

**Company no 08415038**

**ARTICLES OF ASSOCIATION**

of

**HOX THERAPEUTICS LIMITED**

(Incorporated on 22 February 2013)

(Adopted on 17<sup>th</sup> October 2022)

**A PRIVATE COMPANY LIMITED BY SHARES**

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The Companies Act 2006  
Private Company Limited by Shares  
Articles of Association  
of  
**HOX THERAPEUTICS LIMITED**

**PART 1**

**INTERPRETATION, LIMITATION OF LIABILITY AND SHARES**

**1 Defined terms**

1.1 In the articles, unless the context requires otherwise:

*"articles"* means the company's articles of association;

*"bankruptcy"* includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

*"chairman"* has the meaning given in article 11;

*"chairman of the meeting"* has the meaning given in article 40.3;

*"Companies Acts"* means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

*"Controlling Interest"* means an interest in shares conferring "Control" within the meaning of the Takeovers Code as if that code applied to the Company;

*"director"* means a director of the company, and includes any person occupying the position of director, by whatever name called;

*"distribution recipient"* has the meaning given in article 32.2;

*"document"* includes, unless otherwise specified, any document sent or supplied in electronic form;

*"electronic form"* has the meaning given in section 1168 of the Companies Act 2006;

*"fully paid"* in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

*"hard copy form"* has the meaning given in section 1168 of the Companies Act 2006;

*"holder"* in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

*"instrument"* means a document in hard copy form;

*"ordinary resolution"* has the meaning given in section 282 of the Companies Act 2006;

*"paid"* means paid or credited as paid;

**"participate"**, in relation to a directors' meeting, has the meaning given in article 9;

**"proxy notice"** has the meaning given in article 46.1;

**"shareholder"** means a person who is the holder of a share;

**"Shareholder Group"** means each shareholder and each person who would be treated as "Acting in Concert" (within the meaning of the Takeovers Code as if that code applied to the company);

**"shares"** means shares in the company;

**"special resolution"** has the meaning given in section 283 of the Companies Act 2006;

**"subsidiary"** has the meaning given in section 1159 of the Companies Act 2006;

**"substantial shareholder"** means a person holding or controlling in aggregate 10% or more of the voting rights attached to issued shares;

**"Takeovers Code"** means *The City Code on Takeovers and Mergers* published by the Panel on Takeovers and Mergers (as amended from time to time)

**"transmittee"** means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

**"writing"** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

## 2 **Liability of members and shares**

- 2.1 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
- 2.2 The company has a single class of ordinary share.

## **PART 2**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### 3 **Directors' general authority**

- 3.1 Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.
- 3.2 A decision of the directors will be effective if they indicate to each other either at a meeting where they are all present or by any non-transient means that they share a common view on a matter.

#### 4 **Shareholders' reserve power**

- 4.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

- 4.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## 5 **Directors may delegate**

- 5.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:

- 5.1.1 to such person or committee;
  - 5.1.2 by such means (including by power of attorney);
  - 5.1.3 to such an extent;
  - 5.1.4 in relation to such matters or territories; and
  - 5.1.5 on such terms and conditions;
- as they think fit.

- 5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

- 5.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## 6 **Committees**

- 6.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

- 6.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### 7 **Directors to take decisions collectively**

- 7.1 The general rule about decision-making by directors is that any decision of the directors must be a majority decision at a meeting.

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

### 8 **Calling a directors' meeting**

- 8.1 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

- 8.2 Notice of any directors' meeting must indicate:

- 8.2.1 its proposed date and time;
- 8.2.2 where it is to take place; and
- 8.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

- 8.3 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **9 Participation in directors' meetings**

- 9.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

9.1.1 the meeting has been called and takes place in accordance with the articles, and

9.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

- 9.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

- 9.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **10 Quorum for directors' meetings**

- 10.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.

- 10.2 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

- 10.3 The quorum for any meeting of directors shall be a majority of directors eligible to vote on the business to be transacted at the meeting.

## **11 Chairing of directors' meetings**

- 11.1 The directors may appoint a director to chair their meetings.

- 11.2 The person so appointed for the time being is known as the chairman.

- 11.3 The directors may terminate the chairman's appointment at any time.

- 11.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

## **12 Conflicts of interest**

- 12.1 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

- 12.2 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the other directors and the ruling of the majority of those other directors shall be final and conclusive.

13      **Records of decisions to be kept**

The directors must ensure that the company keeps a record, in permanent form (which may include electronic records), for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

14      **Directors' discretion to make further rules**

14.1      Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

**APPOINTMENT OF DIRECTORS**

15      **Methods of appointing directors**

15.1      Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

15.1.1      by ordinary resolution, or

15.1.2      by a decision of the directors.

15.2      If 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.

16      **Termination of director's appointment**

16.1      A person ceases to be a director as soon as:

16.1.1      that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

16.1.2      a bankruptcy order is made against that person;

16.1.3      a composition is made with that person's creditors generally in satisfaction of that person's debts;

16.1.4      a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

16.1.5      notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

17      **Directors' remuneration**

17.1      Directors may undertake any services for the company that the directors decide.

17.2      Directors are entitled to such remuneration for their services to the company as directors and for any other service which they undertake for the company as the directors may determine, save that the remuneration of directors who are substantial shareholders must in addition be approved either:



- 17.2.1 in writing by members holding at least 50% of the shares not held by that director and any shareholder which he controls; or
- 17.2.2 by an ordinary resolution in general meeting, with the director and any shareholder which he controls abstaining from voting.
- 17.3 Subject to the articles, a director's remuneration may:
  - 17.3.1 take any form, and
  - 17.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 17.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 17.5 Unless the directors decide otherwise and, in the case of directors who are substantial shareholders, approved either:
  - 17.5.1 in writing by members holding at least 50% of the shares not held by that director and any shareholder which he controls; or
  - 17.5.2 by an ordinary resolution (whether in general meeting or passed in writing), with the director and any shareholder which he controls abstaining from voting,

directors are accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested in more than 30% of the issued shares.

#### **18 Directors' expenses**

- 18.1 The company may pay any reasonable expenses which the directors (including alternate directors) and the secretary properly incur in connection with their attendance at:
  - 18.1.1 meetings of directors or committees of directors,
  - 18.1.2 general meetings, or
  - 18.1.3 separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

### **PART 3**

#### **SHARES AND DISTRIBUTIONS:**

##### **Shares**

#### **19 All shares to be fully paid up**

- 19.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- 19.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

- 20      **Powers to issue different classes of share**
- 20.1     Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 20.2     The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.
- 21      **Company not bound by less than absolute interests**
- 21.1     Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.
- 22      **Share certificates**
- 22.1     The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 22.2     Every certificate must specify:
- 22.2.1    in respect of how many shares, of what class, it is issued;
- 22.2.2    the nominal value of those shares;
- 22.2.3    that the shares are fully paid; and
- 22.2.4    any distinguishing numbers assigned to them.
- 22.3     No certificate may be issued in respect of shares of more than one class.
- 22.4     If more than one person holds a share, only one certificate may be issued in respect of it.
- 22.5     Certificates must:
- 22.5.1    have affixed to them the company's common seal, or
- 22.5.2    be otherwise executed in accordance with the Companies Acts.
- 23      **Replacement share certificates**
- 23.1     If a certificate issued in respect of a shareholder's shares is:
- 23.1.1    damaged or defaced, or
- 23.1.2    said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 23.2     A shareholder exercising the right to be issued with such a replacement certificate:
- 23.2.1    may at the same time exercise the right to be issued with a single certificate or separate certificates;
- 23.2.2    must return the certificate which is to be replaced to the company if it is damaged or defaced; and
- 23.2.3    must comply with such conditions as to evidence, indemnity as the directors decide.

## **SHARE ISSUES**

### **24 Allotment of shares – pre-emption rights**

- 24.1 In accordance with section 567 of the CA 2006, sections 561 and 562 of the CA 2006 are excluded.
- 24.2 Article 24.3 shall not apply to a share issuance which is agreed by (i) all of the directors, and (ii) holders of at least a majority of the Company's then issued shares.
- 24.3 Subject to article 24.2, all shares which the directors propose to issue (other than issuances of the sort referred to in section 549(2) of the CA 2006 which are exempted from the statutory pre-emption requirements) must first be offered to the members in accordance with the following provisions:
- 24.3.1 shares must be offered to members in proportion as nearly as may be to the number of existing shares held by them respectively (fractional entitlements being dealt with as the directors decide appropriate);
- 24.3.2 the offer shall be made by notice specifying the number of shares offered and price at which they are offered and limiting a period (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined. Members may apply for more than the proportionate number of shares offered to them and, if applications are received for more than the number of shares proposed to be issued, each member who accepts the offer shall have priority in respect of that number of shares as corresponds to the proportion offered and then any excess shall be allocated by the directors in proportion to the number of shares held by each accepting member who applied for excess shares (save that no member shall be required to subscribe for more shares than the number for which the member applied). The directors shall so far as possible satisfy all applications to subscribe for shares. In making such allocations the directors shall deal with fractional entitlements as it sees fit; and
- 24.3.3 after the expiration of the period referred to in article 24.3.2, those shares not accepted by shareholders shall be under the control of the directors, who may allot, grant options over or otherwise dispose of them to such persons, on such terms, and in such manner as they think fit (provided that they shall not be offered for subscription at a price lower than the price stated in the notice given pursuant to article 24.3.2).

## **SHARE TRANSFERS**

### **25 Share transfers**

- 25.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 25.2 The directors may refuse to register the transfer of a share where:
- 25.2.1 the share has not been transferred in accordance with these articles;
- 25.2.2 (if the transfer is subject to stamp duty) the transfer is not properly stamped;

- 25.2.3 if there is an agreement between the company and holders of a majority of its shares and the transferee has not agreed to adhere to that agreement;
- 25.2.4 the transfer is not presented with the share certificate or indemnity for lost certificate; or
- 25.2.5 they suspect that the transfer may be unlawful, insufficiently evidenced or fraudulent.
- 25.3 The directors may register a transfer which they are entitled to refuse to register pursuant to article 25.2.
- 25.4 The directors shall refuse to register the transfer of a share if they suspect that the transfer could result in a Shareholder Group acquiring or increasing a Controlling Interest and:
  - 25.4.1 the provisions of article 26 ("*Tag along rights on a change of control*") have not been adhered to; or (as the case may be)
  - 25.4.2 the provisions of article 27 ("*Drag along*") and subject always to article 27.7) have not been adhered to.
- 25.5 If the directors refuse to register a transfer then the instrument of transfer (and accompanying certificate or indemnity) must (unless they suspect that the Tag Triggering Transfer may be fraudulent) be returned to the transferee together with a notice giving reasons for the refusal as soon as practicable and in any event within 14 days after the date on which the instrument of transfer was lodged for registration.
- 25.6 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 25.7 The company may retain any instrument of transfer which is registered.
- 25.8 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

## SHARE TAG AND DRAG

- 26 **Tag along rights on a change of control**
- 26.1 Subject to article 26.2, the provisions of articles 26.3 to 26.6 shall apply if (whether in one or a series of related transactions) one or more persons ("**Tag Group**") wish to transfer any shares which would, if transferred, result in any Shareholder Group acquiring a Controlling Interest or increasing a Controlling Interest (a "**Tag Triggering Transfer**").
- 26.2 Articles 26.3 to 26.6 shall not apply to transfers:
  - 26.2.1 made pursuant to article 27 (*Drag along*), or
  - 26.2.2 which the directors approve by resolution to be exempted from the application of those provisions where the transfer is to a member of a Shareholder Group who (or which) already holds a Controlling Interest where the shares being acquired, together with any shares acquired by that Shareholder Group within the previous 12 months, represent less than 5% of the shares in issue at the time of the acquisition.

- 26.3 Before a Tag Triggering Transfer may be registered, the person proposing to sell the relevant shares shall procure that a member (or nominee) of the relevant Shareholder Group makes an offer ("**Tag Offer**") to:
- 26.3.1 all other shareholders to purchase all of the shares held by them;
  - 26.3.2 the holders of any existing options to acquire shares (granted by the company or under any share option arrangements established by the company) or other rights to subscribe for shares or securities convertible into shares that are already capable of exercise or that are expected to become capable of exercise before or as a consequence of the Tag Triggering Transfer, to purchase any shares acquired on the exercise of options at any time before the Tag Triggering Transfer; and
  - 26.3.3 the holders of any securities of the company that are convertible into shares, to purchase any shares arising from the conversion of such securities.
- 26.4 The Tag Offer shall be made by written notice to each person referred to in article 26.3 at least 30 days before the date on which it is proposed that the transfer giving rise to the requirement to make the offer is completed (the "**Proposed Sale Date**"). The notice making the Tag Offer shall set out:
- 26.4.1 the identity of the members of the relevant Shareholder Group;
  - 26.4.2 a consideration payable in cash per share (being an amount determined by the directors as being at least equal to the value of the highest price per share offered or paid by member of the relevant Shareholder Group in connection with the proposed Tag Triggering Transfer or by any member of the relevant Shareholder Group during the period starting 18 months before the date that the directors were first notified of the proposed Tag Triggering Transfer and ending on the date on which the Tag Offer is made) and other terms and conditions of payment;
  - 26.4.3 the Proposed Sale Date; and
  - 26.4.4 the fact that the offer may be accepted by notice to a person identified for this purpose in the Tag Offer (with a physical address and email address being given for acceptances to be notified) which notice of acceptance is copied to the directors.
- 26.5 If the Tag Offer is accepted by any recipient (a "**Tagging Shareholder**") within 21 days of the date on which the Tag Offer is dispatched to the last person to whom it is made pursuant to article 26.4, the completion of the Tag Triggering Transfer shall be conditional on completion of the purchase of all the shares held by persons who accept the Tag Offer. Each Tagging Shareholder shall promptly do all such things and execute all such deeds and sign all such documents as a person appointed by holders of a majority of shares held by the Tag Group (the "**Tag Group's Representative**") may reasonably require in order to give effect to the Tag Triggering Transfer and if any Tagging Shareholder does not do so, each defaulting Tagging Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Tag Group's Representative to be the relevant Tagging Shareholder's agent to do all such things, execute all such deeds and sign all such documents as are necessary on the relevant Tagging Shareholder's behalf. After the relevant Shareholder Group (or any member(s)) has or have been registered as the holder of the shares the subject

of the Tag Offer, the validity of such proceedings shall not be questioned by any person.

- 26.6 If the Tag Offer is not made to all of the persons listed in article 26.3 in accordance with articles 26.3 and 26.4 or if payment is not made to a person who accepts the Tag Offer within 60 days of the Tag Offer being made (or, if acceptance of a Tag Offer permits a Drag Notice to be served, then by the date on which the Drag Notice is served) then any person proposing to transfer shares that would result in the Tag Triggering Transfer shall not be entitled to complete the Tag Triggering Transfer and the company shall not register any transfer of shares effected in accordance with the Tag Triggering Transfer.

27 **Drag along**

- 27.1 If shareholders who together hold at least 60% of the shares in issue for the time being ("**Majority Holders**") wish to transfer all (but not some only) of their shares ("**Majority Sale Shares**") to a bona fide purchaser for fair price on arm's length terms ("**Dragging Buyer**"), the Majority Holders may require all other shareholders (each a "**Called Shareholder**") to sell and transfer all their shares (each a "**Called Share**") to the Dragging Buyer in accordance with the provisions of this article 27.

- 27.2 The Majority Holders may exercise the rights conferred by article 27.1 by giving written notice to that effect to the Called Shareholders ("**Drag Notice**") at any time before the transfer of the Majority Sale Shares to the Dragging Buyer. The Drag Notice shall specify:

- 27.2.1 that the Called Shareholders may be required to transfer all their Called Shares pursuant to this article 27;
- 27.2.2 that any Called Shareholder may notify the directors and the person serving the Drag Notice that it does not accept that the Dragging Buyer is acquiring the Majority Sale Shares as a bona fide purchaser for fair price on arm's length terms, giving reasons for such non-acceptance;
- 27.2.3 that any Called Shareholder may notify the directors and the person serving the Drag Notice that it intends to offer (or procure that an offer is made) to acquire shares on terms no less beneficial to recipients of the Drag Notice than the terms offered by the Drag Notice other than as to price, which shall be at least 3% higher than the price specified pursuant to article 27.2.5 (the copy of such notification given to the directors to be accompanied by evidence satisfactory to the directors that funding is available to make such an offer, and that such an offer will be made within 30 days following the date of the Drag Notice);
- 27.2.4 the person to whom the Called Shares are to be transferred;
- 27.2.5 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Dragging Buyer for each of the Majority Sale Shares (and if a Tag Offer has been made within the preceding 12 months, no lower than the price applicable to that Tag Offer);
- 27.2.6 the proposed date of the transfer; and

- 27.2.7 that the offer may be accepted by notice to a person identified for this purpose in the Drag Notice (with a physical address and email address being given for acceptances to be notified) which notice of acceptance is copied to the directors.
- 27.3 Once issued, a Drag Notice shall be irrevocable. However, a Drag Notice shall lapse if:
- 27.3.1 a recipient of the Drag Notice serves a notice to the directors in accordance with article 27.2.3 and the directors agree that the circumstances brought to their attention in that notice give them reasonable cause to believe that the Dragging Buyer is not acquiring the Majority Sale Shares as a bona fide purchaser for fair price on arm's length terms;
- 27.3.2 a recipient of the Drag Notice serves a notice to the directors of its intention to make an alternative offer on the terms specified pursuant to article 27.2.3 and the directors confirm that they are reasonably satisfied that that offer can be funded and will be made (resulting in a new Drag Notice being served at a higher price within 30 days of the date of the Drag Notice being replied to), or
- 27.3.3 for any reason, the Majority Holders have not sold the Majority Sale Shares to the Dragging Buyer within 21 days of serving the Drag Notice.
- 27.4 Majority Holders may serve further Drag Notices following the lapse of any particular Drag Notice.
- 27.5 No Drag Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 27.
- 27.6 Provided that the Drag Notice does not lapse, completion of the sale of the Called Shares shall take place not later than 30 days after the date on which the Drag Notice is served (the "**Drag Completion Date**").
- 27.7 If the Drag Notice does not lapse then on or before the Drag Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the company. On the Drag Completion Date, the company shall pay the Called Shareholders, on behalf of the Dragging Buyer, the amounts due pursuant to article 27.2.5 to the extent that the Dragging Buyer has put the company in the requisite funds. The company's receipt for the price shall be a good discharge to the Dragging Buyer. The company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 27.8 If the Dragging Buyer has not, on the Drag Completion Date, put the company in funds to pay the purchase price due in respect of the Called Shares, then:
- 27.8.1 the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 27 in respect of their shares,
- 27.8.2 the directors shall not register the transfer of any of the Majority Sale Shares to the Dragging Buyer, and

- 27.8.3 for the purposes of article 25.4.2 the provisions of this article 27 shall be deemed not to have been adhered to in relation to any of the transfers to which the Drag Notice relates.
- 27.9 If any Called Shareholder does not, on or before the Drag Completion Date, execute and deliver (in accordance with article 27.7) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Holders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Dragging Buyer (or as it may direct) as the holder thereof. After the Dragging Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this article 27.
- 27.10 Following the issue of a Drag Notice, upon any person exercising a pre-existing option to acquire shares in the company or exercising a conversion right in respect of any convertible security of the company (a "**New Shareholder**"), a Drag Notice shall be deemed to have been served on the New Shareholder on the same terms as the last then properly served Drag Notice (being a price no lower than any previously served Drag Notice). The New Shareholder shall (subject to the application of the provisions of this article 27) then be bound to sell and transfer all shares acquired by it to the Dragging Buyer (or as the Dragging Buyer may direct) and the provisions of this article 27 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the shares shall take place on the Drag Completion Date or immediately upon the New Shareholder becoming a shareholder, if later.

## **TRANSMISSION OF SHARES**

- 28 **Transmission of shares**
- 28.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- 28.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
- 28.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
- 28.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 28.3 But, subject to Article 7, transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.
- 29 **Exercise of transmittees' rights**
- 29.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.



29.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

29.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

30 **Transmittees bound by prior notices**

30.1 If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name, or the name of any person(s) named as the transferee(s) in an instrument of executed under article 29.2, has been entered in the register of members.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

31 **Procedure for declaring dividends**

31.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

31.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

31.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

31.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

31.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

31.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

31.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

32 **Payment of dividends and other distributions**

32.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:

32.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;

32.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing;

- 32.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
- 32.1.4 any other means of payment as the directors agree with the distribution recipient in writing or by such other means as the directors decide.
- 32.2 In the articles, "***the distribution recipient***" means, in respect of a share in respect of which a dividend or other sum is payable:
  - 32.2.1 the holder of the share; or
  - 32.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
  - 32.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.
- 33 **No interest on distributions**
  - 33.1 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:
    - 33.1.1 the terms on which the share was issued, or
    - 33.1.2 the provisions of another agreement between the holder of that share and the company.
- 34 **Unclaimed distributions**
  - 34.1 All dividends or other sums which are:
    - 34.1.1 payable in respect of shares, and
    - 34.1.2 unclaimed after having been declared or become payable,
 may be invested or otherwise made use of by the directors for the benefit of the company until claimed.
  - 34.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
  - 34.3 If:
    - 34.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment, and
    - 34.3.2 the distribution recipient has not claimed it,
 the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.
- 35 **Non-cash distributions**
  - 35.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

- 35.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
- 35.2.1 fixing the value of any assets;
  - 35.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
  - 35.2.3 vesting any assets in trustees.

36 **Waiver of distributions**

- 36.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:
- 36.1.1 the share has more than one holder, or
  - 36.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,
- the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

**CAPITALISATION OF PROFITS**

37 **Authority to capitalise and appropriation of capitalised sums**

- 37.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:
- 37.1.1 decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
  - 37.1.2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.
- 37.2 Capitalised sums must be applied:
- 37.2.1 on behalf of the persons entitled, and
  - 37.2.2 in the same proportions as a dividend would have been distributed to them.
- 37.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 37.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 37.5 Subject to the articles the directors may:

- 37.5.1 apply capitalised sums in accordance with paragraphs 37.3 and 37.4 partly in one way and partly in another;
- 37.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- 37.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

## **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS:**

#### **Organisation of General Meetings**

#### **38 Attendance and speaking at general meetings**

- 38.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 38.2 A person is able to exercise the right to vote at a general meeting when:
  - 38.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - 38.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 38.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 38.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 38.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

#### **39 Quorum for general meetings**

- 39.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

#### **40 Chairing general meetings**

- 40.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 40.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
  - 40.2.1 the directors present, or

- 40.2.2 (if no directors are present), the meeting, must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 40.3 The person chairing a meeting in accordance with this article is referred to as "***the chairman of the meeting***".
- 41 **Attendance and speaking by directors and non-shareholders**
- 41.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 41.2 The chairman of the meeting may permit other persons who are not:
- 41.2.1 shareholders of the company, or
- 41.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.
- 42 **Adjournment**
- 42.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- 42.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- 42.2.1 the meeting consents to an adjournment, or
- 42.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 42.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 42.4 When adjourning a general meeting, the chairman of the meeting must:
- 42.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
- 42.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 42.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 42.5.1 to the same persons to whom notice of the company's general meetings is required to be given, and
- 42.5.2 containing the same information which such notice is required to contain.
- 42.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

43       **Voting: general**

- 43.1      A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded by any qualifying person (as defined in section 318 of the Act) who is present and entitled to vote at the meeting.

44       **Errors and disputes**

- 44.1      No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 44.2      Any such objection must be referred to the chairman of the meeting, whose decision is final.

45       **Poll votes**

- 45.1      A poll on a resolution may be demanded:
- 45.1.1    in advance of the general meeting where it is to be put to the vote, or
  - 45.1.2    at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 45.2      A demand for a poll may be withdrawn if:
- 45.2.1    the poll has not yet been taken, and
  - 45.2.2    the chairman of the meeting consents to the withdrawal.
- A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 45.3      Polls must be taken immediately and in such manner as the chairman of the meeting directs.

46       **Content of proxy notices**

- 46.1      Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:
- 46.1.1    states the name and address of the shareholder appointing the proxy;
  - 46.1.2    identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 46.1.3    is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 46.1.4    is delivered to the company in accordance with the Articles not less than 48 hours (or such shorter time as the directors may decide) 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;
- 46.2      The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 46.3      Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

- 46.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 46.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - 46.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 47 **Delivery of proxy notices**
- 47.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- 47.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 47.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 47.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.
- 48 **Amendments to resolutions**
- 48.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 48.1.1 notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
  - 48.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 48.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 48.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 48.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 48.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## **PART 5**

### **ADMINISTRATIVE ARRANGEMENTS**

49       **Means of communication to be used**

49.1       Subject to article 49.2, any notice, document or other information shall be deemed served on or delivered to the intended recipient:

49.1.1     if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or two business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international courier addressed to the intended recipient, provided that delivery in at least two business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

49.1.2     if properly addressed and delivered by hand, when it was given or left at the appropriate address;

49.1.3     if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

49.1.4     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.

49.2       For the purposes of article 49.1, no account shall be taken of any part of a day that is not a working day (being 9.30am until 5.00pm on a Monday to Friday that is not a public or bank holiday in London).

49.3       In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Companies Acts.

49.4       Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

49.5       Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

49.6       A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

50       **No right to inspect accounts and other records**

50.1       Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.



51       **Provision for employees on cessation of business**

- 51.1       The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

**DIRECTORS' INDEMNITY AND INSURANCE**

- 51.2       Subject to article 51.3 but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- 51.2.1     each relevant officer shall be indemnified out of the assets of the company against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

51.2.1.1       in the actual or purported execution and/or discharge of his duties, or in relation to them; and

51.2.1.2       in relation to the activities of the company (or any activities of an associated company) as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him 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 affairs of the company (or any affairs of an associated company); and

- 51.2.2     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 51.2.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 51.3       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.

- 51.4       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.

- 51.5       In this article 51:

- 51.5.1     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);

- 51.5.2 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
- 51.5.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.