

where:

A is such figure immediately prior to such amendment;

B is the number of ordinary shares of the Parent in issue immediately prior to the Adjustment Event; and

C is the number of ordinary shares of the Parent immediately following the Adjustment Event that represent or are derived from (including by way of bonus issue) the ordinary shares of the Parent in issue immediately prior to the Adjustment Event.

7. SHARE SALE

On a Share Sale, the Shares shall entitle their respective holders to an allocation of the Share Sale proceeds in accordance with the return of capital provisions set out in Article 6 as if the consideration payable for the entire issued share capital of the Company pursuant to the terms of the Share Sale was the Surplus Assets and the date of completion of the Share Sale was the date of the Return of Capital.

8. ISSUE OF NEW SHARES

- 8.1 The directors shall not exercise any power of the Company to allot Shares or other securities in, or to grant rights to subscribe for, or convert into, Shares or other securities of, the Company without the prior written consent of the Parent.
- 8.2 In accordance with section 567(1) and (2) of the Act, sections 561(1) and 562(1) to (5) (inclusive) of the Act shall not apply to the Company.

9. TRANSFER OF SHARES

- 9.1 No holder of Shares is permitted to transfer any Shares save as expressly permitted or required by these Articles.
- 9.2 The Parent shall be entitled to dispose of any Shares held by it at any time, save as may be restricted by operation of law or regulation.
- 9.3 Subject to Article 9.2, the Board shall not register any transfer of C Shares without prior written Parent Consent save as required or permitted by these Articles.
- 9.4 Save with prior written Parent Consent, no C Shareholder shall create any Encumbrances over his C Shares (as applicable).
- 9.5 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 9.6 No fee may be charged for registered any instrument of transfer or other document relating to or affecting the title to any Share.
- 9.7 The Company may retain any instrument of transfer which is registered.
- 9.8 The transferor remains the holder of the Share until the transferee's name is entered on the register of members as holder of it.

- 9.9 The directors shall not decline to register a transfer of any Ordinary Shares or any Shares held by the Parent where such transfer is by or in favour of any bank or financial or non-financial institution or other entity to whom such Shares have been charged or mortgaged (or by or in favour of any nominee and/or a trustee of such bank or financial or non-financial institution or other entity).
- 9.10 No Shares may be transferred unless they are fully paid prior to any transfer by the transferor.
10. **LEAVERS**
- 10.1 In the event that a C Shareholder or Beneficial Owner of C Shares becomes a Leaver, the Board shall as soon as reasonably practicable following his/her Leaving Date notify the Parent of such event, and whether the Board considers the Leaver to be a Good Leaver or a Bad Leaver.
- 10.2 In the case of a Bad Leaver, all Shares held by him/her or a Nominee on his/her behalf will be required to be transferred pursuant to this Article 10.
- 10.3 In the case of a Good Leaver who is a C Shareholder or Beneficial Owner of C Shares:
- (a) neither he/she nor any Nominee who holds C Shares on his/her behalf will be required to transfer any C Shares within a C Share Sub-Class in respect of which the Vesting Date occurred on or prior to the Leaving Date; and
 - (b) in respect of C Shares within a C Share Sub-Class in respect of which a Vesting Date did not occur on or prior to the Leaving Date he/she/such Nominee will be entitled to retain such shares following the Leaving Date but he/she/such Nominee will be required to transfer such shares pursuant to this Article 10 as follows:
 - (i) in respect of those C Shares in respect of which a Vesting Date does not occur prior to the C Share End Date: he/she/such Nominee will be required to transfer those shares following the C Share End Date; and
 - (ii) in respect of those C Shares in respect of which the Vesting Date does occur prior to the C Share End Date: he/she/such Nominee will be required to transfer such proportion of those shares as is equal to the proportion that the number of days between the Leaving Date and that Vesting Date (both dates inclusive) bears to the number of days between the earliest date on which those C Shares were acquired by him/her/such Nominee and that Vesting Date (both dates inclusive) (rounded down to the nearest number of whole shares).
- 10.4 The Parent may give notice in writing (a "**Mandatory Transfer Notice**") to the Leaver and any relevant Nominee, specifying:
- (a) that the Leaver/Nominee is required to transfer Shares;
 - (b) the number of Shares and classes to be so transferred ("**Mandatory Sale Shares**");
 - (c) the identity of the person to whom the Mandatory Sale Shares are to be transferred (as determined by the Parent, acting in its absolute discretion);
 - (d) the Determination Date; and
 - (e) the aggregate purchase price payable for the Mandatory Sale Shares, determined in accordance with this Article 10 ("**Mandatory Purchase Price**").
- 10.5 A Mandatory Transfer Notice:

- (a) subject to Article 10.3, may be served in relation to some, or all, of the Shares of which the Leaver is the holder or the Beneficial Owner;
 - (b) shall be in such form as the Parent shall determine;
 - (c) may be revoked by the Parent prior to completion of the relevant purchase;
 - (d) shall not be given in respect of any C Shares held by (or by a Nominee on behalf of) a Good Leaver prior to the Vesting Date in respect of those C Shares; and
 - (e) may be given even if a Drag Notice is outstanding or an Approved Offer has been made to all Shareholders.
- 10.6 The Mandatory Purchase Price shall be paid in cash, such payment shall be made by electronic transfer of cleared funds against delivery of a duly executed stock transfer form in respect of the Mandatory Sale Shares ("**Mandatory Completion**").
- 10.7 Mandatory Completion shall take place at the Company's registered office on the date specified in the Mandatory Transfer Notice, which shall be no later than the 20th Business Day after the date of delivery of the Mandatory Transfer Notice.
- 10.8 The Mandatory Purchase Price payable to a Leaver who is required to transfer Shares pursuant to this Article 10 shall be the lower of (i) the amount to which those Shares would have been entitled pursuant to Article 6 had there been a Return of Capital on the Determination Date and (ii) the Acquisition Cost in respect of the Shares that are being transferred by them.
- 10.9 In the event that, within five Business Days of being required to do so, a Leaver or a Nominee fails to duly execute and deliver valid transfers in respect of the Mandatory Sale Shares held by him/her/it and/or deliver the certificate(s) in respect of the same, or a suitable indemnity in their place, then the Parent (acting by any director) shall be entitled to execute the necessary transfers and indemnities on the Leaver's/Nominee's behalf and, against receipt by the Company or its nominee (on trust for such Leaver/Nominee) of the consideration payable for the relevant Mandatory Sale Shares, deliver such transfer(s) and certificate(s) or indemnities and register such transfer in the Company's registers of transfers and members. After such registration, the validity of such proceedings shall not be questioned by any person.
- 11. OBLIGATORY TRANSFER EVENTS**
- 11.1 If anything mentioned in this Article happens to or relates to a C Shareholder or the Beneficial Owner of a C Share (and in this Article 11.1 references to "Shareholder" shall include such Beneficial Owner) it shall be an Obligatory Transfer Event in respect of the relevant Shareholder and any relevant Nominee and the provisions of Article 10 shall, if the Parent gives a Mandatory Transfer Notice, apply with the C Shareholder then being treated as a Bad Leaver for all relevant purposes:
- (a) an order is made for that C Shareholder's (as applicable) bankruptcy;
 - (b) an application to the court is made under section 253 of the Insolvency Act 1986 where that C Shareholder (as applicable) intends to make a proposal to his/her creditors for a voluntary arrangement;
 - (c) that C Shareholder (as applicable) makes an individual voluntary arrangement with his/her creditors on agreed terms pursuant to Schedule 22 of the Enterprise Act 2002;
 - (d) that C Shareholder (as applicable) convenes a meeting of his/her creditors or takes any other steps with a view to making an arrangement or composition in satisfaction of his/her creditors generally;

- (e) that C Shareholder (as applicable) is unable to pay his/her debts as they fall due for the purposes of section 268 of the Insolvency Act 1986;
- (f) the happening in relation to that C Shareholder (as applicable) of any event analogous or similar to any of the above in any jurisdiction;
- (g) that C Shareholder (as applicable) has a disqualification order made against him/her under the Company Directors Disqualification Act 1986, or
- (h) that C Shareholder (as applicable) commits a material and persistent breach of his/her obligations under these Articles which, if capable of remedy, has not been so remedied within 20 Business Days of the Parent requiring such remedy;
- (i) that C Shareholder (as applicable) commits a material breach of his/her or her service agreement or any terms of reference of any committee on which they sit as a director of the Parent (which, if capable of remedy, has not been remedied within 5 Business Days of the Board notifying the relevant C Shareholder (as applicable) in writing of the breach);
- (j) that C Shareholder (as applicable) commits a material breach (which, if capable of remedy, has not been remedied within 5 Business Days of the Board notifying the relevant C Shareholder (as applicable) in writing of the breach) of:
 - (i) the Parent's codes of conduct, policies or procedures;
 - (ii) the AIM Rules; or
 - (iii) the Parent's Share Dealing Code or any other codes of corporate governance applying to or adopted voluntarily by the Parent.

12. **DRAG ALONG RIGHT**

- 12.1 If at any time, a bona fide arm's length offer is made by any person (for the purposes of this Article 12, a **"Drag Buyer"**) which is approved and accepted by the Parent in respect of all of its Shares (**"Parent's Shares"**) in the Company (the **"Approved Offer"**), the Parent shall have the right to require all other Shareholders (**"Drag Shareholders"**) to accept the Approved Offer in full and sell and transfer all Shares of which they are the registered owner (**"Drag Shares"**) to the Drag Buyer (or to such other person as the Drag Buyer directs), provided always that such proposed disposal is not an Exempt Disposal, in accordance with the provisions of this Article (**"Drag Option"**).
- 12.2 The Drag Option may be exercised by the service of a notice to that effect on the Drag Shareholders at the same time as, or within five Business Days following, the making of an Approved Offer (or, if later, within five Business Days following the acquisition by the relevant Drag Shareholder of any Shares) (**"Drag Notice"**). A Drag Notice shall specify:
- (a) that the Drag Shareholders are required to transfer all their Drag Shares pursuant to this Article 12;
 - (b) the identity of the Drag Buyer;
 - (c) the purchase price payable for the Drag Shares pursuant to the Approved Offer, which shall specify the relative values of each Share (if any) having regard to the provisions of Article 6 and Article 7; and
 - (d) the proposed date of transfer (the **"Completion Date"**).

- 12.3 On the exercise of the Drag Option, each of the Drag Shareholders shall be bound to accept the Approved Offer in respect of his/her entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.
- 12.4 Once issued, a Drag Notice shall be irrevocable. However, a Drag Notice shall lapse if, for any reason, the Parent has not sold the Parent's Shares to the Drag Buyer within ninety Business Days of serving the Drag Notice. The Parent may serve further Drag Notices following the lapse of any particular Drag Notice.
- 12.5 No Drag Notice shall require a Drag Shareholder to agree to any terms except those specifically set out in this Article 12.
- 12.6 Completion of the sale of the Drag Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Parent's Shares unless:
- (a) all of the Drag Shareholders and the Parent agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Drag Shareholders and the Parent; or
 - (b) that date is less than ten Business Days after the date on which the Drag Notice is served, in which case the Completion Date shall be the tenth Business Day after service of the Drag Notice.
- 12.7 On or before the Completion Date, the Drag Shareholders shall execute and deliver stock transfer forms for the Drag Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Drag Shareholders, on behalf of the Drag Buyer, the amounts due pursuant to Article 12.2(c) to the extent that the Drag Buyer has put the Company in the requisite funds. The Company's receipt of the price shall be a good discharge to the Drag Buyer and the Company shall hold the amounts due to the Drag Shareholders in trust for the Drag Shareholders without any obligation to pay interest.
- 12.8 Subject to Article 12.9, to the extent that the Drag Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Drag Shares, the Drag Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) executed by them for the relevant Drag Shares and the Drag Shareholders shall have no further rights or obligations under this Article 12 in respect of their Shares.
- 12.9 If any Drag Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with Article 12.7) stock transfer form(s) in respect of all of the Drag Shares held by him/her/it, each defaulting Drag Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Parent to be his/her/its agent to execute all necessary transfer(s) on his/her/its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Drag Shares, and to deliver such transfer(s) to the Drag Buyer (or as it may direct) as the holder thereof after the Drag Buyer (or its nominee) has been registered as the holder of the Drag Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this Article 12.
- 12.10 Where the consideration payable for the relevant Drag Shares is the issue of shares and/or other securities, each Drag Shareholder shall be deemed to have authorised the Company to accept the allotment of such shares and/or the issue of such other securities on his/her behalf as consideration for the transfer of his/her Drag Shares, and on completion of the transfer of the relevant Drag Shares (duly stamped, if appropriate) the Drag Buyer shall procure the registration of such Drag Shareholder as the holder of the relevant shares and/or securities.

13. **TAG ALONG RIGHT**

- 13.1 No disposal (other than pursuant to an Exempt Disposal), of all or part of the Shares held by the Parent, whether as one or a series of transactions, which would, if carried out, result in any person (for the purposes of this Article 13, a **"Tag Buyer"**), and any person Acting in Concert with the Tag Buyer, acquiring Control of the Company (**"Tag Transfer"**), shall be made or registered unless:
- (a) an Approved Offer (which shall specify the relative values of each Share (if any) having regard to the provisions of Article 6 and Article 7) is made by the Tag Buyer to all holders of Shares or, at the Tag Buyer's written request, by the Company as agent for the Tag Buyer; and
 - (b) the Tag Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the Tag Transfer.
- 13.2 If the Tag Buyer fails to make an Approved Offer to all of the holders of Shares in accordance with this Article 13, no holder of Shares shall be entitled to complete any Tag Transfer and the Company shall not register any transfer of Shares purportedly effected in accordance with such Tag Transfer.
- 13.3 An Approved Offer shall lapse if the proposed Tag Transfer has not completed within ninety business days of the Approved Offer being served. Further Approved Offers may be served following the lapse of any particular Approved Offer.

Directors

14. **DIRECTOR'S GENERAL AUTHORITY**

Any or all powers of the directors (or any of them) shall be restricted in such respects, to such extent and for such duration as the Parent may from time to time by notice in writing to the Company prescribe.

15. **QUORUM FOR DIRECTORS' MEETINGS**

- 15.1 Subject to Article 15.2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors or, where there is only one director in office for the time being, that director.
- 15.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 17 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s) (as defined in Article 17.1), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

16. **TRANSACTION OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 16.1 Subject to section 177(5) and (6) and section 182(5) and (6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - (b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;

- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
 - (d) may act by himself/herself or his/her firm in a professional capacity for the Company (otherwise than as auditor) and he or his/her firm shall be entitled to remuneration for professional services as if he were not a director;
 - (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him/her (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit, nor shall the receipt of any such remuneration or other benefit constitute a breach of his/her duty under section 176 of the Act.
- 16.2 The provisions of Article 16.1(a) to Article 16.1(f) (inclusive) are subject, where applicable, to any terms and conditions imposed by the directors in accordance with Article 16.1(c).
17. **DIRECTORS' CONFLICTS OF INTEREST**
- 17.1 The directors may, in accordance with the requirements set out in this Article 17, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **"Interested Director"**) breaching his/her duty under section 175 of the Act to avoid Conflict.
- 17.2 Any authorisation under this Article 17 will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 17.3 Any authorisation of a Conflict under this Article 17 may (whether at the time of giving the authorisation or subsequently) impose on the Interested Director such conditions or limitations, or be granted subject to such terms, as the directors may think fit for the purposes of dealing with the Conflict and the Interested Director will be obliged to conduct himself/herself in accordance with any such terms and conditions.
- 17.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, before such revocation or variation, in accordance with the terms of such authorisation.
- 17.5 A director, notwithstanding his/her office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, any member of the Group and no further authorisation under Article 17.1 shall be necessary in respect of any such interest.

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

18. **RECORDS OF DECISIONS TO BE KEPT**

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions.

19. **NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall not be less than one. A sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these Articles.

20. **APPOINTMENT AND REMOVAL OF DIRECTORS**

- 20.1 The Parent may at any time and from time to time by notice in writing to the Company appoint one or more persons to be a director or directors of the Company and to remove any director or directors from office (whether or not appointed pursuant to this Article 20).

- 20.2 Model Article 18 shall be amended by the inclusion of the words "notification of the director's removal is received by the Company from the Parent pursuant to Article 8.1" as a new paragraph (g) at the end of that Model Article.

- 20.3 Any removal of a director pursuant to Article 20.1 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the director so removed.

21. **ALTERNATE DIRECTORS**

21.1 **Appointment and removal of alternates**

- (a) Any director (the "**appointor**") may appoint as an alternate director any other director, or, with consent of the Parent, any other person, to:

- (i) exercise that director's powers; and
- (ii) carry out that director's responsibilities;

in relation to participation in directors' meetings and the taking of decisions by the directors in the absence of the alternate director's appointor.

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

- (c) The notice must:

- (i) identify the proposed alternate director; and
- (ii) in the case of a notice of appointment, contain a statement signed by the proposed alternate director that the proposed alternate director is willing to act as the alternate director of the director giving the notice.

21.2 Rights and responsibilities of alternate directors

- (a) An alternate director has the same rights, in relation to participation in directors' meetings and the taking of decisions by the directors and in relation to directors' written resolutions, as the alternate director's appointor.
- (b) An alternate director may act as an alternate director for more than one appointor.
- (c) Except if these Articles specify otherwise, alternate directors:
 - (i) are deemed for all purposes to be directors;
 - (ii) are liable for their own acts and omissions;
 - (iii) are subject to the same restrictions as their appointors; and
 - (iv) are not deemed to be agents of or for their appointors,and, each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his/her appointor is a member.
- (d) A person who is an alternate director but not a director:
 - (i) 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
 - (ii) may participate in a unanimous decision of the directors (but only if his/her appointor is an eligible director in relation to that decision, but does not participate).No alternate director may be counted as more than one director for such purposes.
- (e) A director who is also an alternate director is entitled, in the absence of his/her appointor, to a separate vote on behalf of his/her appointor, in addition to his/her own vote on any decision of the directors (provided that his/her 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.
- (f) An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate director's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

21.3 Termination of alternate directorship

- (a) An alternate director's appointment as alternate terminates:
- (b) when the alternate director's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (c) on the occurrence in relation to the alternate director of any event which, if it occurred in relation to the alternate director's appointor, would result in the termination of the appointor's appointment as a director;
- (d) on the death of the alternate director's appointor; or
- (e) when the alternate director's appointor's appointment as a director terminates.

22. **ALTERNATE DIRECTORS' EXPENSES**

Model Article 20 shall be amended by the insertion of the words "including alternate directors" before the words "properly incur".

23. **SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and on such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

24. **COMPLIANCE**

24.1 For the purpose of ensuring (i) that a transfer of Shares is duly authorised under these Articles or (ii) whether an offer is required to be or ought to have been made under Article 13, the Board may from time to time require any shareholder or past shareholder or the personal representatives, trustee in bankruptcy, receiver, administrative receiver, liquidator, administrator or similar officer of any shareholder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may reasonably think fit regarding any matter which they deem relevant to such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name.

24.2 Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no offer is required to be or ought to have been made under Article 13, or that as a result of such information and evidence the Board is reasonably satisfied that an offer is required to be or ought to have been made under Article 13, then the Shares held by or on behalf of the person or persons connected with each other or Acting in Concert with each other (who has or have (as the case may be) obtained Control as is referred to in Article 13), shall cease to entitle the holders thereof (or any proxy):

- (a) to receive notice of any meeting; or
- (b) to any voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at a separate meeting of the class in question) otherwise attaching to such Shares; or
- (c) to any further Shares issued in right of such Shares or in pursuance of an offer made to the relevant holders,
- (d) to the extent that such person or persons shall only be able to control the percentage of the voting rights, attaching to Shares, which they controlled prior to their obligation arising to procure the making of such offer.

25. **TRANSMITTEES BOUND BY PRIOR NOTICES**

Model Article 29 shall be amended by the insertion of the words, "or the name of any person nominated under Model Article 27(2)", after the words "the transmittee's name".

26. **PROCEEDINGS AT GENERAL MEETINGS**

26.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on. The quorum at a general meeting shall be the Parent present by proxy or by authorised representative.

- 26.2 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors may determine. No business may be conducted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place. Model Article 41(1) to (5) inclusive shall not apply to the Company.
- 26.3 A poll on a resolution may be demanded at any time either in advance of, or during any general meeting by:
- (a) the directors;
 - (b) the Parent; or
 - (c) the Chairman of the meeting.
- 26.4 Model Articles 44(1) and 44(2) shall not apply to the Company.
27. **PROXIES**
- 27.1 Model Article 45(1)(d) shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 27.2 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Model Article.

Administrative arrangements

28. CHANGE OF COMPANY NAME

- 28.1 The name of the Company may be changed by:
- (a) a decision of the directors;
 - (b) a special resolution of the Shareholders; or
 - (c) otherwise in accordance with the Act.

29. MEANS OF COMMUNICATION TO BE USED

- 29.1 Subject to Article 29.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - (b) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
 - (c) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or

- (d) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (e) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- (f) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
- (g) if deemed receipt under the previous paragraphs of this Article 29.1 would occur outside business hours (meaning 9.00 a.m. to 5.30 p.m. Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 a.m. on the day when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

29.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (c) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

30. **INDEMNITY AND INSURANCE**

30.1 Subject to Article 30.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer may be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him/her as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his/her duties, or in relation to them; and
 - (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him/her in defending any civil or criminal proceedings, or regulatory investigation or action, in which judgment is given in his/her favour or in which he is acquitted or the proceedings are, or the investigation or action is, otherwise disposed of without any finding or admission of any material breach of duty on his/her part or in connection with any application in which the court grants him/her, in his/her capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him/her in connection with any proceedings, investigation, action or application referred to in Article 30.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 30.2 This Article 30 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.
- 30.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 30.4 In this Article 30:
- (a) associated company means any member of the Group and associated companies shall be construed accordingly;
 - (b) a relevant loss means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
 - (c) a relevant officer means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his/her capacity as auditor).