

Company number 12734241

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

EX-PRO PRODUCTS LIMITED ("Company")

(Adopted by special resolution passed on 10 June 2021)

INTRODUCTION

1 INTERPRETATION

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

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| "A Director" | a director of the Company from time to time appointed by the holders of the A Shares in accordance with Article 10. |
| "A Share" | an ordinary share of £0.10 in the capital of the Company designated as an A Share. |
| "Act" | 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). |
| "Articles" | means the company's articles of association for the time being in force. |
| "B Director" | a director of the Company from time to time appointed by the holders of the B Shares in accordance with Article 10. |
| "B Share" | an ordinary share of £0.10 in the capital of the Company designated as a B Share. |
| "Board" | the directors of the Company from time to time. |
| "Business Day" | means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business. |
| "C Director" | a director of the Company from time to time appointed by the holders of the C Shares in accordance with Article 10. |

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| "C Share" | an ordinary share of £0.10 in the capital of the Company designated as a C Share. |
| "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 Corporation Tax Act 2010. |
| "Deemed Transfer Notice" | a Transfer Notice that is deemed to have been served under Article 16.1. |
| "eligible director" | 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). |
| "Fair Value" | in relation to any Sale Share, as determined in accordance with Article 17. |
| "Independent Expert" | the auditors or accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, where there is a disagreement as to the identity of the Independent Expert, a recognised and independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator). |
| "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. |
| "Sale Shares" | has the meaning given in Article 14.2. |
| "Seller" | has the meaning given in Article 14.2. |
| "Transfer Notice" | has the meaning given in Article 14.2. |

- 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), 11(2) and (3), 13, 14, 17(2), 18(e), 26(5), 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 "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 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".
- 1.15 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".

DIRECTORS

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 three eligible directors and at all times must be at least one A Director, a B Director and a C Director.
- 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 but such meeting shall only be convened to determine the matter arising from the subject matter causing the conflict or otherwise ineligibility of the other directors.

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

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 Companies Acts, 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

- 9.1 Unless otherwise determined by special resolution, the number of directors (other than alternate directors) shall be not less than 3 and shall comprise at least an A Director, a B Director and a C Director.
- 9.2 If for whatever reason the company does not have at least one A Director, one B Director and one C Director at any time, the remaining directors may take decisions without regard to any of the provisions of the articles relating to directors' decision-making until such time as the shareholders holding the class of share that has insufficient directors appointed appoints a new director.

10 APPOINTMENT AND REMOVAL OF DIRECTORS

- 10.1 The holder of the majority of the A Shares shall be entitled to appoint and maintain in office up to 2 A Directors, the holder of the majority of the B Shares shall be entitled to appoint and maintain in office 1 B Director and the holder of the majority of the C Shares shall be entitled to appoint and maintain in office 1 C Director save that at any time after these Articles are adopted where the A Shares (or any of them) are transferred (as permitted in these Articles), the holder of the majority of the A Shares shall be entitled to appoint 1 A Director only (and, for the avoidance of doubt, the holder of the majority of the B Shares and the holder of the majority of the C Shares shall, in those circumstances, be entitled to remove any A Directors until only one A Director remains).
- 10.2 The holder of any class of share may appoint and remove their nominated director and replace him or her with such other nominee but no A Director, B Director or C Director shall

otherwise be removed or replaced, save as provided by law or otherwise pursuant to these Articles.

- 10.3 A removal in accordance with article 10.2 shall be made by giving notice in writing to the Company, to each other shareholder and, in the case of removal of a director, to the director being removed. The appointment or removal takes effect on the date on which the notice is received by the Company or, if a later date is given in the notice, on that date.
- 10.4 A shareholder removing a director under article 10.2 and article 10.3 shall indemnify and keep indemnified the Company against any claim connected with the director's removal from office.
- 10.5 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.

SHARES

11 SHARE CAPITAL

- 11.1 Except as otherwise provided in these Articles, the A Shares, the B Shares and the C Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 11.2 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class.
- 11.3 On the transfer of any share as permitted by these Articles:
- 11.3.1 a share transferred to a non-shareholder shall remain of the same class as before the transfer; and
 - 11.3.2 a share transferred to a shareholder shall automatically be redesignated on transfer as a share of the same class as those shares already held by the shareholder.
- 11.4 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly

authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

11.5 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:

11.5.1 any alteration in the Articles;

11.5.2 any alteration to the issued share capital of the Company (including the issue or allotment of shares);

11.5.3 any reduction, subdivision, consolidation, redenomination, or purchase or (except pursuant to article 18) redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital.

12 PURCHASE OF OWN SHARES

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) out of capital up to any amount in a financial year not exceeding the lower of:

12.1.1 £15,000; and

12.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

13 SHARE TRANSFERS

13.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal 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.

13.2 No share shall be transferred unless the transfer is made in accordance with these Articles.

13.3 The directors may, as a condition to the registration of any transfer of shares in the Company require the transferee to provide the Company with the required particulars under section 790K of the Act if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the Act and to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may

reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this Article 13.3, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the Act if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the Act.

- 13.4 Subject to Article 13.3, the directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.

14 PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 14.1 Except where the provisions of Articles 15, 18 or (with respect to Offer Shares) 19 apply, any transfer of shares by a shareholder shall be subject to the pre-emption rights in this Article.

- 14.2 A shareholder ("**Seller**") wishing to transfer its shares ("**Sale Shares**") must give notice in writing (a "**Transfer Notice**") to the Company giving details of the proposed transfer including:

- 14.2.1 the number of Sale Shares;
- 14.2.2 if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
- 14.2.3 the price (in cash) at which the Seller wishes to sell the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board within 10 Business Days of the date of service of the Transfer Notice ("**Transfer Price**")).

- 14.3 Once given under these Articles, a Transfer Notice may not be withdrawn.

- 14.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.

- 14.5 As soon as practicable following the receipt of a Transfer Notice and the agreement or determination of the Transfer Price (as the case may be), the Board shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

14.6 The Board shall offer the Sale Shares to all shareholders other than the Seller (the **"Continuing Shareholders"**), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **"First Offer Period"**) for the maximum number of Sale Shares they wish to buy.

14.7 If:

14.7.1 at the end of the First Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which the Continuing Shareholder's existing holding of shares bears to the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case the allocation of any such fractional entitlements among the Continuing Shareholders who have applied for Sale Shares shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which it has stated it is willing to buy.

14.7.2 not all Sale Shares are allocated following allocations in accordance with Article 14.7.1, but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicant(s) in accordance with the procedure set out in Article 14.7.1. The procedure set out in this Article 14.7.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

14.7.3 at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (the **"Initial Surplus Shares"**) shall be dealt with in accordance with Article 14.8.

14.8 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares (if any) to all the Continuing Shareholders, inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **"Second Offer Period"**) for the maximum number of Initial Surplus Shares they wish to buy.

14.9 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that the Continuing Shareholder's existing holding of shares (including any Sale Shares) bears to the total number of shares (including any Sale Shares) held by those

Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements among the Continuing Shareholders shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which it has stated it is willing to buy.

14.10 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance (the "**Second Surplus Shares**") shall be dealt with in accordance with Article 14.14.

14.11 If allocations under Articles 14.7 to 14.10 have been made in respect of some or all of the Sale Shares, the Board shall give written notice of allocation (an "**Allocation Notice**") to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (each an "**Applicant**"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to them ("**Consideration**") and the place and time for completion of the transfer of the Sale Shares (which shall be at least 20 Business Days, but not more than 40 Business Days, after the date of the Allocation Notice).

14.12 On the date specified for completion in the Allocation Notice, the Seller shall, against payment of the Consideration, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with the requirements specified in the Allocation Notice.

14.13 If the Seller fails to comply with Article 14.12:

14.13.1 the chairperson of the Company (or, failing the chairperson, one of the other directors, or some other person nominated by a resolution of the Board) may, as agent on behalf of the Seller:

14.13.1.1 complete, execute and deliver in the Seller's name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

14.13.1.2 receive the Consideration and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Consideration); and

14.13.1.3 (subject to the transfers being duly stamped) enter the Applicants in the register of members as the holders of the Sale Shares purchased by them; and

14.13.2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until the Seller has delivered its certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.

14.14 If an Allocation Notice does not relate to all of the Sale Shares then, subject to Article 14.15 and within 4 weeks following service of the Allocation Notice, the Seller may transfer the Second Surplus Shares or the Sale Shares (in the case of a lapsed offer, in which case the 4 week period shall commence on the date on which the Transfer Notice lapses) (as the case may be) to any person at a price at least equal to the Transfer Price.

14.15 The Seller's right to transfer Sale Shares under Article 14.14 does not apply if the Board reasonably considers that:

14.15.1 the transferee is a person (or a nominee for a person) who is a competitor with (or associated with a competitor with) the business of the Company or with a subsidiary of the Company; or

14.15.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

14.15.3 the Seller has failed or refused to promptly provide information available to the Seller and reasonably requested by the Board to enable it to form the opinion mentioned above.

14.16 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Sale Shares with the consent of shareholders who, but for the waiver, would or might have been entitled to have such Sale Shares offered to them in accordance with this Article.

15 PERMITTED TRANSFERS

A shareholder that is a company may transfer all or any of his or its shares to its majority shareholder without restriction as to price or otherwise.

16 COMPULSORY TRANSFERS

16.1 A shareholder is deemed to have served a Transfer Notice under Article 14.2 immediately before the occurrence of any of the following events:

16.1.1 the retirement of the shareholder (or where a shareholder is a corporate body, the retirement of the sole director or member of such shareholder); or

16.1.2 physical or mental deterioration of the shareholder (or where a shareholder is a corporate body, the physical or mental deterioration of the sole director or member of such shareholder) which is sufficiently serious to prevent the shareholder (or the sole director or member of such shareholder) from continuing with his or her employment.

16.2 A Deemed Transfer Notice has the same effect as a Transfer Notice and the provisions of Article 14 shall apply, except that:

16.2.1 the Deemed Transfer Notice shall be treated as having specified that the Seller wishes to transfer all the shares held by him or her (including any shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of the Sale Shares pursuant to the relevant Deemed Transfer Notice);

16.2.2 the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares; and

16.2.3 the Transfer Price shall be the Fair Value of those Sale Shares.

17 VALUATION OF SHARES

17.1 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.

17.2 The Fair Value for any Sale Share shall be the price per Share determined in writing by the Independent Expert on the following bases and assumptions:

17.2.1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;

17.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

17.2.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;

17.2.4 the Sale Shares are sold free of all encumbrances;

17.2.5 the sale is taking place on the date the Independent Expert was requested to determine the Fair Value; and

17.2.6 taking account of any other factors that the Independent Expert reasonably believes should be taken into account.

17.3 The shareholders are entitled to make submissions to the Independent Expert (including oral submissions) and will provide (or procure that the Company provides) the Independent

Expert with such assistance and documents as the Independent Expert reasonably requires for the purpose of reaching a decision, subject to the Independent Expert agreeing to give such confidentiality undertakings as the shareholders may reasonably require.

- 17.4 To the extent not provided for in this Article 17, the Independent Expert may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate.
- 17.5 The Independent Expert shall act as expert and not as arbitrator and their written determination shall be final and binding on the parties (in the absence of manifest error or fraud).
- 17.6 The cost of obtaining the Independent Expert's valuation shall be borne by the Company and the Seller equally or in such other proportions as the Independent Expert directs.

18 DRAG ALONG

- 18.1 If the holders of over 90% of the nominal value of the total number of shares in issue from time to time ("**Selling Shareholders**") wish to transfer all of their interest in their shares ("**Sellers' Shares**") to a bona fide purchaser on arm's length terms ("**Proposed Buyer**"), the Selling Shareholders shall have the option ("**Drag Along Option**") to require all the other holders of the other shares on the date of the request ("**Called Shareholders**") to sell and transfer all their interest in the shares with full title guarantee to the Proposed Buyer in accordance with the provisions of this Article 18.
- 18.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a "**Drag Along Notice**"), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:
 - 18.2.1 that the Called Shareholders are required to transfer all their shares ("**Called Shares**") pursuant to this Article 18;
 - 18.2.2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
 - 18.2.3 the consideration payable for the Called Shares calculated in accordance with Article 18.4; and
 - 18.2.4 the proposed date of completion of transfer of the Called Shares.
- 18.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Board. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the

Proposed Buyer may direct) within 60 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 18.4 The purchase price payable for the Called Shares shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares.
- 18.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 18.
- 18.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:
- 18.6.1 all of the Called Shareholders and the Selling Shareholders otherwise agree;
- 18.6.2 that date is less than 10 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 15 Business Days after the date of service of the Drag Along Notice.
- 18.7 Within 10 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver to the Company stock transfer forms for their shares in favour of the Proposed Buyer (which shall not be completed or provided to the Proposed Buyer until receipt by the Company of the funds due to the Called Shareholder pursuant to article 16.4), together with the share certificate(s) in respect of those shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 10 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to Article 18.4 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 18.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 18.4 in trust for the Called Shareholders without any obligation to pay interest.
- 18.8 To the extent that the Proposed Buyer has not, on the expiration of the 10 Business Day period, put the Company in funds to pay the amounts due pursuant to Article 18.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant shares and the Called Shareholders shall have no further rights or obligations under this Article 18 in respect of their shares.
- 18.9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting

Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this Article 18.

18.10 Upon any person, following the issue of a Drag Along Notice, becoming a shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, shares (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 18 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this Article 18.10 to a person becoming a shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own shares.

18.11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of Article 14.

18.12 Any Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

19 TAG ALONG

19.1 After going through the pre-emption procedure set out in Article 14 or in circumstances where Selling Shareholders are to sell their shares to a Proposed Buyer pursuant to Article 16, the provisions of Articles 19.1 to 19.6 shall (unless a Proposed Buyer purchases all Called Shares from all Called Shareholders pursuant to Article 16) apply if, in one or a series of related transactions, one or more shareholders propose to transfer any of the shares ("**Proposed Transfer**") which would, if carried out, result in any person ("**Buyer**"), and any person Acting in Concert with the Buyer acquiring a Controlling Interest in the Company.

- 19.2 The shareholders who intend to sell their shares as part of a Proposed Transfer shall, before the Proposed Transfer completes, procure that the Buyer makes an offer ("**Offer**") to the other shareholders to purchase all of the shares held by them for a consideration in cash per share that is at least equal to the highest price per share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer ("**Specified Price**").
- 19.3 The Offer shall be made by written notice ("**Offer Notice**") at least 20 Business Days before the proposed sale date ("**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 19.3.1 the identity of the Buyer;
 - 19.3.2 the Specified Price which shall be payable on completion of the Proposed Transfer;
 - 19.3.3 the Sale Date; and
 - 19.3.4 the number of shares proposed to be purchased by the Buyer ("**Offer Shares**").
- 19.4 If the Buyer fails to make the Offer to all of the holders of shares in the Company in accordance with Article 19.1 and 19.3, the shareholders who intend to sell their shares as part of the Proposed Transfer shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of shares effected in accordance with the Proposed Transfer.
- 19.5 If the Offer is accepted by any shareholder ("**Accepting Shareholder**") in writing within 10 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 19.6 The Proposed Transfer is subject to the pre-emption provisions of Article 14, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

DECISION MAKING BY SHAREHOLDERS

20 POLL VOTES

- 20.1 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.
- 20.2 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.

21 PROXIES

- 21.1 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".
- 21.2 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.

ADMINISTRATIVE ARRANGEMENTS

22 MEANS OF COMMUNICATION TO BE USED

- 22.1 Subject to article 22.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- 22.1.1 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
 - 22.1.2 if sent by fax, at the time of transmission; or
 - 22.1.3 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
 - 22.1.4 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
 - 22.1.5 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
 - 22.1.6 if sent or supplied by e-mail, 9.00 am on the next Business Day after transmission; or
 - 22.1.7 if deemed receipt under the previous paragraphs of this article 22.1 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.
- 22.2 To prove service, it is sufficient to prove that:

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

23 INDEMNITY AND INSURANCE

23.1 Subject to article 23.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- 23.1.1 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 in the actual or purported execution and/or discharge of his duties, or in relation to them 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
- 23.1.2 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 23.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

23.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

23.3 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.

23.4 In this article:

- 23.4.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- 23.4.2 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);

23.4.3 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

23.4.4 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.