



Articles of Association

Ashlea Holdings Company Ltd
(Company number 13754889)

(the Company)

Adopted by special resolution passed on 9 December 2022

One Redcliff Street
Bristol BS1 6TP
T +44 (0)333 006 0000
F +44 (0)333 006 0011
DX 7815 Bristol

www.TLTsolicitors.com
102P/HM15/116858/000002

69000848.6

Contents

Articles

1	Interpretation	1
2	Unanimous Decisions	5
3	Calling a Directors' Meeting.....	5
4	Quorum for Directors' Meetings	5
5	Casting Vote	5
6	Transactions or Other Arrangements with the Company	5
7	Directors' Conflicts of Interest	6
8	Records of Decisions to be Kept	7
9	Number of Directors	7
10	Appointment of Directors	7
11	Appointment and Removal of Alternate Directors	7
12	Rights and Responsibilities of Alternate Directors	7
13	Termination of Alternate Directorship	8
14	Secretary	8
15	Liquidation preference	8
16	Exit provisions	9
17	Variation of rights	9
18	Further issues of shares: authority	9
19	Further issues of shares: pre-emption rights	10
20	Purchase of Own Shares	10
21	Transfer of Shares – general	10
22	Mandatory Offer on a Change of Control	11
23	Drag-along	12
24	Valuation of Shares	14
25	Share Capital	15
26	Votes in general meeting and written resolutions	15
27	Poll Votes.....	16
28	Proxies	16
29	Means of Communication to be Used	16
30	Indemnity	17
31	Insurance	17

The Companies Act 2006
Private Company Limited by Shares
Articles of Association

of

Ashlea Holdings Company Ltd (company number 13754889) (the Company)

Adopted by special resolution passed on 9 December 2022

1 Interpretation

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

A Shareholder	means each holder of the A Shares from time to time
A Shares	means the ordinary shares of £0.01 each in the capital of the Company designated as A Ordinary Shares
Accepting Shareholder	has the meaning given in Article 22.5
Act	means the Companies Act 2006
Acting in Concert	has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time)
Adoption Date	means the date upon which the special resolution adopting the current Articles was passed
appointor	has the meaning given in Article 11.1
Articles	means the Company's articles of association for the time being in force
Asset Sale	means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business)
Board	the board of directors from time to time
Business Day	means any day other than a Saturday, Sunday or public holiday in Northern Ireland on which banks in Belfast are open for business

Called Shareholder	has the meaning given in Article 23.1
Called Shares	has the meaning given in Article 23.2.1
Conflict	has the meaning given in Article 7.1
Controlling Interest	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010
Drag Along Notice	has the meaning given in Article 23.2
Drag Along Option	has the meaning given in Article 23.1
Drag Consideration	has the meaning given in Article 23.4
Drag Completion Date	has the meaning given in Article 23.6
Drag Documents	has the meaning given in Article 23.6
Drag Purchaser	has the meaning given in Article 23.1
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 mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law)
Expert Valuer	has the meaning given in Article 24.2
Fair Value	is as determined in accordance with Article 24
Interested Director	has the meaning given in Article 7.1
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
New Shareholder	has the meaning given in Article 23.11
Offer	has the meaning given in Article 22.2

Offer Period	has the meaning given in Article 22.3
Ordinary Shareholder	means each holder of the Ordinary Shares from time to time
Ordinary Shares	means the ordinary shares of £0.01 each in the capital of the Company (excluding the A Shares)
Priority Rights	means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 21.7
Proceeds of Sale	means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale
Proposed Purchaser	means a proposed purchaser who at the relevant time has made an offer on arm's length terms
Proposed Sale Date	has the meaning given in Article 22.3
Proposed Sale Notice	has the meaning given in Article 22.3
Proposed Sale Shares	has the meaning given in Article 22.3
Proposed Seller	means any person proposing to transfer any shares in the capital of the Company
Proposed Transfer	has the meaning given in Article 22.1
Relevant Sum	has the meaning given in Article 22.6
Sale Agreement	has the meaning given in Article 23.2.5
Sale Shares	means the Shares which a Seller wishes to transfer
Seller	means a Shareholder who wishes to transfer Shares
Sellers' Shares	has the meaning given in Article 23.1
Selling Shareholders	has the meaning given in Article 23.1
Shareholder	means each holder of Shares from time to time
Shares	means the Ordinary Shares and the A Shares from time to time
Share Sale	means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons

Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale

- | | |
|----------------------------|--|
| Specified Price | has the meaning given in Article 22.6 |
| Supplemental Consideration | has the meaning given in Article 22.6 |
| Transfer Notice | means a notice in writing to the Company from a Shareholder wishing to transfer Shares specifying the number of Shares to be sold, the proposed transferee and the proposed price (Transfer Price) |
- 1.2 Save as otherwise specifically provided 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.
 - 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 an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
 - 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
 - 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
 - 1.7 Any words following the terms including, include, in particular, for example 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 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
 - 1.11 Article 7 of the Model Articles shall be amended by:
 - 1.11.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - 1.11.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
 - 1.12 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
 - 1.13 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".

- 1.14 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.15 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
- 1.16 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

2 Unanimous Decisions

- 2.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 2.2 Such a decision may take 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.
- 2.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.

3 Calling a Directors' Meeting

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.

4 Quorum for Directors' Meetings

- 4.1 Subject to Article 4.2, the quorum for the transaction of business at a meeting of directors is any two eligible directors except where there is only one director. Where there is only one director, quorum for the transaction of business at a meeting of directors is one and he may exercise all the powers conferred on the directors by these Articles.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

5 Casting Vote

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

6 Transactions or Other Arrangements with the Company

- 6.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(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:
- 6.1.1 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;
- 6.1.2 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;
- 6.1.3 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;

- 6.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
 - 6.1.5 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
 - 6.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (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 duty under section 176 of the Act.
- 7 Directors' Conflicts of Interest
- 7.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an Interested Director) breaching his duty under section 175 of the Act to avoid conflicts of interest (Conflict).
 - 7.2 Any authorisation under this Article 7 will be effective only if:
 - 7.2.1 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;
 - 7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other Interested Director; and
 - 7.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other Interested Director's vote had not been counted.
 - 7.3 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):
 - 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 7.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 7.3.3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 7.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and

- 7.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 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 which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (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.
- 8 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 permanent form, so that they may be read with the naked eye.
- 9 Number of Directors
- Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum or minimum.
- 10 Appointment of Directors
- In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.
- 11 Appointment and Removal of Alternate Directors
- 11.1 Any director (appointor) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
- 11.1.1 exercise that director's powers; and
- 11.1.2 carry out that director's responsibilities,
- in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
- 11.2 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.
- 11.3 The notice must:
- 11.3.1 identify the proposed alternate; and
- 11.3.2 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.
- 12 Rights and Responsibilities of Alternate Directors

- 12.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.
- 12.2 Except as the Articles specify otherwise, alternate directors:
- 12.2.1 are deemed for all purposes to be directors;
 - 12.2.2 are liable for their own acts and omissions;
 - 12.2.3 are subject to the same restrictions as their appointors; and
 - 12.2.4 are not deemed to be agents of or for their appointors
- and, in particular (without limitation), 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 appointor is a member.
- 12.3 A person who is an alternate director but not a director:
- 12.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
 - 12.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
 - 12.3.3 shall not be counted as more than one director for the purposes of Articles 12.3.1 and 12.3.2.
- 12.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his 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.
- 12.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.
- 13 Termination of Alternate Directorship
- 13.1 An alternate director's appointment as an alternate terminates:
- 13.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 13.1.2 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;
 - 13.1.3 on the death of the alternate's appointor; or
 - 13.1.4 when the alternate's appointor's appointment as a director terminates.
- 14 Secretary
- The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon 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.
- 15 Liquidation preference

15.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):

15.1.1 first, in paying to the holders of the A Shares, in priority to any other classes of Shares, an aggregate amount of £270,710 (provided that if there are insufficient surplus assets to pay an aggregate amount of £270,710, the remaining surplus assets shall be distributed to the holders of the A Shares) pro rata to their respective holdings of A Shares; and

15.1.2 second, the balance of the surplus assets (if any) shall be distributed among all the holders of the Ordinary Shares pro rata to the number of the Ordinary Shares held.

16 Exit provisions

16.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 15 and the directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:

16.1.1 the directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 15; and

16.1.2 the Shareholders shall take any action reasonably required to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 15.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 15.

16.2 On an Asset Sale 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 15 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 Shareholders shall take any action reasonably required (including, but without prejudice to the generality of this Article 16.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 15 applies.

17 Variation of rights

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent. in nominal value of the issued shares of that class.

18 Further issues of shares: authority

18.1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company.

18.2 Subject to the remaining provisions of this Article 18 and to Article 19, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the Company to:

- 18.2.1 offer or allot;
 - 18.2.2 grant rights to subscribe for or to convert any security into;
 - 18.2.3 otherwise deal in, or dispose of,
- any shares of any class or nominal value in the Company to any person, at any time and subject to any terms and conditions as the directors think proper, up to an aggregate nominal amount of £100.
- 18.3 The authority referred to in Article 18.2:
- 18.3.1 shall only apply insofar as the company has not renewed, waived or revoked it by ordinary resolution; and
 - 18.3.2 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).
- 19 Further issues of shares: pre-emption rights
- 19.1 In accordance with section 567 of the Act, sections 561 and 562 of the Act shall be excluded from applying to the Company in respect to all allotments of equity securities by the Company.
- 19.2 No shares shall be allotted to any employee, director, prospective employee or prospective director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
- 20 Purchase of Own Shares
- 20.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) with cash up to any amount in a financial year not exceeding the lower of:
- 20.1.1 £15,000; and
 - 20.1.2 the value of 5% of the Company's share capital.
- 21 Transfer of Shares – general
- 21.1 In Articles 21 to 23 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.
- 21.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 21.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 21.4 Any transfer of a Share by way of sale which is required to be made under Articles 22 to 23 (inclusive) will be deemed to include a warranty that the transferor sells as legal and beneficial owner, free from Encumbrance.
- 21.5 The directors may refuse to register a transfer if:
- 21.5.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;

- 21.5.2 the transfer is to an employee, director or prospective employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
- 21.5.3 it is a transfer of a Share which is not fully paid;
- 21.5.4 it is to a person of whom the directors do not approve;
- 21.5.5 it is of Shares on which the Company has a lien;
- 21.5.6 the transfer is not lodged at the registered office or at such other place as the directors may appoint;
- 21.5.7 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 directors) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
- 21.5.8 the transfer is in respect of more than one class of Shares;
- 21.5.9 the transfer is in favour of more than four transferees; or
- 21.5.10 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.

- 21.6 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:
 - 21.6.1 the Transfer Price for the Sale Shares will be as agreed between the Board 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
 - 21.6.2 the Seller wishes to transfer all of the Shares held by it.
- 21.7 For the purposes of Article 21.6, the Priority Rights shall be such that the Sale Shares are offered in the following order of priority:
 - 21.7.1 to any person(s) approved by the directors; and/or
 - 21.7.2 to the Company (subject always to the provisions of the Act).
- 21.8 If a Seller who has been deemed to have given a Transfer Notice in accordance with Article 21.3 fails to deliver share certificates, duly executed instruments of transfer and such other documents as the Board may reasonably require to the Company by such date as the Board may reasonably require, the Company and each director shall be constituted the agent of such Seller to take such actions and enter into any instrument of transfer or such other agreements or documents as are necessary to effect the transfer of the Sale Shares and the directors shall be authorised to transfer such Sale Shares on the Seller's behalf to the purchaser. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The Seller shall surrender his share certificate for his shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled such consideration as may be payable for the Sale Shares.
- 22 Mandatory Offer on a Change of Control
 - 22.1 The provisions of Article 22.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Shares (the Proposed Transfer) which would, if

put into effect, result in any Proposed Purchaser (and persons Acting in Concert with him) acquiring a Controlling Interest in the Company.

- 22.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the Offer) to other holders of Shares to acquire all of the Shares for a consideration per Share the value of which is at least equal to the Specified Price (as defined in Article 22.6).
- 22.3 The Offer must be given by written notice (a Proposed Sale Notice) at least 10 Business Days (the Offer Period) prior to the proposed sale date (Proposed Sale Date). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the Proposed Sale Shares).
- 22.4 If any other holder of Shares is not given the rights accorded to him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 22.5 If the Offer is accepted by any Shareholder (an Accepting Shareholder) within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 22.6 For the purpose of this Article:
- 22.6.1 the expression "Specified Price" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:
- (a) in the Proposed Transfer; or
- (b) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,
- plus an amount equal to the Relevant Sum, as defined in Article 22.6.2, of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the Supplemental Consideration) provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed to the Proposed Seller and the Accepting Shareholders in accordance with the provisions of Articles 15 and 16;
- 22.6.2 $\text{Relevant Sum} = C \div A$
- where: A = number of Shares being sold in connection with the relevant Proposed Transfer;
- C = the Supplemental Consideration.

23 Drag-along

- 23.1 If the holders of 75 per cent of the Shares (the Selling Shareholders) wish to transfer all their interest in Shares (the Sellers' Shares) to a Proposed Purchaser, the Selling Shareholders shall have the option (the Drag Along Option) to compel each other holder of Shares (each a Called Shareholder and together, the Called Shareholders) to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the Drag Purchaser) in accordance with the provisions of this Article.
- 23.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a Drag Along Notice) to the Company which the Company shall forthwith copy to

the Called Shareholders at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that:

- 23.2.1 the Called Shareholders are required to transfer all their Shares (the Called Shares) under this Article;
- 23.2.2 the person to whom they are to be transferred;
- 23.2.3 the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article);
- 23.2.4 the proposed date of transfer, and
- 23.2.5 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the Sale Agreement),

(and, in the case of paragraphs 23.2.2 to 23.2.4 above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

- 23.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 23.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 15 and 16 (the Drag Consideration).
- 23.5 In respect of a transaction that is the subject of a Drag Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares as legal and beneficial owner, free from Encumbrance (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document as legal and beneficial owner, free from Encumbrance of the Shares held by such Called Shareholder.
- 23.6 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the Drag Completion Date), each Called Shareholder shall deliver:
 - 23.6.1 duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
 - 23.6.2 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
 - 23.6.3 duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,(together, the Drag Documents).
- 23.7 On the Drag Completion Date, the Company shall pay each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. The Company shall hold the Drag

Consideration in trust for each of the Called Shareholders without any obligation to pay interest.

- 23.8 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 23 in respect of their Shares.
- 23.9 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 23 and the directors shall, if requested by the Drag Purchaser, authorise any director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 23.10 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 16.
- 23.11 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a New Shareholder), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.
- 23.12 In the event that an Asset Sale is approved by the directors and the holders of 75 per cent of the Shares, such consenting Shareholders shall have the right, by notice in writing to all other Shareholders, to require such Shareholders to take any and all such actions as it may be necessary for Shareholders to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of Articles 15 and 16.
- 24 Valuation of Shares
- 24.1 If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of Article 21.6.1 or otherwise then, on the date of failing agreement, the Board shall either:
- 24.1.1 appoint an expert valuer in accordance with Article 24.2 (the Expert Valuer) to certify the Fair Value of the Sale Shares; or
- 24.1.2 (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it relates and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.
- 24.2 The Expert Valuer will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.

- 24.3 The Fair Value of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 24.3.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - 24.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 24.3.3 that the Sale Shares are capable of being transferred without restriction;
 - 24.3.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
 - 24.3.5 reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
- 24.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 24.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 24.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 24.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 24.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 24.9 The cost of obtaining the certificate shall be paid by the Company unless:
- 24.9.1 the Seller cancels the Company's authority to sell; or
 - 24.9.2 the Fair Value certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Shares before the Expert Valuer was instructed,
 - 24.9.3 in which case the Seller shall bear the cost.
- 25 Share Capital
- Except as otherwise provided in these Articles, the Ordinary Shares and the A Shares shall rank *pari passu* in all respects but shall constitute two separate classes of shares.
- 26 Votes in general meeting and written resolutions
- 26.1 The A Shares shall confer no right to receive notice of, attend, speak at or vote at any general meeting of the Company or to receive or vote on proposed written resolutions of the Company.
- 26.2 Subject to Article 26.1, each Shareholder shall have the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

- 26.3 Subject to Article 26.1, on a show of hands each holder of such Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 27 Poll Votes
- 27.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 27.2 Article 44(3) of the Model Articles 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 Article.
- 28 Proxies
- 28.1 Article 45(1)(d) of the Model Articles 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".
- 28.2 Article 45(1) of the Model Articles 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 Article.
- 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:
- 29.1.1 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
- 29.1.2 if sent by fax, at the time of transmission; or
- 29.1.3 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
- 29.1.4 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
- 29.1.5 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
- 29.1.6 if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- 29.1.7 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
- 29.1.8 if deemed receipt under the previous paragraphs of this Article 29.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am 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:

- 29.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
 - 29.2.2 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
 - 29.2.3 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
 - 29.2.4 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.
- 30 Indemnity
- 30.1 Subject to Article 30.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 30.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (b) 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),
 - (c) including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his 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
 - 30.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 30.1.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 30.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 30.3 In this Article:
- 30.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 30.3.2 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 capacity as auditor).
- 31 Insurance
- 31.1 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.
- 31.2 In this Article:

- 31.2.1 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 capacity as auditor);
- 31.2.2 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
- 31.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.