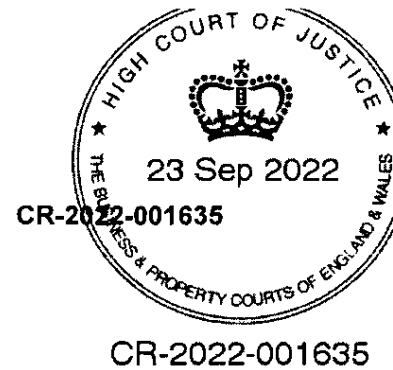


**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND &  
WALES  
COMPANIES COURT (ChD)**

**THE HONOURABLE MR JUSTICE MILES  
23 SEPTEMBER 2022**



**IN THE MATTER OF CARETECH HOLDINGS PLC**

**AND**

**IN THE MATTER OF PART 26 OF THE COMPANIES ACT 2006**

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**ORDER**

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**UPON THE APPLICATION** by Part 8 Claim Form dated 19 July 2022 by the above-named CareTech Holdings PLC (the "**Company**") whose registered office is at 5th Floor Metropolitan House, 3 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AG and whose registered number is 04457287.

**AND UPON HEARING** Andrew Thornton K.C., Counsel for the Company, via Microsoft Teams.

**AND UPON READING** the Claim Form and the evidence.

**AND UPON** Amalfi Bidco Limited by Counsel for the Company, being its Counsel for this purpose, undertaking to be bound by the scheme of arrangement dated 25 July 2022 hereinafter sanctioned and undertaking to execute and do and procure to be executed and done all such documents, acts or things which may be necessary or desirable to be executed or done by or on its behalf for the purpose of giving effect to the scheme of arrangement hereinafter mentioned as set out in the Schedule to this Order (the "**Scheme**");

**THE COURT SANCTIONS** the Scheme as set forth in the Schedule hereto;

**AND IT IS ORDERED** that a copy of this Order be delivered to the Registrar of Companies.

Service of this order

A copy of this order has been provided to the serving party: Charles Russell Speechlys LLP, 5 Fleet Place, London, EC4M 7RD, Solicitors to the Company



## PART IV

### THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)

CR-2022-001635

IN THE MATTER OF CARETECH HOLDINGS PLC

– AND –

IN THE MATTER OF THE COMPANIES ACT 2006

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#### SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

CARETECH HOLDINGS PLC

and

THE HOLDERS OF THE SCHEME SHARES

(as hereinafter defined)

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#### PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

<b>"Bidco"</b>	Amalfi Bidco Limited, incorporated in England and Wales with registered number 14186033 and registered office at 25a Soho Square, London, W1D 3QR;
<b>"Bidco Group"</b>	Bidco and its holding companies, its subsidiaries and subsidiary undertakings and direct and indirect parent undertakings and <b>"member of the Bidco Group"</b> shall be construed accordingly;
<b>"Bidco Loan Note Instrument"</b>	a loan note instrument constituting the Bidco Loan Notes dated 27 June 2022 (as supplemented pursuant to a supplementary instrument to be entered into on the Effective Date);
<b>"Bidco Loan Notes"</b>	£1 loan notes due 2032 issued by Bidco pursuant to the Partial Alternative Offer and to be constituted by the Bidco Loan Note Instrument;
<b>"Business Day"</b>	a day (other than Saturdays, Sundays and public holidays in England and Wales) on which banks are open for general commercial business;
<b>"CareTech"</b>	CareTech Holdings PLC, incorporated in England and Wales with registered number 04457287 and registered office at 5th Floor Metropolitan House, 3 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AG;

<b>"CareTech Registrars"</b>	Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL;
<b>"CareTech Share Plans"</b>	each of the CareTech Long Term Incentive Plan, the CareTech Tax-Advantaged Share Option Plan 2015, the CareTech Executive Share Ownership Plan 2012 and the CareTech Sharesave Scheme;
<b>"CareTech Shareholder(s)"</b>	the registered holders of CareTech Shares from time to time;
<b>"CareTech Shares"</b>	the existing unconditionally and allotted or issued and fully paid ordinary shares with a nominal value of 0.5 pence each in the capital of CareTech and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes Effective;
<b>"Cash Consideration"</b>	the consideration due under the Cash Offer;
<b>"Cash Offer"</b>	750 pence in cash for each CareTech Share;
<b>"certificated form" or "in certificated form"</b>	the description of a share or other security which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST);
<b>"Cleanco"</b>	Amalfi Cleanco Limited, a wholly-owned subsidiary of Midco and a private limited company incorporated in England and Wales with registered number 14185950 and registered office at 25a Soho Square, London, W1D 3QR;
<b>"Cleanco Loan Note Instrument"</b>	a loan note instrument constituting the Cleanco Loan Notes to be entered into on the Effective Date;
<b>"Cleanco Loan Notes"</b>	£1 loan notes due 2032 issued by Cleanco pursuant to the Rollover and to be constituted by the Cleanco Loan Note Instrument;
<b>"Companies Act"</b>	the Companies Act 2006 as amended from time to time;
<b>"Court"</b>	the High Court of Justice in England and Wales;
<b>"Court Meeting"</b>	the meeting of Scheme Shareholders (and any adjournment of it) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act (notice of which is set out in Part XII ( <i>Notice of Court Meeting</i> ) of the Scheme Document) for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;
<b>"CREST"</b>	the computerised settlement system (as defined in the Uncertificated Securities Regulations 2001 (SI2001/3755)) operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
<b>"CREST Manual"</b>	the CREST manual published by Euroclear, as amended from time to time;
<b>"D Ordinary Shares"</b>	D ordinary shares of £0.01 each in the capital of Topco having the rights set out in the articles of association of Topco, and being the Rollover Securities;
<b>"Effective"</b>	in the context of the Offer, this Scheme having become effective pursuant to its terms;

<b>"Effective Date"</b>	the date on which the Scheme becomes Effective;
<b>"Election Return Time"</b>	1.00 p.m. on the date of the Scheme Court Hearing or such later date and time (if any) to which the right to make an election may be extended;
<b>"Euroclear"</b>	Euroclear UK & International Limited;
<b>"Excluded Shares"</b>	any CareTech Share which is: (a) beneficially owned, in each case, immediately prior to the Scheme Record Time by (i) the Sheikh Group or Gareth Dufton or (ii) Bidco, any Bidco Director or any subsidiary undertaking of Topco; or (b) held in treasury;
<b>"Form of Election"</b>	the green form of election for use in respect of the Partial Alternative Offer by Scheme Shareholders (other than Restricted Shareholders) who hold CareTech Shares in certificated form;
<b>"holder"</b>	a registered holder and includes any person entitled by transmission;
<b>"Latest Practicable Date"</b>	close of business on 22 July 2022 (being the last practicable date prior to publication of the Scheme Document);
<b>"Longstop Date"</b>	11.59 p.m. on 31 December 2022 or such later date (if any) as Bidco and CareTech may agree and (if required) the Court and the Panel may allow;
<b>"Midco"</b>	Amalfi Midco Limited, a wholly-owned subsidiary of Topco and a private limited company incorporated in England and Wales with registered number 14185820 and registered office at 25a Soho Square, London, W1D 3QR;
<b>"Midco Loan Note Instrument"</b>	a loan note instrument constituting the Midco Loan Notes to be entered into on the Effective Date;
<b>"Midco Loan Notes"</b>	£1 loan notes due 2032 issued by Midco pursuant to the Rollover and to be constituted by the Midco Loan Note Instrument;
<b>"Offer"</b>	the recommended offer being made by Bidco to acquire the entire issued and to be issued ordinary share capital of CareTech to be implemented by means of the Scheme and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
<b>"Panel"</b>	the Panel on Takeovers and Mergers in the UK;
<b>"Partial Alternative Offer"</b>	the alternative to the Cash Offer pursuant to which eligible Scheme Shareholders may elect, subject to certain limitations and exceptions including the Partial Alternative Offer Maximum, to receive 7.5 Bidco Loan Notes for each Scheme Share in lieu of their entitlement to Cash Consideration (such Bidco Loan Notes being exchanged for Rollover Securities pursuant to the Rollover);
<b>"Partial Alternative Offer Election"</b>	an election whereby Scheme Shareholders (other than Restricted Shareholders) may elect to accept the Partial Alternative Offer pursuant to a Form of Election or a TTE Instruction;

<b>"Partial Alternative Offer Maximum"</b>	the maximum number of Rollover Securities available to Scheme Shareholders under the Partial Alternative Offer, representing 26.4 per cent. of the issued share capital of Topco at completion of the Offer;
<b>"Put and Call Deeds"</b>	the put and call deeds in respect of the Rollover to be entered into between, <i>inter alios</i> , Bidco, Cleanco, Midco and Topco;
<b>"Registrar of Companies"</b>	the Registrar of Companies in England and Wales;
<b>"Restricted Shareholder"</b>	a person (including, without limitation, an individual partnership, unincorporated syndicate, limited liability company, unincorporated organisation, trust, trustee, executor, administrator or other legal representative) in, or resident in, or any person whom Bidco reasonably believes to be in any jurisdiction whom Bidco is advised to treat as restricted overseas persons in order to observe the laws of such jurisdiction or to avoid the requirement to comply with any governmental or other consent or any registration, filing or other formality which Bidco regards as unduly onerous;
<b>"Rollover"</b>	<p>the rollover pursuant to which Scheme Shareholders (other than Restricted Shareholders) who have validly elected for the Partial Share Alternative will, pursuant to the Put and Call Deeds:</p> <ol style="list-style-type: none"> <li>in exchange for each Scheme Share receive 7.5 Bidco Loan Notes, which may be exchanged for;</li> <li>7.5 Cleanco Loan Notes, which may be exchanged for;</li> <li>7.5 Midco Loan Notes, which may be exchanged for;</li> <li>7.5 Rollover Securities (or such other number of Rollover Securities as Bidco may determine as a result of the amount to be funded by Topco for the purposes of financing the Offer (including any fees and expenses) being varied prior to the date of the Scheme Court Hearing);</li> </ol>
<b>"Rollover Securities"</b>	the D Ordinary Shares issued to certain eligible CareTech Shareholders as a full or partial alternative to the Cash Consideration;
<b>"Rollover Securities Shareholders' Agreement"</b>	the shareholders' agreement relating to Topco to be entered into by (amongst others) Topco and the holders of Rollover Securities;
<b>"Scheme"</b>	the scheme of arrangement under Part 26 of the Companies Act in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Bidco and CareTech;
<b>"Scheme Court Hearing"</b>	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act;
<b>"Scheme Document"</b>	the circular to the CareTech Shareholders published by CareTech on 25 July 2022 in connection with this Scheme;

<b>"Scheme Record Time"</b>	6.00 p.m. on the Business Day immediately after the date of the Scheme Court Hearing;
<b>"Scheme Shareholders"</b>	the holders of the Scheme Shares at any relevant date or time;
<b>"Scheme Shares"</b>	<p>the CareTech Shares:</p> <ul style="list-style-type: none"> <li>a) in issue at the date of the Scheme Document and which remain in issue at the Scheme Record Time;</li> <li>b) if any, issued after the date of the Scheme Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and</li> <li>c) if any, issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the original or any subsequent holders thereof are, or shall have agreed in writing, to be bound by the Scheme and, in each case, which remain in issue at the Scheme Record Time,</li> </ul> <p>in each case, other than any Excluded Shares;</p>
<b>"Sheikh Group"</b>	together, Sheikh Ventures Limited, Belgravia Investments Limited and Kensington Capital Limited;
<b>"Takeover Code"</b>	the City Takeover Code on Takeovers and Mergers in the UK;
<b>"Topco"</b>	Amalfi Topco Limited, incorporated in Jersey with registered number 143752 and registered office at 47 Esplanade, St. Helier, JE1 0BD, Jersey;
<b>"TTE Instruction"</b>	a transfer to escrow instruction (as defined in the CREST Manual);
<b>"uncertificated form" or "in uncertificated form"</b>	a share or other security recorded on the relevant register as being held in uncertificated form in CREST, and title to which, by virtue of the Regulations, may be transferred by means of CREST; and
<b>"Voting Record Time"</b>	means 6.30 p.m. on 6 September 2022 being the day which is two Business Days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.30 p.m. on the day which is two Business Days before the date of such adjourned meeting.

References to clauses and sub-clauses are to clauses and sub-clauses of this Scheme.

- (B) The issued share capital of CareTech as at the Latest Practicable Date was 113,336,434 ordinary shares of 0.5 pence each, none of which were held in treasury and 53,402 deferred shares of 0.5 pence each.
- (C) As at the Latest Practicable Date, assuming that the Scheme becomes Effective on the expected Effective Date of 27 September 2022, 2,844,449 CareTech Shares may be issued on or after the date of the Scheme Document in order to satisfy the exercise of options or vesting of awards pursuant to the CareTech Share Plans (less 128,254 CareTech Shares held by Computershare Trustees (Jersey) Limited as trustee of the CareTech Employee Benefit Trust which can be used in part to satisfy these awards).

- (D) As at the Latest Practicable Date, the Sheikh Group, together with persons "acting in concert" (for the purposes of the Takeover Code) with Bidco and Sheikh Holdings (together, the "**Concert Party**"), is interested in, directly and indirectly, 14,878,686 shares in CareTech.
- (E) Bidco was incorporated on 21 June 2022 under the laws of England and Wales as a private company limited by shares with registered number 14186033 for the purpose of carrying out the Offer.
- (F) Bidco has agreed to undertake to the Court to be bound by the provisions of this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be *necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to this Scheme*.
- (G) Bidco, Cleanco, Midco and Topco will rely upon the Court's sanctioning of this Scheme as an approval of the Scheme following a hearing on its fairness to CareTech Shareholders for the purpose of qualifying for the exemption from the registration requirements of the US Securities Act of 1933, as amended, afforded by section 3(a)(10) thereof with respect to the securities to be issued in the United States pursuant to this Scheme.
- (H) References to times are to London time.
- (I) References to £ and pence are to the lawful currency of the United Kingdom.
- (J) References to clauses are to clauses of this Scheme.

## THE SCHEME

### 1. Transfer of Scheme Shares

- (a) Upon and with effect from the Effective Date, Bidco (and/or its nominee(s)) shall acquire all the Scheme Shares fully paid up with full title guarantee and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever (except arising by operation of law) and together with all rights attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, paid or made on or after the Effective Date.
- (b) For the purposes of such acquisition, the Scheme Shares shall be transferred to Bidco (and/or its nominee(s)) and such transfer shall be effected by means of a form (or forms) of transfer or other instrument or instruction of transfer, or by means of CREST and to give effect to such transfer any person may be appointed by Bidco as attorney and/or agent and is hereby authorised as such attorney and/or agent or otherwise on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor such form (or forms) of transfer or other instrument or instruction of transfer or procure the transfer by means of CREST of such Scheme Shares and every form, instrument of transfer (whether as a deed or otherwise) or instruction of transfer so executed or given shall be effective as if it had been executed or instructed by the holder or holders of the Scheme Shares thereby transferred.
- (c) Pending the transfer of the Scheme Shares on the Effective Date and the registration of Bidco (and/or its nominee(s)) as the holder of the Scheme Shares pursuant to clauses 1(a) and 1(b) of this Scheme, each Scheme Shareholder irrevocably:
  - (i) appoints Bidco (and/or its nominee(s)) as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges (including the right to requisition the convening of a general meeting of CareTech or of any class of its shareholders) attaching to its Scheme Shares;
  - (ii) appoints Bidco (or its nominee(s)) as its attorney to sign any consent to short notice of any general meeting of CareTech and on their behalf to execute a form of proxy in respect of such Scheme Shares appointing any person nominated by Bidco to attend general meetings of CareTech;
  - (iii) appoints Bidco (and/or its nominee(s)) and any one or more of its directors or agents to sign on behalf of such Scheme Shareholder any such documents, and do such things, as may in the opinion of Bidco and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or any other rights or privileges attaching to its Scheme Shares (including, without limitation, an authority to sign any consent to short notice of any general or separate class meeting of CareTech as attorney or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or to execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Bidco and/or any one or more of its directors or agents to attend any general and separate class meetings of CareTech (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf), provided that the foregoing shall not apply to any resolution pursuant to section 102 of the Companies Act to re-register CareTech as an unlimited company;
  - (iv) authorises CareTech and/or its agents to send to Bidco (and/or its nominee(s)) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of CareTech in respect of such Scheme Shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of their Scheme Shares into certificated form), such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares; and



- (v) undertakes (i) not to exercise any votes or any other rights attaching to the relevant Scheme Shares without the consent of Bidco and (ii) not to appoint a proxy or representative for and to attend any general meeting or separate class meeting of CareTech.
- (d) With effect from the Effective Date, each Scheme Shareholder who has validly elected for the Partial Alternative Offer irrevocably appoints Bidco and/or any one or more of its respective directors as its agent and/or attorney:
  - (i) to sign on behalf of such Scheme Shareholder (in such form as Bidco may require) the Put and Call Deeds and/or any exchange agreement, instrument of transfer, instrument, or other document deemed by Bidco (in its absolute discretion) to be necessary or desirable to effect the steps set out in clause 3 of this Scheme; and
  - (ii) to execute and deliver as a deed on behalf of such Scheme Shareholder (in such form as Bidco may require), a deed of adherence by such Scheme Shareholder to the Rollover Securities Shareholders' Agreement.

## **2. Consideration for the transfer of the Scheme Shares**

- (a) In consideration for the transfer of the Scheme Shares to Bidco as contemplated in clause 1 of this Scheme, Bidco shall, subject as hereinafter provided, pay or procure that there will be paid to or for the account of each Scheme Shareholder as appearing on the register of members of CareTech at the Scheme Record Time:

**for each Scheme Share held by such person 750 pence in cash**

- (b) If, prior to the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, paid or made or payable by CareTech on the CareTech Shares, Bidco reserves the right to reduce the Cash Consideration (and, as the case may be, the number of Rollover Securities due under the terms of the Partial Alternative Offer, assuming that the value of the Rollover Securities to be issued under the Partial Alternative Offer for each CareTech Share is equal to the consideration payable under the terms of the Cash Offer) by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this Scheme to the Cash Consideration payable under the terms of the Cash Offer (or consideration due under the Partial Alternative Offer) will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this clause 2(b), shall not be regarded as constituting any revision or variation of the terms of the Offer. In such circumstances, Scheme Shareholders would be entitled to retain any such dividend, distribution or other return of capital declared, made or paid or which becomes payable.
- (c) To the extent that such a dividend, distribution or other return of capital is or has been declared, paid, made or is payable and will be: (i) transferred pursuant to the Offer on a basis which entitles Bidco to receive the dividend or distribution and to retain it; or (ii) cancelled, the Cash Consideration will not be subject to any such change.

## **3. The Partial Alternative Offer**

- (a) Conditional on and subject to the remainder of this clause 3, to the extent that any Scheme Shareholder (other than a Restricted Shareholder) validly elects for the Partial Alternative Offer in part or in full in respect of their Scheme Shares, Bidco shall, in consideration for the transfer of the Scheme Shares to Bidco and/or its nominee(s) referred to in sub-clauses 1(a) and 1(b) of this Scheme, subject as hereinafter provided, allot and issue to such Scheme Shareholder (as appearing in the register of members of CareTech at the Scheme Record Time), 7.5 Bidco Loan Notes for each Scheme Share held by the Scheme Shareholder at the Scheme Record Time.
- (b) Immediately following the transfer of Scheme Shares pursuant to clauses 1(a) and 1(b) of this Scheme and the allotment and issue by Bidco of the Bidco Loan Notes and conditional thereon, each relevant Scheme Shareholder may transfer its holding of Bidco Loan Notes to Cleanco in exchange for the same number of Cleanco Loan Notes with the same nominal value as the Bidco Loan Notes transferred to Cleanco by such Scheme Shareholder.

- (c) Immediately following the transfer of Scheme Shares pursuant to clauses 1(a) and 1(b) of this Scheme and the exchange of loan notes pursuant to clause 3(b) and conditional thereon, each relevant Scheme Shareholder may transfer its holding of Cleanco Loan Notes to Midco in exchange for the same number of Midco Loan Notes with the same nominal value as the Cleanco Loan Notes transferred to Midco by such Scheme Shareholder.
- (d) Immediately following the transfer of Scheme Shares pursuant to clauses 1(a) and 1(b) of this Scheme and the exchange of loan notes pursuant to clause 3(c) and conditional thereon, each relevant Scheme Shareholder may transfer its holding of Midco Loan Notes to Topco in exchange for the relevant number of Rollover Securities which such Scheme Shareholder has validly elected to receive under the Partial Alternative Offer. The Midco Loan Notes will be acquired on the basis that 7.5 Rollover Securities (or such other number of Rollover Securities as may be determined, prior to the Scheme Court Hearing, by Bidco as a result of the amount to be funded by Topco for the purposes of financing the Offer (including any fees and expenses) being varied) will be issued for every Midco Loan Note with a nominal value of £1.00.
- (e) The maximum number of Rollover Securities available to eligible Scheme Shareholders under the Partial Alternative Offer will be limited to a number which represents 26.4 per cent. of the issued ordinary share capital of Topco at completion of the Offer which represents approximately 5.74 per cent. of the fully diluted share capital of CareTech (the "**Partial Alternative Offer Maximum**"). If valid Partial Alternative Offer Elections are received which, in aggregate, exceed the Partial Alternative Offer Maximum:
  - (i) the number of Scheme Shares in respect of which each Scheme Shareholder has made a valid Partial Alternative Offer Election shall be scaled down to the proportion of such Scheme Shares that the Partial Alternative Offer Maximum bears to the total number of Scheme Shares in respect of which Partial Alternative Offer Elections have been made (rounding such number of Scheme Shares down to the nearest whole number of Scheme Shares); and
  - (ii) the balance of the Scheme Shares the subject of such Partial Alternative Offer Election shall be deemed to be Scheme Shares in respect of which no Partial Alternative Offer Election has been made and the balance of the consideration shall be settled in cash pursuant to the terms of the Cash Offer.
- (f) A Scheme Shareholder may make a Partial Alternative Offer Election in respect of all or part of their holding of Scheme Shares.
- (g) The fractional entitlements of each eligible Scheme Shareholder to Rollover Securities under the Partial Alternative Offer will be rounded down to the nearest whole number of Rollover Securities per eligible Scheme Shareholder. Fractional entitlements to Rollover Securities will not be allotted or issued to such eligible Scheme Shareholder but will be disregarded. For the purposes of determining fractional entitlements, each portion of a Scheme Shareholder's holding which is recorded in the register of members of CareTech by reference to a separate designation at the Scheme Record Time, whether in certificated or uncertificated form, shall be treated as a separate holding.
- (h) The Rollover Securities issued pursuant to this clause 3 shall be issued credited as fully paid and together with all rights attaching to them including, without limitation, the right to receive and retain in full all dividends and other distributions (if any) declared, paid or made by Topco in relation to such Rollover Securities (as applicable) by reference to a record date falling on or after the *Effective Date*.
- (i) In the case of Scheme Shareholders who hold Scheme Shares in certificated form, an election under the Partial Alternative Offer shall be made by completion of a Form of Election which shall be signed by the Scheme Shareholder or his/her/its duly authorised attorney (or, in the case of a body corporate, executed by an authorised representative), and in the case of joint holders by or on behalf of all such holders. To be effective, the Form of Election must be completed and returned, in accordance with the instructions printed thereon so as to arrive by no later than the Election Return Time, to the CareTech Registrars. In the case of Scheme Shareholders who hold Scheme Shares in uncertificated form, a Partial Alternative Offer Election shall be made by

delivery of a TTE Instruction validly electing for the Partial Alternative Offer by no later than the Election Return Time.

- (j) If a Form of Election or TTE Instruction electing for the Partial Alternative Offer is received after the Election Return Time, or is received before such time but is not, or is deemed not to be, valid or complete in all respects at such time, then such election shall be void unless CareTech and Bidco, in their absolute discretion, elect to treat as valid in whole or in part any such election.
- (k) Upon execution and delivery by a Scheme Shareholder of a valid Form of Election or TTE Instruction electing for the Partial Alternative Offer, such Scheme Shareholder shall be bound by the terms and provisions contained in the Form of Election or the TTE Instruction (as the case may be) and by the terms and provisions contained in the Scheme Document.
- (l) A Form of Election duly completed and delivered or TTE Instruction electing for the Partial Alternative Offer made in accordance with this clause 3 may be withdrawn by notice to the CareTech Registrars in writing (in the case of a Form of Election) or through CREST (in the case of a TTE Instruction) so as to be received, in either case, by no later than the Election Return Time.
- (m) If a Scheme Shareholder delivers more than one Form of Election electing for the Partial Alternative Offer (in each case electing for Partial Alternative Offer) in respect of their Scheme Shares, in the case of an inconsistency between such Forms of Election or TTE Instructions, the last Form of Election or TTE Instruction which is delivered by the Election Return Time shall prevail over any earlier Form of Election or TTE Instruction. The delivery time for a Form of Election or TTE Instruction shall be determined on the basis of which Form of Election or TTE Instruction is last sent or, if the CareTech Registrars are unable to determine which is last sent, is last received. Forms of Election which are sent in the same envelope shall be treated for these purposes as having been sent and received at the same time and, in the case of an inconsistency between such Forms of Election, none of them shall be treated as valid (unless CareTech and Bidco otherwise determine in their absolute discretion).
- (n) Any election under the Partial Alternative Offer made by Scheme Shareholders for the Partial Alternative Offer shall not affect the entitlements of Scheme Shareholders who do not make any such election. If a Scheme Shareholder has elected for the Partial Alternative Offer, then: (i) the validity of the such election shall not be affected by any alteration in the number of Scheme Shares held by such holder at any time prior to the Scheme Record Time; and (ii) accordingly, such election shall apply, subject to clause 3(d) above, in respect of all of the Scheme Shares held by such holder at the Scheme Record Time.
- (o) Minor adjustments to the entitlements of Scheme Shareholders pursuant to any Partial Alternative Offer Election made under this Scheme may be made by the CareTech Registrars with the prior consent of CareTech and Bidco on a basis that CareTech and Bidco consider to be fair and reasonable. Such adjustments shall be final and binding on Scheme Shareholders. Neither Bidco nor CareTech shall be liable to any Scheme Shareholder in respect of any adjustment, decision or determination made pursuant to this clause 3.

#### **4. Share certificates and cancellation of CREST entitlements**

With effect from and including the Effective Date:

- (a) all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every holder of Scheme Shares shall be bound, at the request of CareTech, to deliver up the same to CareTech, or, as it may direct, to destroy the same;
- (b) Euroclear shall be instructed to cancel the entitlements to Scheme Shares of Scheme Shareholders in uncertificated form;
- (c) following the cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, the CareTech Registrars shall be authorised to materialise entitlements to such Scheme Shares; and

- (d) subject to the completion of such forms of transfer or other instruments or instructions of transfer as may be required in accordance with clause 1 of this Scheme, appropriate entries shall be made in the register of members of CareTech on the Effective Date to reflect the transfer pursuant to clause 1 of this Scheme.

## **5. Settlement**

### ***Cash Consideration***

- (a) No later than 14 days after the Effective Date (or such other period as may be approved by the Panel), Bidco shall:
  - (i) in the case of the Scheme Shares which at the Scheme Record Time are in certificated form, despatch, or procure the despatch of, cheques for the sums payable, to the persons entitled thereto in accordance with clause 2 of this Scheme; and
  - (ii) in the case of the Scheme Shares which at the Scheme Record Time are in uncertificated form, procure that the CareTech Registrars are instructed to create, through Euroclear, an assured payment obligation in respect of the sums payable in accordance with the CREST assured payment arrangements provided that Bidco reserves the right to make payment of the consideration by cheque as described in sub-clause 5(a)(i) if, for any reason, it wishes to do so,

provided that, in each case, each Scheme Shareholder's aggregate entitlement to Cash Consideration will be rounded down to the nearest whole penny.

The instruction of Euroclear shall be a complete discharge of Bidco's obligation under this Scheme with reference to the payments made through CREST.

- (b) All deliveries of notices, certificates and/or cheques required to be made under this Scheme shall be made by sending the same by first class post (or by such other method as may be approved by the Panel) addressed to the person entitled thereto, to the address appearing in the register of members of CareTech or, in the case of joint holders, to the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time.
- (c) All cheques shall be in Sterling and made payable to the person or persons to whom, in accordance with the foregoing provisions of this clause 5, the envelope containing the same is addressed and the encashment of any such cheque shall be a complete discharge of Bidco's obligation under this Scheme to pay the monies represented thereby.
- (d) None of CareTech, Bidco or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any notices, cheques or statements of entitlement sent in accordance with this clause 5, which shall be sent at the risk of the person or persons entitled thereto.
- (e) The preceding paragraphs of this clause 5 shall take effect subject to any prohibition or condition imposed by law.

### ***Partial Alternative Offer***

- (f) Settlement of the consideration to be satisfied by the issue of Rollover Securities shall be effected by the issue of Rollover Securities to which the relevant Scheme Shareholder is entitled (regardless of whether the Scheme Shares are held in certificated or uncertificated form) in certificated form only.
- (g) Definitive share certificates for Rollover Securities will be despatched to each relevant Scheme Shareholder (or such other person as they may direct) within 14 days of the Effective Date.

## **6. Overseas Shareholders**

- (a) The provisions of clauses 2, 3 and 5 of this Scheme shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if in the case of any Scheme Shareholder, Bidco is advised that the law of a country or territory outside the United Kingdom precludes the allotment, issue or delivery to it of Rollover Securities under clause 3 of

this Scheme except after compliance by CareTech or Bidco (as the case may be) with any governmental or other consent or any registration, filing or other formality with which CareTech or Bidco (as the case may be) is unable to comply or compliance with which Bidco regards as unduly onerous, then:

- (i) Bidco may, in its sole discretion, determine that the Rollover Securities shall not be allotted and issued to a Scheme Shareholder to whom Clause 5 applies; and
  - (ii) Bidco shall be entitled in its sole discretion to treat such Scheme Shareholder as a Restricted Shareholder.
- (b) Any purported Partial Alternative Offer Election by a Restricted Shareholder shall be void and Rollover Securities will not be issued to such Restricted Shareholder who will instead receive Cash Consideration in accordance with the terms of the Cash Offer. The omission to send a Form of Election to any such Scheme Shareholder shall not constitute a breach by CareTech or Bidco (as the case may be) of any of their respective obligations under this Scheme.
- (c) Neither CareTech nor Bidco shall be liable to any Scheme Shareholder in respect of any determination made pursuant to this clause 6.

#### **7. Mandates**

All mandates and other instructions given to CareTech by Scheme Shareholders in force at the Scheme Record Time shall, as from the Effective Date, cease to be valid.

#### **8. Effective Time**

- (a) This Scheme shall become effective as soon as a copy of the order of the Court under Part 26 of the Companies Act sanctioning the Scheme shall have been delivered to the Registrar of Companies for registration.
- (b) Unless this Scheme has become Effective on or before the Longstop Date (or such later date, if any, as may be agreed in writing between Bidco and CareTech (with the Panel's consent and as the Court may approve (if such consent and/or approval are required))), this Scheme shall never become Effective.

#### **9. Modification**

CareTech and Bidco may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition which the Court may approve or impose. Any such modification or addition may require the consent of the Panel.

#### **10. Governing law**

This Scheme is governed by English law, specifically, Part 26 of the Companies Act, and is subject to the exclusive jurisdiction of the courts of England and Wales. The rules of the Takeover Code apply to this Scheme.