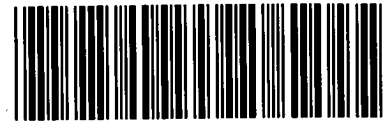


COMPANY NO. 12541626
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
OF
AMMO & COMPANY HOLDINGS LTD

WEDNESDAY



AC601FG2

A06

28/06/2023

#63

COMPANIES HOUSE

AC4CLHPC

A35

26/05/2023

#21

COMPANIES HOUSE

DATED this day of 30th March 2023

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the Directors of the Company propose that the Resolution below is passed as a Special Resolution ("Special Resolution").

We, the undersigned, being all the members of the Company, who, at the date of this Resolution would be entitled to attend and vote at General Meetings of the Company, HEREBY PASS the following Resolution as a Special Resolution and Ordinary Resolution and agreed that the said Resolution shall, for all purposes be as valid and effective as if the same had been passed by us all at a General Meeting of the Company duly convened and held.

SPECIAL RESOLUTIONS

1. **THAT** the Company will issue one ordinary D share with the following rights and obligations:
 - 1.1 Capital: as a class of share on a return of assets on a liquidation or capital reduction or otherwise, the D share will only have the right to the return of its nominal value
 - 1.2 Voting: the holder of the D share shall have no right to vote or to attend at any meetings of the Company; and
 - 1.3 Income: the holder of the D share shall have the right to an entitlement to the first £50,000 of any dividend declared.
2. **THAT** the issued share capital in the Company be reclassified so that:
 - 2.1 the 34 Ordinary A Shares of £1.00 held by Tommy Dalman at the date herewith be reclassified into 34 Founder A Shares of £1.00;
 - 2.2 the 39 Ordinary B Shares of £1.00 held by Tommy Dalman at the date herewith be reclassified into 39 Founder A Shares of £1.00; and
 - 2.3 the 39 Ordinary B Shares of £1.00 held by Robert Mark Warner at the date herewith be reclassified into 39 Founder B Shares of £1.00.
3. **THAT SUBJECT TO** resolutions 1 and 2 being passed, that the rights attached to the Founder A Shares be amended with the following rights and obligations:
 - 3.1 Capital: as a class of share on a return of assets on a liquidation or capital reduction or otherwise the assets of the Company remaining after payment of liabilities shall be applied to the payment of 65% of the first £1,700,000.00 to the holders of the Founder A Shares being the market value of the Company at the date of the adoption of this resolution.
 - 3.2 On the sale of the Company, 65% of the first £1,700,000.00 of the Company sale proceeds shall be distributed to the class of Founder A Share.
 - 3.3 Income: subject to the income right of the holders of the D share, the Founder A Shares shall have the right to entitlement to dividends as to 60% of the first £100,000 declared by the company

- 3.4 On a show of hands, or by poll, every holder of Founder A Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative not being himself a member entitled to vote, shall have 90% of the voting rights.
4. **THAT SUBJECT TO** resolutions 1, 2 and 3 being passed, that the rights attached to the Founder B Shares be amended with the following rights and obligations:
- 4.1 Capital: as a class of share on a return of assets on a liquidation or capital reduction or otherwise the assets of the Company remaining after payment of liabilities shall be applied to the payment of 35% of the first £1,700,000.00 being the market value of the Company at the date of the adoption of this resolution.
- 4.2 On the sale of the Company, 35% of the first £1,700,000.00 of the Company sale proceeds shall be distributed to the class of Founder B Share.
- 4.3 Income: subject to the income rights of the holders of the D share, the holders of the Founder B Shares shall have the right to entitlement to dividends as to 40% of the first £100,000 declared by the company
- 4.4 On a show of hands, or by poll, every holder of Founder B Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative not being himself a member entitled to vote, shall have 5% of the voting rights.
5. **THAT SUBJECT TO** resolutions 1, 2, 3 and 4 being passed, that the Company will issue 67 Incentive A Shares with the following rights and obligations:
- 5.1 Subject to the capital rights of the Founder A Shares and the Founder B Shares, thereafter the capital rights of the Incentive A Shares shall rank pari pasu with all other classes of Incentive Shares;
- 5.2 Subject to the payment of any dividend to the holders of the D share, the Founder A Shares, the Founder B Shares and the Incentive B Shares, the Incentive A shares shall rank pari pasu with all other classes of Incentive Shares;
- 5.3 The Incentive A Shares shall have no voting rights
6. **THAT SUBJECT TO** resolutions 1, 2,3, 4 and 5 being passed, that the Company will issue 19 Incentive B Shares namely with the following rights and obligations:
- 6.1 Subject to the capital rights of the Founder A Shares and the Founder B Shares, thereafter the capital rights of the Incentive B Shares shall rank pari pasu with all other classes of Incentive Share;
- 6.2 Subject to the payment of any dividend to the holders of the D share, the Founder A Shares and, the Founder B Shares, the Incentive B shareholders shall have the right to an entitlement of dividend to the next £20,000 of the dividend declared and thereafter shall rank pari pasu with all other classes of Incentive Shares;
- 6.3 On a show of hands or by poll, ever holder of Incentive B Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative not being himself a member entitled to vote, shall have 5% of the voting rights.
7. **THAT SUBJECT TO** resolutions 1, 2, 3, 4, 5 and 6 being passed, that the Company will issue 14 Incentive C Shares namely with the following rights and obligations:
- 7.1 Subject to the capital rights of the Founder A Shares and the Founder B Shares, the Incentive C Shares shall rank pari passu with all classes of Incentive Shares in respect of capital;

- 7.2 Subject to the payment of any dividend to the holders of Founder A Shares, Founder B shares and Incentive B Shares, the incentive C shares shall rank pari passu with all other classes of Incentive Shares as if one class with regards to dividends.
- 7.3 The Incentive C Shares shall have no voting rights.
8. **THAT** for the avoidance of doubt:
- 8.1 In respect of capital, the Founder A Shares and the Founder B Shares shall have the right to the first £1,700,000 either by way of a return of capital, distribution or otherwise or from the proceeds of a share sale.
- 7.2 No dividends shall be declared or paid until such time as any monies due from the Company to the Shareholder (and/or the Directors) have been paid in full.
- 7.3 The Company shall not pay any dividend until such time that the Company has made a realised profit and has distributable reserves, and has sufficient working capital for its requirements
- 7.4 In respect of income and subject always to the income right of the holder of the D share,, the Founder A Shares, the Founder B Shares and the Incentive B Shares shall have no right to a dividend unless such declared dividend amounts to a declaration of not less than £120,000.00 in respect of any financial year.
- 7.5 Any additional declaration of a dividend shall be purely at the discretion of Tommy Dalman.
9. **THAT**, in accordance with section 551 of the CA 2006, the Directors be generally and unconditionally authorised to allot ordinary shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("Rights") up to an aggregate nominal amount of £101.00 provided that this authority shall, unless renewed, varied or revoked by the Company, expire five years after the date of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority revokes and replaces all unexercised authorities previously granted to the Directors.
10. **THAT**, subject to section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 1, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall be limited to the nominal amount and time period specified in resolution 1 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.
11. **THAT** the Articles of Association be amended by the deletion of regulation 24 and in its place there is inserted a new regulation 24 as follows:
- 24.1 For the purposes of this regulation 24 the following definitions shall apply:
- | | |
|--------------|---|
| "Bad Leaver" | a Shareholder who becomes a Departing Shareholder in circumstances where he is not a Good leaver or who is in breach of any term or terms of this Agreement and upon being given notice of such breach by the other Shareholders fails to remedy such breach within 14 days of such notice; |
|--------------|---|

- "Company's Accountants" means LDP Luckmans whose registered office is at 1110 Elliott Court
Coventry Business Park Herald Avenue Coventry CV5 6UB
- "Departing Shareholder" means a Shareholder who ceases to be a director, employee or
consultant to the Company or who has issued or is deemed to have
issued a Transfer Notice;
- "Good Leaver" a Shareholder who becomes a Departing Shareholder by reason of:
- (a) death;
 - (b) permanent disability or permanent incapacity through ill-health;
 - (c) permanent retirement as a director employee and/or a
consultant of the Company subject to the Shareholder giving not
less than 6 months' notice in writing;
 - (d) dismissal by the Company which is determined, by an
employment tribunal or at a court of competent jurisdiction within
England and Wales from which there is no right to appeal, to be
wrongful, unfair or constructive dismissal and until such time and
from the date of dismissal the Shares that would be the subject
of that Transfer Notice will have no rights to income or voting; or
 - (e) the majority of the Shareholders (who shall at all times be acting
reasonably) consider the Departing Shareholder as being a
Good Leaver;
- "Transfer Notice" means a notice served pursuant to this regulation 24;
- "Transfer Price" either:
- (a) If a Good Leaver, a price to be agreed between the parties or, if no such
price can be so agreed, at market value. If sale is to be at market value,
the Company shall request the Company's Accountants to determine
such market value, acting as experts and not as arbitrators and having
regard in their opinion to the fair selling value of the Shares in question
on the open market and the fair value of the business of the Company
as a going concern and on the basis of an arm's length transaction
between a willing vendor and a willing purchaser and ignoring the fact
that the Shares in question comprise a majority or a minority interest in
the Company. The Company shall pay the Company Accountants
reasonable fees of so doing. If the Company's Accountants refuse to
undertake such a valuation, the Company shall request the President
of the Institute of Chartered Accountants to nominate suitably qualified
accountants to undertake such valuation on the same basis as was
requested of the Company Accountants;
- or
- (b) in the event of a Bad Leaver, shall be the nominal value of such Shares
or such other value as the Board shall in its absolute discretion
determine.

24.1 Transfer of Shares

If any Shareholder wishes to transfer all or any of his Shares to any third party, for whatever reason
he shall serve a Transfer Notice on each of the other Shareholders.

24.2 Transfer of Shares

Notice

A Transfer Notice shall:

- 24.2.1 offer all the Shares registered in the name of the Shareholder holding Shares who wishes to transfer such Shares ("the Vendor") for transfer; and
 - 24.2.2 constitute the Company the agent of the Vendor for the sale of the Shares specified therein (the "Sale Shares") at the Transfer Date.
- 24.3 Where any Transfer Notice is deemed to have been given in accordance with these Articles, the deemed Transfer Notice shall be treated as having contained each of the matters required under regulation 24.2.
- 24.4 If a Shareholder becomes a Departing Shareholder, a Transfer Notice shall be deemed to have been served on the date of becoming a Departing Shareholder in respect of all their shares at the Transfer Price.
- 24.5 No Transfer Notice which has been given or deemed to have been given may be withdrawn without the consent of the Board.

Pre-Emption

- 24.6 The following procedure shall apply on the receipt or deemed receipt by the Company of a Transfer Notice by any of the Parties:
- 24.6.1 the Company shall as soon as practicable following receipt of a Transfer Notice determine the Transfer Price and in any case within 28 days of the receipt of the said Transfer Notice;
 - 24.6.2 within 7 days of the determination of the Transfer Price the Company shall give notice to the Vendor stating that the Company is prepared to purchase none or all or part of the Sale Shares and the completion of the purchase by the Company of such Sale Shares shall be effected within 90 days thereafter;
 - 24.6.3 in the event that the Company gives notice that it shall not purchase all of the Sale Shares then the Company shall give notice in writing to each of the other Shareholders informing them that the Sale Shares are available and of the Transfer Price and shall invite each of those Shareholders to state in writing within 28 days from the date of such notice (which date shall be specified therein) whether he is willing to purchase any and, if so, how many of the Sale Shares
 - 24.6.4 the Sale Shares shall be offered to each Shareholder on terms that in the event of competition the Sale Shares offered shall be sold to the members accepting the offer in proportion (as nearly as may be) to their existing holdings of shares (the "Proportionate Entitlement").
 - 24.6.5 After the expiry of the offers to be made pursuant to regulations 24.6.2 and 24.6.4 above or sooner if all the Sale Shares offered shall have been accepted, the Board shall within seven days thereafter allocate the Sale Shares in accordance with the applications and the Company shall forthwith give notice of each such allocation (an "Allocation Notice") to the Vendor and each of the persons to whom Sale Shares have been allocated (a "Member Applicant") and shall specify in the Allocation Notice the place and time (being not later than fourteen days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.
 - 24.6.6 Upon such allocations being made as aforesaid, the Vendor shall be bound to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified. If he makes default in so doing the Chairman for the time being of the Company or failing him one of the Directors or some other person duly

nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Sale Shares to the Member Applicant and the Chairman or the relevant Director may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Vendor until he shall deliver up his certificate or certificates for the relevant shares to the Company when he shall thereupon be paid the purchase money.

24.6.7 In the event of all or part of the Sale Shares not being sold under the preceding paragraphs of this clause the Vendor may at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted transfer any Sale Shares not sold to any person or persons at a price not less than the Transfer Price and on terms not more favourable to the transferee than offered to the Member Applicants PROVIDED THAT any such sale shall be a bona fide sale and such transferee has entered into a Deed of Adherence. The Board may require to be satisfied in such manner as it may reasonably require that the Sale Shares are being sold in pursuance to a bona fide sale at not less than the Transfer price without any deduction, rebate or allowance whatsoever to the said transferee and if not so satisfied may refuse to register the instrument of transfer.

Payment

24.7 In the event that the transferee is a Member Applicant, the Transfer Price shall be payable to the Vendor in equal quarterly installments over a period of five years the first such payment to be three months after the completion of the transfer of Sale Shares or over such other period of time as shall be agreed with the Vendor. The payment of the Transfer Price under this regulation shall be satisfied by the issue by the transferee of a loan note being either a qualifying or non qualifying corporate bond (as the Vendor shall require) and in a form to be agreed by the parties prior to the completion of the transfer of the Sale Shares and in the event that the parties do not agree the terms of the said loan note it shall be drafted by a firm of solicitors (regulated by the Solicitors Regulation Authority) appointed by the Company's accountants who shall draft such loan on a fair and reasonable commercial basis.

24.8 In the event that the Transferee is the Company, then the Company shall perform a company repurchase of shares in accordance with the Companies Act 2006 (subject to the Articles of Association) by entering into a binding contract of purchase of the Sale Shares (providing where necessary for purchase in tranches) and where applicable subject to any required tax clearance from HM Revenue & Customs.

12. THAT the following addition regulations be added to the Articles of Association after regulation 24, namely:

Management of the Company

25.1 The Company undertakes with the Shareholders that (save as otherwise provided or contemplated in these Articles) it shall:

25.1.1 carry on and conduct its business and affairs in a proper and efficient manner and for its own benefit;

- 25.1.2 transact all its business on arm's length terms;
- 25.1.3 not enter into any agreement or arrangement restricting its competitive freedom to provide and take goods and services by such means and from and to such persons as it may think fit;
- 25.1.4 ensure that its business, other than routine day to day business, shall be undertaken and transacted by the Directors;
- 25.1.5 carry on its business pursuant to policies laid down from time to time by the Directors;
- 25.1.6 maintain with a well established and reputable insurer adequate insurance against all risks usually insured against by companies carrying on the same or a similar business and (without prejudice to the generality of the foregoing) for the full replacement or reinstatement value of all its assets of an insurable nature;
- 25.1.7 allot and issue its shares and other securities at the best price reasonably obtainable in the circumstances;
- 25.1.8 not acquire, dispose of, hire, lease, license or receive licences of any assets, goods, rights or services otherwise than at the best price reasonably obtainable in the circumstances;
- 25.1.9 keep the Shareholders fully informed as to all material developments regarding its financial and business affairs and will notify the Shareholders forthwith upon becoming aware of any significant litigation affecting or likely to affect the Company;
- 25.1.10 keep proper books of account and therein make true and complete entries of all its dealings and transactions of and in relation to its business;
- 25.1.11 prepare its accounts on an historical cost basis and shall adopt such accounting policies as may from time to time be generally accepted in England and Wales;
- 25.1.12 prepare such accounts in respect of each accounting reference period as are required by statute and procure that such accounts are audited as soon as practicable and in any event not later than six months after the end of the relevant accounting reference period;
- 25.1.13 not have as an accounting reference period any period other than a period of 12 calendar months;
- 25.1.14 if it requires any approval, consent or licence for the carrying on of its business in the places and in the manner in which it is from time to time carried on or proposed to be carried on it will use its reasonable endeavours to maintain the same in full force and effect

25.2 Shareholders' Undertakings

Each of the Shareholders hereby covenants and undertakes with the other of the Shareholders and separately with the Company that during the continuance of this Agreement:

- 25.2.1 he will for so long as he or she is a director or an employee of the Company devote such time as is required of him to the development of the Business;
- 25.2.2 he will comply with the terms and conditions of any contract of service which he has with the Company from time to time; and
- 25.2.3 he will not transfer any of his or her shares in the Company or assign any interest therein except in accordance with this Agreement.

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Special Resolution.

The undersigned, a person entitled to vote on the above resolution on 30th March 202³, hereby irrevocably agrees to the Special Resolutions:

Tommy Dalman

Tommy Dalman

Date 30th March 2023

Robert Mark Warner

Robert Mark Warner

Date 30th March 2023

Date

NOTES

1. Please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

- By Hand: delivering the signed copy to
- Post: returning the signed copy by post to

If you do not agree to the resolution, you do not need to do anything; you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the resolution, you may not revoke your agreement.
3. Unless, by 28 days from the Circulation date, sufficient agreement has been received for the resolution to pass, it will lapse. If you agree to the resolution, please ensure that your agreement reaches us before or during this date.
4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register if members.
5. If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.