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If you have sold or transferred all of your Ordinary Shares in the Company, please send this document as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was made.

Destiny Pharma plc

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 03167025)

Cancellation of admission of Ordinary Shares to trading on AIM

Re-registration as a private limited company

Adoption of New Articles

and

Notice of General Meeting

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman of the Company explaining the background to, and reasons for, the Proposals, which is set out in Part I (*Letter from the Chairman of Destiny Pharma plc*) of this document.

The Notice of General Meeting to be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ at 10.00 a.m. on 31 July 2024, is set out in Part II (*Notice of General Meeting*) of this document. You should submit your proxy vote online using the Link Investor Centre app or by accessing the web browser at <https://investorcentre.linkgroup.co.uk/Login/Login>. Alternatively, you may request a hard copy Form of Proxy from Link Group. The Form of Proxy for use in connection with the General Meeting should be completed by Shareholders and returned as soon as possible but in any event so as to be received by the Registrars at Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by no later than 10.00 a.m. on 29 July 2024 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting).

Shareholders who hold their Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting in Part II (*Notice of General Meeting*) of this document. Proxies submitted via CREST must be received by the issuer's agent (ID: RA10) by no later than 10.00 a.m. on 29 July 2024 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting).

This document contains statements which are or may be deemed to be "forward-looking statements". These include all statements other than statements of historical fact including, without limitation those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "might", "anticipates", "would", "could", "shall", "estimate", "plans", "predicts", "continues", "assumes", "positioned", or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or regulation (including the AIM Rules).

Copies of this document will be available free of charge to the public from the Company's website www.destinypharma.com.

TABLE OF CONTENTS

	<i>Page</i>
DIRECTORS, SECRETARY AND ADVISERS	3
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	4
DEFINITIONS	5
PART I – LETTER FROM THE CHAIRMAN OF DESTINY PHARMA PLC	8
PART II – NOTICE OF GENERAL MEETING	17
APPENDIX A – GENERAL PRINCIPLES AND RULES OF THE TAKEOVER CODE	20
APPENDIX B – EFFECTS OF RE-REGISTRATION	22
APPENDIX C – NEW ARTICLES	23

DIRECTORS, SECRETARY AND ADVISERS

Directors:	Sir Nigel Rudd (<i>Chairman</i>) Chris Tovey (<i>Chief Executive Officer</i>) Shaun Claydon (<i>Chief Financial Officer</i>) Dr William Love (<i>Founder and Chief Scientific Officer</i>) Dr Debra Barker (<i>Senior Independent Director</i>) James Stearns (<i>Non-Executive Director</i>) Aled Williams (<i>Non-Executive Director</i>) Nigel Brooksby (<i>Non-Executive Director</i>)
Company Secretary:	Shaun Claydon
Registered Office:	Sussex Innovation Centre Science Park Square Falmer Brighton BN1 9SB
Company Website:	www.destinypharma.com
Nominated Adviser:	Shore Capital and Corporate Limited Cassini House 57 St James's Street London SW1A 1LD
Broker:	Shore Capital Stockbrokers Limited Cassini House 57 St James's Street London SW1A 1LD
Legal Advisers:	Covington & Burling LLP 22 Bishopsgate London EC2N 4BQ
Registrars:	Link Group Central Square 29 Wellington Street Leeds LS1 4DL
Public Relations:	FTI Consulting LLP 200 Aldersgate Aldersgate Street London, EC1A 4HD

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Date
Announcement of the Proposals	15 July 2024
Posting of Circular	15 July 2024
Notice of the proposed Cancellation provided in accordance with AIM Rule 41	15 July 2024
Latest time and date for receipt of completed Form of Proxy to be valid at the General Meeting	10.00 a.m. on 29 July 2024
General Meeting	10.00 a.m. on 31 July 2024
Results of General Meeting announced through RIS	31 July 2024
Expected last day of dealings on AIM in the Ordinary Shares	12 August 2024
Expected cancellation of the admission to trading on AIM of the Ordinary Shares	7.00 a.m. on 13 August 2024
Matched Bargain Facility for Ordinary Shares commences	7.00 a.m. on 13 August 2024
Expected date of re-registration as a private limited company	on or around 30 August 2024

Notes

1. Each of the times and dates set out in the above timetable and mentioned in this document is subject to change by the Company, in which event details of the new times and dates will be notified to London Stock Exchange plc and the Company will make an appropriate announcement to a Regulatory Information Service.
2. References to times in this document are to London time unless otherwise stated.
3. If you want to request a hard copy Form of Proxy, please contact Link Group via email at shareholderenquiries@linkgroup.co.uk or on 0371 664 0300. Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday (excluding public holidays in England and Wales).

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“AIM”	the market of that name operated by the London Stock Exchange
“AIM Delisting” or “Cancellation”	the cancellation of the admission of the Ordinary Shares to trading on AIM, subject to the passing of the Delisting Resolution
“AIM Rules”	the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers (as the context may require)
“AIM Rules for Companies”	the rules of AIM as set out in the publication entitled “AIM Rules for Companies” published by the London Stock Exchange from time to time
“AIM Rules for Nominated Advisers”	the rules of AIM as set out in the publication entitled “AIM Rules for Nominated Advisers” published by the London Stock Exchange from time to time
“Articles”	the articles of association of the Company in force at the date of this document
“Board” or “Directors”	the board of directors of the Company, whose names are listed on page 3 of this document
“Business Day”	any day (excluding Saturdays and Sundays and public holidays in England and Wales) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading
“Circular” or “this document”	this circular of the Company giving (amongst other things) details of the Proposals and incorporating the Notice of General Meeting
“Company” or “Destiny”	Destiny Pharma plc, a company incorporated in England and Wales with registered number 03167025 and whose registered office is at Sussex Innovation Centre, Science Park Square, Falmer, Brighton, BN1 9SB
“CREST”	the relevant system (as defined in the CREST Regulations) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear, in accordance with the same regulations
“CREST Manual”	the rules governing the operation of CREST, as published by Euroclear
“CREST member”	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
“CREST participant”	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertified Securities Regulations 2001 (SI 2001 No. 3875), as amended
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member (which includes all CREST personal members)
“Dealing Notice”	a notification by the London Stock Exchange disseminated through the RIS giving notice that the Ordinary Shares are cancelled from trading on AIM

“Delisting Resolution”	resolution 1 of the Resolutions to be proposed at the General Meeting relating to the AIM Delisting as set out in the Notice of General Meeting
“EIS”	UK Enterprise Investment Scheme
“Euroclear”	Euroclear UK & International Limited, the operator of CREST
“Existing Ordinary Shares”	the 95,770,611 existing Ordinary Shares in the capital of the Company as at the Last Practicable Date
“FDA”	the US Food and Drug Administration
“FDA QIDP”	a drug designated as a qualified infectious disease product by the FDA that is eligible for fast track designation and priority review
“Form of Proxy”	the form of proxy for use by Shareholders in relation to the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“General Meeting”	the general meeting of the Shareholders of the Company to be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ at 10.00 a.m. on 31 July 2024, convened by the Notice of General Meeting of which is set out in Part II (<i>Notice of General Meeting</i>) of this document
“ILAP”	the UK Innovative Licensing and Access Pathway
“Last Practicable Date”	12 July 2024, being the latest practicable date prior to the publication of this document
“London Stock Exchange”	London Stock Exchange plc
“Matched Bargain Facility”	the unregulated matched bargain trading facility to be provided by JP Jenkins which the Company intends to implement for the trading of Ordinary Shares following Cancellation
“MHRA”	the UK Medicines and Healthcare products Regulatory Agency
“MHRA IPD”	the Innovation Passport designation by the ILAP
“MRSA”	methicillin-resistant <i>Staphylococcus aureus</i>
“New Articles”	the articles of association of the Company as set out in Appendix C, as proposed to be adopted pursuant to resolution 3 of the Resolutions to reflect the AIM Delisting and status of the Company as a private limited company following the Re-registration
“Notice of General Meeting”	the notice of General Meeting which is set out in Part II (<i>Notice of General Meeting</i>) of this document
“NTCD-M3”	a comprehensive research and clinical data set relating to an oral formulation of spores of a non-toxigenic strain of <i>Clostridioides difficile</i> (REA type M3)
“Ordinary Shares”	ordinary shares of one penny each in the capital of the Company, having the rights and being subject to the restrictions contained in the Articles
“Phase 2”	means a human clinical trial of a product, the principal purpose of which is a determination of safety and efficacy in the target patient population or a similar clinical study prescribed by the relevant regulatory authorities

“Phase 3”	means a human clinical trial of a product, the principal purpose of which is to confirm the safety and efficacy in the target patient population, or a similar clinical study prescribed by the relevant regulatory authorities
“Proposals”	the AIM Delisting, the Re-registration and the adoption of the New Articles
“Registrars” or “Link Group”	Link Group, a trading name of Link Market Services Limited, the Company’s registrar
“Regulatory Information Service” or “RIS”	a regulatory information service operated by the London Stock Exchange as defined in the AIM Rules for Companies
“Re-registration”	the re-registration of the Company as a private limited company
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
“Sebela Pharmaceuticals”	a US pharmaceutical company with a market leading position in gastroenterology and a focus on innovation in women’s health
“Shore Capital”	Shore Capital and Corporate and/or Shore Capital Stockbrokers, as the context requires
“Shore Capital and Corporate”	Shore Capital and Corporate Limited, the Company’s nominated adviser for the purposes of the AIM Rules for Companies
“Shore Capital Stockbrokers”	Shore Capital Stockbrokers Limited, the Company’s broker for the purposes of the AIM Rules for Companies
“Shareholders” and each being individually a “Shareholder”	the holders of Ordinary Shares for the time being
“Takeover Code”	the City Code on Takeovers and Mergers published by the Takeover Panel
“Takeover Panel”	the Panel on Takeovers and Mergers
“UK MAR”	the EU Market Abuse Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“VCT”	UK Venture Capital Trust scheme
“XF-73 Nasal”	a nasal gel for prevention of post-surgical infections

All references in this document to “£”, “**pence**” or “**p**” are to the lawful currency of the United Kingdom.

All references to time in this document are to London time.

PART I

LETTER FROM THE CHAIRMAN OF DESTINY PHARMA PLC

Destiny Pharma plc

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 03167025)

Directors:

Sir Nigel Rudd (*Chairman*)
Chris Tovey (*Chief Executive Officer*)
Shaun Claydon (*Chief Financial Officer*)
Dr William Love (*Founder and Chief Scientific Officer*)
Dr Debra Barker (*Senior Independent Director*)
James Stearns (*Non-Executive Director*)
Aled Williams (*Non-Executive Director*)
Nigel Brooksby (*Non-Executive Director*)

Registered Office:

Sussex Innovation Centre
Science Park Square
Falmer
Brighton BN1 9SB

15 July 2024

Dear Shareholder,

Cancellation of admission of Ordinary Shares to trading on AIM
Re-registration as a private limited company
Adoption of New Articles
and
Notice of General Meeting

1. Introduction

Earlier today, the Company announced that, following the completion of its review of strategic options to further the development of the business and its lead asset, XF-73 Nasal, the Board has concluded that it is in the best interests of the Company and the Shareholders as a whole, to seek Shareholders' approval for the proposed cancellation of the admission of the Ordinary Shares to trading on AIM, the proposed re-registration of the Company as a private company, and the proposed adoption of New Articles (to reflect the Company's change from a public limited company to a private limited company) with effect from the Cancellation. Pursuant to Rule 41 of the AIM Rules, the Company, through its Nominated Adviser, Shore Capital, has notified the London Stock Exchange of the date of the proposed Cancellation.

The Company is seeking Shareholder approval for the Cancellation and Re-registration at the General Meeting, which has been convened for 10.00 a.m. on 31 July 2024 at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ. The Company is also seeking Shareholder approval at this General Meeting for the adoption of the New Articles.

If the Delisting Resolution is passed at the General Meeting, it is anticipated that the Cancellation will become effective at 7.00 a.m. on 13 August 2024. The Delisting Resolution is conditional, pursuant to Rule 41 of the AIM Rules, upon the approval of Shareholders holding not less than 75 per cent. of the votes cast by Shareholders (whether present in person or by proxy) at the General Meeting, notice of which is set out in Part II (*Notice of General Meeting*) of this document.

The Company has received irrevocable undertakings to vote in favour of the Resolutions from Joe Eagle, the Wade Family and each of the Directors who hold shares in the Company, and non-binding letters of intent from CMS Medical Venture Investment and A & B (HK) Company Limited, as set out in paragraph 11 of this Part I (*Letter from the Chairman of Destiny Pharma plc*) of this document representing approximately 25.97 per cent. of the Existing Ordinary Shares.

The purpose of this document is to explain the background to, and the reasons for, the Proposals and to explain the consequences of the Proposals and provide reasons why the Directors consider the Proposals are in the best interests of the Company and its Shareholders as a whole.

The Notice of the General Meeting is set out in Part II (*Notice of General Meeting*) of this document.

2. Background to and reasons for the Proposals

The Board continues to believe that XF-73 Nasal, the Company's lead drug candidate, is highly differentiated with substantial market potential. It targets a significant medical, patient and health system need in preventing post-surgical site infections, even when MRSA is present. Having successfully completed Phase 2 development, which, in the Board's opinion, has significantly de-risked XF-73 Nasal, the Company has worked diligently to design an efficient Phase 3 clinical development programme. The Board also continues to believe that market research supports the proposition that the emerging clinical profile of XF-73 Nasal suggests this product could be an "excellent fit" for its target indication, a positioning implicitly endorsed by the FDA QIDP and MHRA IPD designations XF-73 Nasal has received.

Therefore, the Board believes that XF-73 Nasal represents a commercially significant and attractive proposition and, furthermore, that progressing XF-73 Nasal through the remainder of its late-stage clinical development should create considerable shareholder value while bringing an important therapy to patients.

However, as detailed below, the Board has considered the likelihood of the Company reaching agreement on an appropriate licensing deal in the near term and its ability to raise the significant quantum of capital necessary to advance the XF-73 Nasal programme meaningfully whilst it remains on the public markets. It has concluded that it is very unlikely that an appropriate licensing deal will be forthcoming in the near term, nor that it is realistic to raise sufficient equity capital from the public markets in order to fund and progress the required Phase 3 trial. Feedback from a broad number of potential other sources of equity capital suggests that a possible funding proposal could only be forthcoming if Destiny was a private company.

Given the Company's limited cash resources (£2.9 million as at 30 June 2024), absent a near-term partnership deal or securing sufficient funding to advance the development of XF-73 Nasal in the short-term, the Board has concluded that it would have to review and consider what limited remaining options are available to it, and there is a high likelihood that this would involve liquidating the Company.

As previously communicated, in recent months, the Company has taken important steps to improve the attractiveness of XF-73 Nasal in the context of securing a meaningful licensing deal on XF-73 Nasal that could fund future activities such as completing the Phase 3 studies – these steps include developing a new clinical trial design that is expected to cost approximately £25 million, less than half of the previously planned Phase 3 trial, whilst still delivering the same indication and commercial returns, and conducting an ongoing exercise to broaden understanding of the market potential for XF-73 Nasal in the United States and the commercial go to market model.

However, the Company recognises the challenges presented by the antibiotics markets more broadly, with a growing incidence of bacterial resistance arising to existing agents on their continued use and overuse to treat infections. In order to reduce the likelihood of resistance arising to newer agents, health systems promote antimicrobial stewardship which ultimately limits the use and rate of uptake of new antibiotics and thus their commercial potential. This has led to a paucity of funding for new antibiotics, even for anti-infectives such as XF-73 Nasal which has a differentiated proposition including use as a very short-course prophylactic, rather than a treatment over an extended period of time and, if approved, would be a first-in-class antimicrobial where no resistance has been observed to date.

For some time, the Company has been seeking a licencing partner to progress and fund the development of XF-73 Nasal. More recently, as announced on 25 April 2024, and in light of a cash runway that only extends to Q1 2025, alongside licencing activities the Board has also been evaluating a range of other strategic options with its Financial Adviser, Rothchild & Co, to secure funding required to conduct the Phase 3 clinical studies.

While milestone payments are due in future from the collaboration and co-development agreement with Sebela Pharmaceuticals in respect of NTCD-M3, the Company's lead asset for the prevention of

Clostridioides difficile infection (CDI) recurrence, the anticipated timing of the next milestone payment falls well beyond the Company's current cash runway and beyond the timing of the funding requirement for the development of the Phase 3 programme for XF-73 Nasal.

Ongoing conversations with potential partners have not yet resulted in a licensing deal, and the Board has considered the possibility that a near-term licencing agreement may not be secured. The Board has explored the possibility of securing the quantum of funding (c. £25 million) it needs to execute on the Phase 3 clinical trial programme from a very wide range of sources, including existing Shareholders and public market investors, venture capital firms, specialist healthcare funds as well as from non-dilutive sources, as it believes that by successfully completing the Phase 3 programme itself, it will significantly increase the likelihood of securing a meaningful licencing deal in the future.

Discussions with a limited number of potential funding partners continue but feedback received from those, and other, possible sources of capital has indicated that a possible funding proposal could only be forthcoming if Destiny was a private company.

The Board has considered its ability to raise the quantum of capital necessary to advance the XF-73 Nasal programme from the public markets and has concluded that it is very unlikely to be able to raise sufficient equity capital to fund the required Phase 3 trial, taking into account its current investor base, which is primarily made up of VCT, EIS and private investors, many of whom are unable to invest further in Destiny (or make investments of the quantum required), as well as current public market sentiment towards pre-revenue biotechnology companies. In reaching this conclusion, the Board has also considered Destiny's current market capitalisation of c. £8.1 million coupled with the limited liquidity and high price volatility in the Company's Ordinary Shares. The Board considers that a fundraise of a smaller quantum on AIM would not realistically allow the Company to significantly advance XF-73 Nasal, or its other pipeline assets, through to value inflection points.

The Board's continued focus is on maximising shareholder value over the long-term and it has extensively reviewed and evaluated the benefits and drawbacks for the Company and its Shareholders in retaining the admission to trading of the Ordinary Shares on AIM. The Board has taken into consideration numerous factors, both positive and negative, and considered the interests of all Shareholders in reaching its decision. These considerations have led the Board to conclude that the Cancellation is the Company's only viable option in order to provide it with a realistic chance of securing an appropriate quantum of funding in a timely manner. The Board considers this objective essential in promoting the medium and long-term success and development of the business.

Whilst there can be no guarantee that additional funding will be secured as a private company, nor as to the terms of any such funding, the Board is of the view that a larger pool of available and appropriate capital is accessible to the Company as a private company at this time. With the Company's limited cash runway in mind, the Board also believes that the cost, management time and the legal and regulatory burden associated with maintaining the Company's admission to trading on AIM are disproportionate to its benefits in the context of a lack of access to sufficient capital to advance XF-73 Nasal through final clinical trials.

3. AIM Delisting

It is a requirement under Rule 41 of the AIM Rules that the AIM Delisting is approved by Shareholders holding not less than 75 per cent. of votes cast by Shareholders at the General Meeting. The Delisting Resolution is set out at resolution 1 in the Notice of General Meeting.

If the Delisting Resolution is passed, the Board will resolve to cancel the admission of the Ordinary Shares to trading on AIM.

Pursuant to Rule 41 of the AIM Rules, the Company, through its nominated adviser, Shore Capital, has notified the London Stock Exchange of the proposed Cancellation. Under the AIM Rules, the Company is required to give at least 20 clear Business Days' notice of the Cancellation.

Additionally, Cancellation will not take effect until at least five clear Business Days have passed following the passing of the Delisting Resolution. If the Delisting Resolution is passed at the General Meeting, it is proposed that the last day of trading in the Ordinary Shares on AIM will be 12 August 2024 and that the Cancellation will become effective following the issue of a Dealing Notice, at 7.00 a.m. on 13 August 2024.

The Directors are aware that certain Shareholders may be unable or unwilling to hold Ordinary Shares in the event that the Cancellation is approved and becomes effective. Such Shareholders should consider selling their interests in the market prior to the Cancellation becoming effective.

The principal effects of the AIM Delisting are as follows:

- there will be no formal market mechanism enabling Shareholders to trade their Ordinary Shares on AIM (or any other recognised market or trading exchange) and no price will be publicly quoted for the Ordinary Shares;
- it is possible that, following the publication of this document, the liquidity and marketability of the Ordinary Shares may be significantly reduced and their value adversely affected;
- the Ordinary Shares may be more difficult to sell compared to shares of companies traded on AIM (or any other recognised market or trading exchange);
- it may be difficult for Shareholders to determine the market value of their investment in the Company at any given time;
- the regulatory and financial reporting regime applicable to companies whose shares are admitted to trading on AIM will no longer apply;
- the Company will no longer be required to comply with the AIM Rules and Shareholders will no longer be afforded the protections given by the AIM Rules, such as the requirement to be notified of price sensitive information or certain events and the requirement that the Company seek shareholder approval for certain corporate actions, where applicable, including substantial transactions, reverse takeovers, related party transactions and fundamental changes in the Company's business, including certain acquisitions and disposals;
- the levels of disclosure and corporate governance within the Company may not be as stringent as for a company quoted on AIM;
- the Company will no longer be subject to UK MAR regulating inside information and other matters;
- the Company will no longer be required to publicly disclose any change in major shareholdings in the Company under the Disclosure Guidance and Transparency Rules;
- Shore Capital will cease to be nominated adviser to the Company; and
- whilst the Company's CREST facility will remain in place immediately post the Cancellation, the Company's CREST facility may be cancelled in the future and, although the Ordinary Shares will remain transferable, they may cease to be transferable through CREST (in which case, Shareholders who hold Ordinary Shares in CREST will receive share certificates).

Additional tax consequences are set out in paragraph 8 of this Part I (*Letter from the Chairman of Destiny Pharma plc*) of this document.

Details of the application of the Takeover Code, which will continue to apply to the Company following the Cancellation, are set out in paragraph 7 of this Part I (*Letter from the Chairman of Destiny Pharma plc*) of this document.

For the avoidance of doubt, the Company will remain registered with the Registrar of Companies in England and Wales, and as such the Company will continue to be subject to the requirements of the Companies Act 2006.

The above considerations are not exhaustive, and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them and their shareholding in the Company.

4. Transactions in the Ordinary Shares prior to and post the proposed Cancellation

Prior to the Cancellation

Shareholders should note that they are able to continue trading in the Ordinary Shares on AIM prior to the date of Cancellation. If the requisite majority of Shareholders approve the Delisting Resolution at the General Meeting, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 12 August 2024. The Board is not making any recommendation as to whether or not Shareholders should buy or sell their Ordinary Shares.

Dealing and settlement arrangements post the Cancellation

The Directors are aware that Shareholders may wish to acquire or dispose of Ordinary Shares in the Company following the Cancellation. Should the Delisting Resolution be approved by Shareholders at the General Meeting, the Company is seeking to implement a Matched Bargain Facility and to be provided by J P Jenkins. J P Jenkins is an appointed representative of Prosper Capital LLP, which is authorised and regulated by the FCA.

Under the Matched Bargain Facility, Shareholders or persons wishing to acquire or dispose of Ordinary Shares will be able to leave an indication with J P Jenkins, through their stockbroker (J P Jenkins is unable to deal directly with members of the public), of the number of Ordinary Shares that they are prepared to buy or sell at an agreed price. In the event that J P Jenkins is able to match that order with an opposite sell or buy instruction, it would contact both parties and then effect the bargain (trade). Shareholdings remain in CREST and can be traded during normal business hours via a UK regulated stockbroker. Should the Cancellation become effective and the Company puts in place the Matched Bargain Facility, details will be made available to Shareholders on the Company's website at www.destinypharma.com.

The Matched Bargain Facility will operate for a minimum of 12 months after the Cancellation. The Directors' current intention is that it will continue beyond that time but Shareholders should note that it could be withdrawn and there can be no guarantee that the Matched Bargain Facility will be kept in place indefinitely, and this could therefore inhibit the ability to trade the Ordinary Shares. Further details will be communicated to the Shareholders at the relevant time.

If Shareholders wish to buy or sell Ordinary Shares on AIM they must do so prior to the Cancellation becoming effective. As noted above, in the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 12 August 2024 and that the effective date of the Cancellation will be 13 August 2024.

5. Re-registration

Following the Cancellation, the Directors believe that the requirements and associated costs of the Company maintaining its public company status will be difficult to justify and that the Company will benefit from the more flexible requirements and lower costs associated with private limited company status. It is therefore proposed to re-register the Company as a private limited company. In connection with the Re-registration, it is proposed that the New Articles be adopted to reflect the change in the Company's status to a private limited company. The principal effects of the Re-registration and the adoption of the New Articles on the rights and obligations of Shareholders and the Company are summarised in Appendix B to this Document. A copy of the New Articles can be found at Appendix C to this document.

Under the Companies Act 2006, the Re-registration and the adoption of the New Articles must be approved by Shareholders holding not less than 75 per cent. of votes cast by Shareholders at the General Meeting. Accordingly, the Notice of General Meeting set out in Part II (*Notice of General Meeting*) of this document contains a special resolution to approve the Re-registration and adopt the New Articles.

If the Delisting Resolution and the Re-registration Resolution are approved at the General Meeting, an application will be made to the Registrar of Companies for the Company to be re-registered as a private limited company. Re-registration will take effect when the Registrar of Companies issues a certificate of incorporation on re-registration. The Registrar of Companies will issue the certificate of incorporation on re-registration when it is satisfied that no valid application can be made to cancel the re-registration Resolution or that any such application to cancel the Re-registration Resolution has been determined and confirmed by the Court.

If the Resolutions are passed at the General Meeting, it is anticipated that the Re-registration will become effective on or around 30 August 2024.

6. Board composition and provision of information following the Cancellation

Although any Board changes have not yet been determined, the composition of the Board is expected to change shortly after Cancellation and the Re-registration so that it is appropriate for a private company of its size.

The Company currently intends to continue to provide certain information, services and facilities to Shareholders following the Cancellation.

The Company will continue to communicate information about the Company (including annual accounts) to its Shareholders, as required by the Companies Act. It also currently intends to maintain its website, (www.destinypharma.com) and to post periodic updates for investors on the business and key developments, although Shareholders should be aware that there will be no obligation on the Company to include all of the information required under the Disclosure Guidance and Transparency Rules or the AIM Rules, nor to update the website as currently required by the AIM Rules.

As set out in paragraph 4 above, the Company intends to make available to Shareholders, through J P Jenkins, the Matched Bargain Facility which will allow Shareholders to buy and sell Ordinary Shares on a matched bargain basis following the Cancellation.

7. Application of the Takeover Code following the AIM Delisting and the Re-registration

The Takeover Code applies to all offers for companies which have their registered office in the United Kingdom, the Channel Islands or the Isle of Man if any of their equity share capital or other transferable securities carrying voting rights are admitted to trading on a UK regulated market or a UK multilateral trading facility or on any stock exchange in the Channel Islands or the Isle of Man.

The Takeover Code also applies to all offers for companies (both public and private) which have their registered offices in the United Kingdom, the Channel Islands or the Isle of Man which are considered by the Takeover Panel to have their place of central management and control in the United Kingdom, the Channel Islands or the Isle of Man, but in relation to private companies only if one of a number of conditions is met, including that any of the company's equity share capital or other transferable securities carrying voting rights have been admitted to trading on a UK regulated market or a UK multilateral trading facility or on any stock exchange in the Channel Islands or the Isle of Man at any time in the preceding ten years.

Following the AIM Delisting and the Re-registration, the Takeover Code will continue to apply for a period of ten years from the AIM Delisting provided that the Company is considered by the Takeover Panel to have its place of central management and control in the United Kingdom (or the Channel Islands or the Isle of Man). This is known as the "residency test". The way in which the test for central management and control is applied for the purposes of the Takeover Code may be different from the way in which it is applied by the United Kingdom tax authority, HMRC. Under the Takeover Code, the Takeover Panel looks to where the majority of the Directors are resident, amongst other factors, for the purposes of determining where the Company has its place of central management and control.

Based on the current composition of the Board, the residency test will be satisfied and the Takeover Code will continue to apply to the Company following the AIM Delisting and the Re-registration. However, the Takeover Code could cease to apply to the Company in the future if any changes to the Board composition result in the majority of the Directors not being resident in the United Kingdom, Channel Islands and Isle of Man.

If amendments to the Takeover Code proposed in consultation paper PCP 23.4.1 (published by the Takeover Panel on 24 April 2024) are adopted, then the Takeover Code would cease to apply to the Company after a period of 3 years following the implementation of these amendments, irrespective of the composition of the Board.

When the Takeover Code ceases to apply to the Company in the future, Shareholders will not receive the protections afforded by the Takeover Code in the event that there is a subsequent

offer to acquire their Ordinary Shares. This includes the requirement for a mandatory cash offer to be made if either:

- (i) a person acquires an interest in shares which, when taken together with the shares in which persons acting in concert with it are interested, increases the percentage of shares carrying voting rights in which it is interested to 30 per cent. or more; or
- (ii) a person, together with persons acting in concert with it, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with it, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which it is interested.

Brief details of the Takeover Panel, the Takeover Code and the protections given by the Takeover Code are described below.

Before giving your approval to the AIM Delisting and the Re-registration, you may want to take independent professional advice from an appropriate independent financial adviser.

The Takeover Code

The Takeover Code is issued and administered by the Takeover Panel. Destiny Pharma is a company to which the Takeover Code applies and its shareholders are accordingly entitled to the protections afforded by the Takeover Code.

The Takeover Code and the Takeover Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Takeover Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

The General Principles and Rules of the Takeover Code

The Takeover Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. For your information, these General Principles are set out in Part 1 of Appendix A to this document. The General Principles apply to all transactions with which the Takeover Code is concerned. They are expressed in broad general terms and the Takeover Code does not define the precise extent of, or the limitations on, their application. They are applied by the Takeover Panel in accordance with their spirit to achieve their underlying purpose.

In addition to the General Principles, the Takeover Code contains a series of Rules, of which some are effectively expansions of the General Principles and examples of their application and others are provisions governing specific aspects of takeover procedure. Although most of the Rules are expressed in more detailed language than the General Principles, they are not framed in technical language and, like the General Principles, are to be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as their letter. The Takeover Panel may derogate or grant a waiver to a person from the application of a Rule in certain circumstances.

Giving up the protection of the Takeover Code

A summary of key points regarding the application of the Takeover Code to takeovers generally is set out in Part 2 of Appendix A to this document. **You are encouraged to read this information carefully as it outlines certain important protections which you will be giving up if you agree to the AIM Delisting and the Re-registration, if/when the Company subsequently ceases to be subject to the Takeover Code in the future.**

8. UK tax treatment

The Cancellation and Re-registration may have personal taxation consequences for Shareholders. The Company cannot and does not provide any form of taxation advice to shareholders and therefore shareholders are strongly advised to seek their own taxation advice to confirm the consequences of continuing to hold Ordinary Shares that are not admitted to trading on AIM.

The following summary does not constitute legal or tax advice and is not exhaustive. Therefore, the following should not be relied upon by shareholders without taking further advice (and the Company accepts no liability in respect of any such reliance on any information provided herein on taxation matters).

The AIM Delisting

Following the AIM Delisting, the Ordinary Shares should continue to qualify as unlisted/unquoted securities for the purposes of certain specific UK tax rules (notably, the UK inheritance tax business property relief rules).

Subject to certain conditions, transfers of Ordinary Shares admitted to trading on AIM are not subject to UK stamp duty or SDRT. However, following the AIM Delisting, stamp duty or SDRT will generally apply to transfers of, or agreements to transfer the Ordinary Shares (normally being 0.5 per cent. of the consideration).

It is strongly recommended that shareholders obtain appropriate professional advice in respect of their tax position in respect of the AIM Delisting.

9. General Meeting

The General Meeting of the Company, notice of which is set out in Part II (*Notice of General Meeting*) of this document, is to be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ at 10.00 a.m. on 31 July 2024. The General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolutions set out in the Notice of General Meeting, which can be summarised as follows:

Resolution 1 – a special resolution, in accordance with Rule 41 of the AIM Rules for Companies, for the cancellation of the admission to trading on AIM of the Ordinary Shares.

Resolution 2 – a special resolution that the Company be re-registered as a private company.

Resolution 3 – a special resolution to adopt the New Articles upon the Re-registration, in substitution for, and to the exclusion of, the existing Articles of Association (to reflect the AIM Delisting and Re-registration).

Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice of General Meeting in Part II (*Notice of General Meeting*) of this document. You should also note that certain of the Resolutions are conditional upon the passing of other Resolutions.

10. Action to be taken

Whether or not you propose to attend the General Meeting in person, you are asked to submit a proxy vote online by using the Link Investor Centre app or by accessing the web browser at <https://investorcentre.linkgroup.co.uk/Login/Login>. Alternatively, you may request a hard copy Form of Proxy from Link Group. You should complete the Form of Proxy and return it to the Company's Registrars, the Registrars at Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL as soon as possible but in any event by no later than 10.00 a.m. on 29 July 2024 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting). Completion and submission of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you wish.

If you hold your Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting in Part II (*Notice of General Meeting*) of this document. Proxies submitted via CREST must be received by the issuer's agent (ID: RA10) by no later than 10.00 a.m. on 29 July 2024 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting). Submission of a proxy vote will not preclude you from attending the General Meeting and voting in person should you wish.

If you need help with voting online or require a hard copy Form of Proxy, please contact Link Group by email at shareholderenquiries@linkgroup.co.uk, or by telephone on 0371 664 0300. Calls are charged at the

standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Link Group are open between 9.00 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales).

11. Irrevocable Undertakings and Letters of Intent

As at the Last Practicable Date, the Company has received voting irrevocable undertakings from the following Shareholders to vote in favour of the Resolutions:

- (a) The Wade Family in respect of 6,420,971 Ordinary Shares (representing approximately 6.70 per cent. of the Existing Ordinary Shares); and
- (b) Joe Eagle in respect of 2,081,560 Ordinary Shares (representing approximately 2.17 per cent. of the Existing Ordinary Shares).

In addition, those Directors who are Shareholders, who in aggregate hold 9,475,605 Ordinary Shares, representing approximately 9.89 per cent. of the Existing Ordinary Shares, have irrevocably undertaken to vote in favour of the Resolutions at the General Meeting.

The irrevocable undertakings cease to be binding and shall lapse if the General Meeting is not held before 30 September 2024.

As at the Last Practicable Date, the Company has also received voting letters of intent from the following Shareholders indicating their intention to vote in favour of the Resolutions:

- (a) CMS Medical Venture Investment in respect of 3,449,289 Ordinary Shares (representing approximately 3.60 per cent. of the Existing Ordinary Shares); and
- (b) A & B (HK) Company Limited in respect of 3,449,289 Ordinary Shares (representing approximately 3.60 per cent. of the Existing Ordinary Shares).

The letters of intent are not legally binding and there is no guarantee that these Shareholders will vote in favour of the Resolutions.

The Company has therefore obtained irrevocable undertakings to vote in favour of the Resolutions in respect of, in aggregate, 17,978,136 Ordinary Shares (representing approximately 18.77 per cent. of the Existing Ordinary Shares) and letters of intent to vote in favour of the Resolutions in respect of, in aggregate, 6,898,578 Ordinary Shares (representing approximately 7.20 per cent. of the Existing Ordinary Shares).

12. Recommendation

The Directors consider that the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own shareholdings of 9,475,605 Ordinary Shares, (representing approximately 9.89 per cent. of the Existing Ordinary Shares).

Yours faithfully,

Sir Nigel Rudd
Chairman

PART II

NOTICE OF GENERAL MEETING

Destiny Pharma plc

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 03167025)

(the “**Company**”)

Notice is hereby given that a general meeting of the Company will be held at the offices of Covington & Burling LLP, 22 Bishopsgate, London EC2N 4BQ on 31 July 2024 at 10.00 a.m. (London time) for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed as special resolutions.

SPECIAL RESOLUTIONS

1. **THAT**, in accordance with Rule 41 of the AIM Rules for Companies published by London Stock Exchange plc, the cancellation of the admission to trading on AIM of the ordinary shares of one penny each in the capital of the Company be and is hereby approved and the Directors of the Company be authorised to take all action reasonable or necessary to effect such cancellation.
2. **THAT**, conditional on the passing of resolution 1, the Company be re-registered as a private limited company under the Companies Act 2006 with the name “Destiny Pharma Limited”.
3. **THAT**, conditional on the passing of resolutions 1 and 2, and with effect from the Company’s re-registration as a private limited company, the New Articles appended at Appendix C to the circular of which this notice forms part, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

15 July 2024

By order of the Board

Destiny Pharma plc
Sussex Innovation Centre
Science Park Square
Falmer
Brighton BN1 9SB

Notes

- 1 A member entitled to attend and vote at the meeting is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, to speak and, both on a show of hands and on a poll, to vote in his or her stead at the meeting. A proxy need not be a member of the Company. The appointment of a proxy does not preclude a member from attending and voting in person at the meeting should he or she subsequently decide to do so. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the chairman of the meeting and give your instructions to that proxy.
- 2 A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. To be valid, a Form of Proxy together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, not later than 10.00 a.m. on 29 July 2024 (or, in the case of an adjournment of the meeting, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting).
- 3 An abstention (or "vote withheld") option has been included on the Form of Proxy. The legal effect of choosing the abstention option on any resolution is that the member concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
- 4 To be effective, the proxy vote can be submitted via the Link Investor Centre app or at <https://investorcentre.linkgroup.co.uk/Login/Login> so as to have been received by the Company's registrars not less than 48 hours (excluding weekends and public holidays) before the time appointed for the meeting or any adjournment of it. Link Investor Centre is a free app for smartphone and tablet provided by Link Group (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Link Investor Centre via a web browser at: <https://investorcentre.linkgroup.co.uk/Login/Login>.



- 5 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 6 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy, or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrars (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in Note 2 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 7 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com).
- 8 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
- 9 Unless otherwise indicated on the Form of Proxy, CREST voting or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.
- 10 The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at close of business on 29 July 2024 shall be entitled to attend or vote (whether on a show of hands or on a poll) at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after close of business on 29 July 2024 (or after 6.30 p.m. on the day which is two days before any adjourned meeting, excluding non-working days) shall be disregarded in determining the rights of any person to attend or vote at the meeting.

- 11 As at 12 July 2024 (being the Last Practicable Date) the Company's issued share capital consisted of 95,770,611 ordinary shares each carrying one vote per share. Accordingly, the total number of voting rights in the Company as at 12 July 2024 were 95,770,611.
- 12 Any corporation which is a member can appoint one or more corporate representatives. Each representative may exercise on behalf of the corporation the same powers as the corporation could exercise if it were an individual member of the Company provided that they do not do so in relation to the same Ordinary Shares. It is therefore no longer necessary to nominate a designated corporate representative.
- 13 A copy of this notice of meeting, is available on the Company's website at www.destinypharma.com under 'investors: regulatory news'.
- 14 Shareholders, proxies and authorised representatives will be required to provide their names and addresses for verification against the register of members and proxy appointments received by the Company before entering a meeting. Each authorised representative must produce proof of his or her appointment, in the form of the actual appointment or a certified copy. Other than this, there are no procedures with which any such persons must comply in order to attend and vote at the meeting.
- 15 Shareholders, proxies and authorised representatives may raise questions at the meeting concerning any business being dealt with at the meeting and will receive answers, except that a question need not be answered where it would interfere unduly with the conduct of the meeting, would involve the disclosure of confidential information, where the answer has already been given on a website in the form of an answer to a question or where it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

APPENDIX A – GENERAL PRINCIPLES AND RULES OF THE TAKEOVER CODE

Part 1: The General Principles of the Takeover Code

1. (1) All holders of the securities of an offeree company of the same class must be afforded equivalent treatment.

(2) If a person acquires control of a company, the other holders of securities must be protected.
2. (1) The holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the takeover bid.

(2) Where it advises the holders of securities, the board of directors of the offeree company must give its views on the effects of implementation of the takeover bid on:
 - (a) employment;
 - (b) conditions of employment; and
 - (c) the locations of the company's places of business.
3. The board of directors of an offeree company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the takeover bid.
4. False markets must not be created in the securities of:
 - (a) the offeree company;
 - (b) if the offeror is a company, that company; or
 - (c) any other company concerned by the takeover bid

in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted.
5. An offeror must announce a takeover bid only after:
 - (a) ensuring that the offeror can fulfil in full any cash consideration, if such is offered; and
 - (b) taking all reasonable measures to secure the implementation of any other type of consideration.
6. An offeree company must not be hindered in the conduct of its affairs for longer than is reasonable by a takeover bid for its securities.

Part 2: Detailed application of the City Code

The following is a summary of key provisions of the Takeover Code which apply to transactions to which the Takeover Code applies. **You should note that, by agreeing to the AIM Delisting and Re-registration of the Company, you will be giving up the protections afforded by the Takeover Code when the Takeover Code ceases to apply to the Company in the future.**

Equality of treatment

General Principle 1 of the Takeover Code states that all holders of the securities of an offeree company of the same class must be afforded equivalent treatment. Furthermore, Rule 16.1 requires that, except with the consent of the Takeover Panel, special arrangements may not be made with certain shareholders in the Company if there are favourable conditions attached which are not being extended to all shareholders.

Information to shareholders

General Principle 2 requires that the holders of the securities of an offeree company must have sufficient time and information to enable them to reach a properly informed decision on the takeover bid. Consequently, a document setting out full details of an offer must be sent to the offeree company's shareholders.

The opinion of the offeree board and independent advice

The board of the offeree company is required by Rule 3.1 of the Takeover Code to obtain competent independent advice as to whether the financial terms of an offer are fair and reasonable and the substance of such advice must be made known to its shareholders. Rule 25.2 requires that the board of the offeree company must send to the offeree company's shareholders and persons with information rights its opinion on the offer and its reasons for forming that opinion. That opinion must include the board's views on: (i) the effects of implementation of the offer on all the company's interests, including, specifically, employment; and (ii) the offeror's strategic plans for the offeree company and their likely repercussions on employment and the locations of the offeree company's places of business.

The document sent to shareholders must also deal with other matters such as interests and recent dealings in the securities of the offeror and the offeree company by relevant parties and whether the directors of the offeree company intend to accept or reject the offer in respect of their own beneficial shareholdings.

Rule 20.1 states that, except in certain circumstances (i.e., with the consent of the Takeover Panel or as provided in the Notes on Rule 20.1), information and opinions relating to an offer or a party to an offer must be made equally available to all offeree company shareholders and persons with information rights as nearly as possible at the same time and in the same manner.

Optionholders and holders of convertible securities or subscription rights

Rule 15 of the Takeover Code provides that when an offer is made and the offeree company has convertible securities outstanding, the offeror must make an appropriate offer or proposal to the holders of those securities to ensure their interests are safeguarded. Rule 15 also applies in relation to holders of options and other subscription rights.

APPENDIX B – EFFECTS OF RE-REGISTRATION

1. Accounts

A public company is required to file its accounts within six months following the end of its financial year and then to circulate copies of the accounts to its shareholders. Following the Re-registration, the period for the preparation of accounts is extended to nine months following the end of the financial year. The Company will still be required to circulate accounts to Shareholders (although the period for doing so is extended for private companies).

2. General meetings and resolutions

A public company is required to hold an annual general meeting of its shareholders each year, whereas a private company is not.

In addition, after the Re-registration, resolutions of the Shareholders of the Company may be obtained via written resolutions, rather than via physical meetings. This is done by obtaining the approval in writing to that resolution of the holders of a majority of voting shares then in issue (in the case of ordinary resolutions) and the holders of 75 per cent. of the voting shares then in issue (in the case of special resolutions).

3. Issue of shares for non-cash consideration

As a public company, there are restrictions on the ability of the Company to issue new shares, for example, by requiring the Company to obtain a valuation report in the case of shares issued for non-cash consideration. These restrictions will not apply following the Re-registration.

4. Financial assistance, reductions of capital and purchase of own shares out of capital

As a public limited company, the Company is currently prohibited from performing actions which constitute financial assistance for the acquisition of its own shares. This limits the ability of the Company to engage in certain transactions. However, following the Re-registration, these restrictions will no longer apply.

In addition, the Company must currently obtain the sanction of the Court for any reduction of capital, which can be a lengthy and expensive process. However, following the Re-registration, the Company will be able to take advantage of more flexible provisions applicable to private companies, which do not require the approval of the Court. Similarly, following Re-registration, the Company will be able to effect buy backs of shares out of capital, which it is currently prohibited from doing as a public limited company.

5. Company Secretary

There is no requirement for a company secretary to be appointed, although the Company may retain one should it wish.

6. Removal of unnecessary provisions and simplification of articles

The New Articles will not contain many of the detailed provisions of the existing articles of association of the Company which are common for publicly quoted companies, and which will not be necessary for the Company following the Cancellation. Many of these provisions duplicate provisions of company law or can be simplified.

**APPENDIX C –
NEW ARTICLES**

Company number 3167025

**Companies Act 2006
Private company limited by shares**

Destiny Pharma Limited

Articles of Association

(adopted by special resolution passed on _____ 2024)

INDEX

	page
PRELIMINARY	4
1. Definitions.....	4
2. Other articles excluded.....	6
3. Limited liability	6
4. Trusts not recognised.....	6
SHARE CAPITAL	6
5. Power to issue shares	6
6. Certificated shares	7
7. Uncertificated shares	7
8. Alteration of share capital	8
9. Class rights	8
GENERAL MEETINGS	8
10. Calling general meetings	8
11. Meetings at more than one location	9
12. Rearranged meetings.....	9
13. Withdrawing resolutions	10
14. Attendance	10
15. Chairman	11
16. Quorum	11
17. Orderly conduct and security	12
18. Amending resolutions	12
19. Adjournments.....	13
20. Proxies and corporate representatives	14
21. Voting	16
22. Class meetings	17
DIRECTORS	17
23. Number	17
24. Appointment	18

25.	Termination of appointment.....	18
26.	Expenses.....	19
27.	Fees	19
28.	Indemnity and insurance	19
29.	Pensions	19
30.	Salaries and other remuneration	20
31.	Permitted benefits	20
32.	Voting restrictions.....	21
33.	Conflicts	22
34.	General	22
	THE BOARD	23
35.	Powers vested in the Board	23
36.	Chairman	23
37.	Board meetings	23
38.	Written resolutions.....	24
39.	Board committees	24
40.	Delegation of powers	24
	DISTRIBUTIONS	25
41.	Dividend rights	25
42.	Dividend payments	25
43.	Unclaimed dividends	26
44.	Scrip dividends.....	26
45.	Dividends in kind.....	27
46.	Bonus issues	27
47.	Winding up	28
	COMMUNICATIONS.....	28
48.	Authentication	28
49.	Deemed receipt.....	29
50.	Documents returned undelivered	29
51.	Information for the Company	30

52.	Information from the Company	30
53.	Joint holders	30
54.	Members outside the United Kingdom.....	31
55.	Notices by advertisement.....	31
56.	Notices in writing	32
	TRANSFER AND TRANSMISSION OF SHARES	32
57.	Transfers	32
58.	When registration may be refused	32
59.	Transmission	33
60.	Elections following transmission	34
	MISCELLANEOUS	34
61.	Change of name	34
62.	Disclosure of interests in shares	34
63.	Document retention	36
64.	Provision for employees.....	37
65.	Record dates.....	37
66.	Untraced members	38

Companies Act 2006

Articles of Association

of

Destiny Pharma Limited

(adopted by special resolution passed on _____ 2024)

PRELIMINARY

1. Definitions

(A) In these Articles the following words have the following meanings:

Articles	these articles of association;
Board	the board of Directors or the Directors present at a meeting of the Directors at which a quorum is present;
Company	Destiny Pharma Limited
Companies Act	the Companies Act 2006;
company legislation	the Companies Act, every other Act of the United Kingdom Parliament applicable to any matter provided for in these Articles, the CREST regulations and all subordinate legislation under any such Act;
corporate representative	a person authorised in accordance with the Companies Act to act at a general meeting as a representative of a member that is a corporation;
CREST regulations	the Uncertificated Securities Regulations 2001, as may be amended from time to time;
Director	a director of the Company;
Group	the group comprising the Company and its subsidiary undertakings (not including any parent undertaking of the Company);
Group undertaking	an undertaking in the Group, including the Company;
holder	in relation to a share, a person whose name is entered in the register of members as its holder;

ordinary shares	ordinary shares in the capital of the Company;
person entitled by transmission	a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been recognised by the Company;
Secretary	the secretary of the Company or any other person appointed to perform any of the functions of the secretary of the Company; and
share	a share in the capital of the Company.

(B) In these Articles:

- (i) the length of a period expressed in terms of "clear days" is to be determined in accordance with the "clear day rule" referred to in the Companies Act;
- (ii) any undefined word or expression to which a particular meaning is given in the Companies Act or the CREST regulations as in force on the day before the date of the notice of the meeting at which these Articles were adopted or last amended has that meaning, where applicable;
- (iii) references to "the chairman" are to the chairman of the Board or, as applicable, the chairman of a general meeting;
- (iv) references to:
 - (a) the Companies Act includes it in any amended form and any Act that replaces it;
 - (b) the CREST regulations includes them in any amended form and any legislation that replaces them;
 - (c) the sending or supply of any document or information by the Company includes its sending or supply on the Company's behalf;
 - (d) issued shares of any class shall, except where reference is also made to any treasury shares, be construed as though any treasury shares held by the Company had been cancelled;
 - (e) a "website" is to a website used by the Company for communicating with members;
 - (f) an "electronic facility" or "electronic facilities" is a reference to a device, system, platform or procedure that provides a means (whether electronic, digital or otherwise) to enable persons entitled to attend and participate in a general meeting to do so without attending and participating at a physical meeting and "address", "attend", "location" and "participate" shall be construed accordingly; and
 - (g) "writing" or "written" include a reference to any method of representing or reproducing words in a legible and non-transitory form;

- (v) seniority in relation to joint holders of a share is determined by the order in which their names appear in the register of members in respect of their holding;
- (vi) "other", "includes", "including", "may include" and "in particular" do not limit the generality of any preceding words and any words which follow them are not limited in scope to the same class as the preceding words where a wider construction is possible; and
- (vii) references in the singular include the plural and the other way round, and references to a gender include all genders. Headings do not affect the interpretation of any Article.

2. Other articles excluded

No model or specimen articles of association prescribed under any legislation apply to the Company.

3. Limited liability

The liability of the Company's members is limited to any unpaid amount on the Company's shares held by them.

4. Trusts not recognised

The Company is not obliged to recognise any member as holding any share on any trust, except as required by company legislation. The Company is not bound by, and is not required to recognise, any interest in any share other than the holder's absolute right to the entirety of the share, except as provided by these Articles or by company legislation.

SHARE CAPITAL

5. Power to issue shares

- (A) The Company has the power to allot and issue shares.
- (B) All shares in the capital of the Company are ordinary shares of the same nominal value and class. The Company may allot ordinary shares of the same class, subject to the Companies Act.
- (C) The Company may allot shares of a different class to the ordinary shares, subject to the Companies Act and the rights attached to existing shares. The rights and any restrictions attached to such shares may be determined by the Company by ordinary resolution or, if the Company by ordinary resolution authorises the Board to do so, by the Board.
- (D) The Board shall decide the terms on which new shares are allotted. These terms will include the consideration receivable for the new shares. They may also include the date from which the new shares will carry the same rights to dividends as existing shares of the same class.
- (E) If new shares are to be issued partly paid, the terms on which they are allotted may include terms decided by the Board for the Company to make calls on them, for the Company to have a lien on them for so long as they remain unpaid and for their forfeiture, or surrender in lieu of forfeiture, should a sum payable in respect of a call remain unpaid after it is due.
- (F) 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. The Directors may determine the terms and conditions on which the shares are to be redeemed and the manner of their redemption.
- (G) The Company may exercise all powers conferred by company legislation of paying commissions in relation to a subscription or a proposed subscription for shares.

- (H) All shares in the capital of the Company designated as "ordinary shares" shall be of the same nominal value, unless the Company resolves otherwise by ordinary resolution.

6. Certificated shares

- (A) A person who becomes the holder of a certificated share is entitled without charge to one certificate for all the certificated shares of the same class registered in his name.
- (B) The previous paragraph does not apply if the conditions of issue of the shares concerned provide otherwise. Nor does it apply to a financial institution to whom the Company is not required by the Companies Act to issue a share certificate.
- (C) A member who transfers part of his shares represented by a certificate is entitled without charge to one certificate for the balance of those shares. The Company is not bound to issue more than one certificate for certificated shares held jointly by two or more persons. Delivery of a certificate to one joint holder will be sufficient delivery to all joint holders.
- (D) Every share certificate sent by the Company to the holder of a share will be sent at the risk of that holder and of any other person entitled to that share. This also applies to any other document relating to or in respect of any share sent by the Company to the holder. The Company will not be responsible for any share certificate or other such document that is lost or delayed in the course of delivery.
- (E) A holder of certificated shares whose certificate is damaged or defaced or alleged to be lost, stolen or destroyed is entitled to be issued with a replacement certificate for them. This is so long as the holder has complied with such conditions as to evidence, the provision of an indemnity and the payment of a reasonable fee as the Board may decide and, where applicable, has returned his damaged or defaced certificate to the Company.

7. Uncertificated shares

- (A) The Board may resolve that a class of shares is to become, or is to cease to be, a participating security. Any share of a class which is a participating security may be changed from uncertificated form into certificated form and from certificated form into uncertificated form in accordance with the CREST regulations. No provision in these Articles (if any) which is inconsistent with the holding of uncertificated shares of any class or with the transfer of title to them by means of the CREST system or with the CREST regulations applies to such shares.
- (B) The Company may treat a member's holding of uncertificated shares and of certificated shares of the same class as if they were separate holdings. Shares of a class are not to be treated as a separate class to other shares of the same class as a consequence of some being held in certificated form and others in uncertificated form or of any provision in these Articles or the CREST regulations applying only to one form or the other.
- (C) Where the Company is permitted to dispose of or sell or otherwise procure the sale of any uncertificated shares, the Board may take such steps as it considers necessary or appropriate to do so including by:
- (i) requiring, by written notification to the Operator, their conversion into certificated form;
 - (ii) requiring their holder:
 - (a) to have them converted into certificated form within a specified period and then to hold them in certificated form for so long as the Company requires; and/or

- (b) to take such steps as may be necessary or appropriate to transfer them to such person as the Company directs; and
 - (iii) appointing any person to take any steps in the holder's name to have them converted into certificated form or to effect their transfer to such person as the Company directs.
- (D) Any action to be taken by the Company for the purposes of these Articles by reference to information entered into the register of members may, in relation to uncertificated shares, also be taken by reference to information entered into the record of uncertificated shares that the Company is required to keep by the CREST regulations.

8. Alteration of share capital

- (A) The Company may by ordinary resolution confer any preference or other advantage on some shares resulting from any consolidation and division of its share capital or from any sub-division of shares as compared with the others. The Company may by ordinary resolution make any such shares subject to any restriction as compared with the others.
- (B) If fractions of shares become attributable to members as a result of a consolidation or consolidation and division of share capital, the Board may ignore fractions altogether or deal with them in any other way that it considers appropriate.
- (C) The Company may sell shares representing fractions that become attributable to members as a result of a consolidation or consolidation and division of share capital on such basis and in such manner as the Board may decide to any person, including to itself. The Company may distribute the net sale proceeds among the persons to whom the fractions are attributable except that, if the amount that would otherwise be due to a person does not exceed £5.00 or such other sum as the Board may decide, the Company may distribute it instead to an organisation that is registered as a charity in the United Kingdom or in any part of it. The shares representing fractions may be issued or delivered to the purchaser or at his direction in certificated form or uncertificated form. The Board may authorise a person to take any necessary or appropriate steps to transfer or deliver those shares to the purchaser or in accordance with his directions. The purchaser will not be bound to see to the application of the purchase monies. His title to the shares will not be affected by any irregularity or defect in the proceedings connected with the sale.

9. Class rights

Rights attached to a class of shares may be varied with the consent in writing from the holders of at least three-quarters in nominal value of the issued shares of that class. They may also be varied with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class. Rights attached to shares of the same class will not be treated as varied by the allotment or issue of other shares ranking in all respects equally with them, unless the terms conferring those rights expressly state otherwise.

GENERAL MEETINGS

10. Calling general meetings

- (A) The Board may call a general meeting when and where the Board considers appropriate. A general meeting shall be called by at least the minimum period required under the Companies Act.
- (B) Notice of a general meeting shall be given to each person who is a member at a time and date selected for the notice by the Board in accordance with these Articles and company legislation, other than a member who (under these Articles or the terms attached to his shares) does not have the right to receive it. Notice of a general meeting shall also be given to each person who is a Director or the Company's auditor on the date of the notice. Notice of a general meeting need not

be given to a person entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving to its transmission by operation of law.

11. Meetings at more than one location

- (A) A general meeting may be held at more than one location if:
 - (i) the notice of the meeting states that persons entitled to attend it may do so by attending at one of two or more locations and specifies the address of each location; or
 - (ii) it appears to the Board or the chairman that the meeting place specified in the notice of the meeting is or will be or may be inadequate for the purpose of allowing all persons whom present themselves to attend it, or whom the Board anticipates will or may do so, to attend the meeting in comfort in secure surroundings or to participate in the meeting properly.
- (B) A location at which a general meeting is held may include, in addition to one or more physical locations, an electronic facility or electronic facilities.
- (C) A general meeting held at more than one location will be properly constituted and its proceedings will be valid if, in addition to the other provisions of these Articles relating to general meetings being met, the chairman is satisfied that facilities are available to enable each person present at each location and entitled to attend the meeting to participate in the business of the meeting. The place of the meeting will be the physical location where the chairman is present.
- (D) All persons seeking to attend and participate in a general meeting by an electronic facility shall be responsible for maintaining adequate facilities to allow them to do so. The inability of any person to attend or participate in a general meeting by way of an electronic facility shall not invalidate the proceedings of that meeting.

12. Rearranged meetings

- (A) The Board can change when or where a general meeting is to be held if the Board considers that:
 - (i) it is likely (on the assumption that one or more directors will attend the meeting) that the chairman of the meeting will wish to adjourn it on or shortly after its commencement to another place or another time on the same date or another time and date and will have the power to do so; or
 - (ii) holding a general meeting at the location(s) or at the time and date stated in the notice calling the meeting will be:
 - (a) impossible or impracticable or no longer appropriate; or
 - (b) hazardous or inadvisable or undesirable, having regard to the comfort or health or safety or wellbeing of persons attending or travelling to or from the meeting.
- (B) The Company must take reasonable steps to inform persons who are entitled to attend the meeting and who arrive at the location(s) specified in the notice of meeting to attend it by the time specified in the notice of the location(s) time and date of the rearranged meeting. If a meeting is rearranged in this way, proxy forms will be valid if they are received as required by these Articles not less than 48 (forty-eight) hours (excluding any part of a day that is not a working day) before the time of the rearranged meeting.

- (C) The Board can also change the location(s) or the time and date of a meeting that has been rearranged in accordance with this Article.

13. Withdrawing resolutions

- (A) If:
- (i) notice of a resolution has been given without the Company having any obligation under company legislation to give it;
 - (ii) the Board resolves that the resolution be withdrawn; and
 - (iii) before the commencement of the general meeting at which it is to be considered or (following an adjournment) before its recommencement the Company announces the withdrawal of that resolution or at the meeting any officer of the Company informs the meeting or its chairman of the withdrawal,

that resolution shall not then be considered nor put to the vote at that meeting.

- (B) This Article does not restrict the Board's powers under the general law to withdraw a resolution before it is put to the vote at a general meeting.

14. Attendance

- (A) The only shares in the capital of the Company that carry the right to attend or vote at a general meeting are ordinary shares. No other shares are to carry such a right unless it is attached to them by the Company by ordinary resolution or, with the authority of an ordinary resolution, by the Board.
- (B) In these Articles:
- (i) "voting record time" means the time specified by the Company for a general meeting or an adjourned general meeting when a person must be registered on the register of members as the holder of a share in order to have the right to attend or vote at it in respect of that share or, if no time is specified, 6.00 p.m. on the day two working days before the date of the meeting; and
 - (ii) references to a "member" and his "shares" in relation to attendance or voting at a general meeting are to a person who was a member at the voting record time for that meeting and to shares held by him at that time.
- (C) A person who is a holder of ordinary shares at the voting record time for a general meeting may, subject to these Articles and company legislation and any restrictions attaching to those shares:
- (i) attend and speak and vote at that meeting as a member;
 - (ii) appoint another person, or two or more persons in respect of different shares held by him, as his proxy to exercise all or any of his rights to attend and to speak and to vote at the meeting; and
 - (iii) if it is a corporation, by resolution of its directors or other governing body authorise a person or persons to act as its representative or representatives at the meeting.

- (D) A person who is a holder of ordinary shares at the voting record time for a general meeting is "**a member present**" at the meeting for the purposes of these Articles if:
- (i) being an individual, he attends the meeting either at a physical location or by means of one or more electronic facilities specified in the notice of general meeting;
 - (ii) being a corporation, another person that it has authorised to act as its representative in relation to the meeting attends the meeting in that capacity either at a physical location or by means of one or more electronic facilities specified in the notice of general meeting; or
 - (iii) another person appointed as that member's proxy attends the meeting either at a physical location or by means of one or more electronic facilities specified in the notice of general meeting.
- (E) A person who is a Director or the secretary at the commencement of a general meeting may attend it. A Director may speak at it. The secretary may speak at the meeting if invited to do so by the chairman.
- (F) Any other person who is invited to attend a general meeting by or on the authority of the Board or the secretary, or whose attendance at that meeting is approved in advance by or on the authority of the Board or the secretary or is approved at that meeting by the chairman, is permitted to attend that meeting. Such a person may speak at the meeting if invited to do so by the chairman. Any such permission or invitation may be withdrawn by the chairman during the meeting with effect from the time the person is informed of its withdrawal.

15. Chairman

- (A) The person who is the chairman of the Board at the time appointed for the start of a general meeting shall preside as chairman of the meeting. If he is not present within five minutes after that time, the senior independent director or a person with equivalent or similar status designated by a different title shall preside as chairman of the meeting. If there is no chairman or senior independent director or other person with equivalent or similar status, or if at a meeting neither is present within five minutes after that time or neither is willing to act, the Directors present shall select a Director to preside as chairman. If only one Director is present and willing to act, he shall preside as chairman.
- (B) If no Director is present, or if each Director present declines to preside as chairman, the persons present and entitled to vote shall elect one of their number to be chairman of the meeting.
- (C) The appointment or election of a chairman is not part of the business of a general meeting and will not be prevented by the absence of a quorum. No poll may be demanded or taken on the election of a chairman.
- (D) Nothing in these Articles limits any right or power that a chairman has in relation to a general meeting. This includes his powers to adjourn the meeting without its consent, his powers to require any person to leave it and his powers in relation to all other aspects of the conduct of the meeting.

16. Quorum

- (A) Business may be transacted at a general meeting only when a quorum is present. Three persons present and entitled to vote at the meeting, subject to the Companies Act, will be a quorum.
- (B) If a quorum is not present within ten minutes after the time appointed for the start of the meeting or such longer time not exceeding one hour as the chairman may decide, or if during the meeting a quorum ceases to be present, the meeting:

- (i) if called as a consequence of a members' request under the Companies Act, shall be dissolved; and
 - (ii) in any other case will stand adjourned to such location(s) and such time and date as the chairman or, following an adjournment, the Board may decide (the date to be at least ten clear days afterwards if the Company is a traded company for the purposes of the Companies Act).
- (C) If a quorum is not present at an adjourned meeting within fifteen minutes after the time appointed for its start or such longer time not exceeding one hour as the chairman may decide, the adjourned meeting will be dissolved. If a quorum ceases to be present at an adjourned meeting, it shall stand adjourned in the same way as a general meeting adjourned for lack of quorum in accordance with the previous paragraph.

17. Orderly conduct and security

- (A) The chairman may take such action, or give directions for such action to be taken, as he considers appropriate to promote the orderly conduct of the business of a general meeting.
- (B) Any decision that the chairman makes on a point of order or a procedural matter or any other matter arising from the business of a general meeting shall be final and conclusive. His decision as to whether a point or matter is of such a nature shall also be final and conclusive.
- (C) The Company can put in place any arrangement that the Board or the secretary considers necessary or appropriate for ensuring the proper and orderly conduct of the meeting or the safety and wellbeing of people arriving, attending or leaving it. These arrangements can be applied to the place of the meeting or outside it and can include provision for making personal searches, establishing identity, restricting or restraining the use or possession of personal property, refusing entry and removing persons from the meeting. The reference in this article to refusing entry and removal includes refusing entry and removing persons from any meeting held partly by one or more electronic facilities.
- (D) Where a general meeting is held partly by one or more electronic facilities, the Company can put in place any arrangement that the Board or the secretary considers necessary or appropriate for ensuring the identification of those taking part in the meeting by means of an electronic facility or electronic facilities and the security of any communication over or via such a facility or facilities.

18. Amending resolutions

- (A) No amendment may be made to the text of a special resolution proposed in a notice of general meeting before the resolution is put to the vote other than an amendment which the chairman considers is required to correct a manifest error.
- (B) No amendment may be made to the text, terms or scope of an ordinary resolution proposed in a notice of general meeting before the resolution is put to the vote unless:
 - (i) at least 48 (forty-eight) hours before the time for holding the meeting (excluding any part of a day that is not a working day) notice of the amendment and intention to propose it at the meeting addressed to the secretary from a member entitled to vote on the resolution has been received in hard copy form at the Company's registered office and the amendment does not, in the view of the Board or the secretary, negate the resolution or extend or (other than by reduction) materially alter its scope; or

- (ii) the chairman decides that the proposed amendment is appropriate for consideration by the meeting.
- (C) No notice of an amendment to a resolution permitted under this Article need be given to any member or other person. An amendment shall be made only if at the meeting a person who is entitled to vote on the resolution or the chairman proposes that the amendment be made and either:
 - (i) the chairman moves that the meeting approve the amendment and the meeting then votes on it with a simple majority of votes cast being in its favour; or
 - (ii) the chairman asks the meeting whether any person present and entitled to vote on the resolution objects to the amendment and is not then informed by any such person of his objection to it (other than by a person who withdraws his objection) before the amended resolution is first put to the vote.
- (D) A proposed amendment may be withdrawn by the person who proposed it, with the chairman's consent, before the resolution is voted on. If a proposed amendment is ruled out of order or is otherwise rejected by the chairman, any error made by him in doing so will not affect the validity of the vote on that resolution.

19. Adjournments.

- (A) The chairman may adjourn a general meeting at which a quorum is present with the meeting's consent. The chairman may adjourn the meeting, without its consent, to another time on the same date or to any time on another date at the same or another location(s) or indefinitely if he decides that doing so is necessary or appropriate for the purpose of:
 - (i) securing the proper and orderly conduct of the meeting or ensuring the comfort, safety or wellbeing of persons attending it;
 - (ii) giving persons entitled to vote on any resolution at the meeting an adequate and reasonable opportunity of attending the meeting or a reasonable and proper opportunity to take into account any information not disclosed by the Company when it gave notice of the meeting which the chairman considers is or may be material to their decision on how to vote; or
 - (iii) ensuring that the business of the meeting is properly concluded or disposed of, including for the purpose of determining the result of a poll.
- (B) The chairman may also adjourn a meeting, without its consent, to another time on the same date or to any time on another date at the same or another location(s) or indefinitely if it appears to him that the facilities available at any location (including an electronic facility) no longer enable each person present at that location and entitled to attend the meeting to participate in the business of the meeting. All business conducted at that general meeting up to the time of that adjournment shall be valid.
- (C) No person other than the chairman may demand or require a poll on an adjournment. No poll shall be taken on a proposal for an adjournment, unless the chairman directs that it be taken. If he does so, no other resolution or proposal shall be voted on at the meeting until the meeting is informed of the result of the poll.
- (D) When adjourning the meeting the chairman may inform it of the time, date and the location(s) to which it is adjourned. If he does not do so, the meeting will be treated as adjourned indefinitely and any decision to fix the time, date and location(s) of the adjourned meeting shall be taken by the

Board. If the Board does so, the Company shall take reasonable steps to inform people of the time, date and location(s) of the adjourned meeting.

- (E) At least seven days' notice of an adjourned meeting is to be given if the original meeting is adjourned to another day without the meeting being informed, on or before its adjournment, of the time and date and the location(s) of the adjourned meeting or if it is adjourned to another day and, after the adjournment, the time and date or the location(s) of the adjourned meeting is changed or if it is adjourned for 30 (thirty) days or more. No person is entitled to notice of an adjournment in any other situation. No business shall be transacted at an adjourned meeting other than the business which could properly have been transacted at the meeting from which the adjournment took place.

20. Proxies and corporate representatives

- (A) A person who has the right to attend a general meeting as a member is entitled to appoint another person, or two or more persons in respect of different shares held by him, as his proxy to exercise all or any of his rights as a member to attend and to speak and to vote at the meeting.
- (B) The appointment of a proxy must be notified to the Company in writing in any usual form or in any other form approved by the Board or the secretary (a "proxy form"). A proxy form shall identify the general meeting to which it relates, state the name and address of the member appointing the proxy, identify the person appointed as that member's proxy and be signed by or on behalf of that member or be otherwise sufficiently authenticated. A proxy form shall be valid for any adjournment of the general meeting to which it relates, unless it provides to the contrary. It will not be valid for any other general meeting.
- (C) Proxy forms must be received at an address given by the Company for their receipt in respect of the meeting concerned by the time:
 - (i) 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting;
 - (ii) 24 (twenty-four) hours before the time appointed for the taking of a poll, if the poll is taken more than 48 (forty-eight) hours after it was demanded; or
 - (iii) before the end of the meeting at which the poll was demanded, if the poll is taken after the end of the meeting or adjourned meeting but not more than 48 (forty-eight) hours after it was demanded,

or, in each case, by such later time as the Board may decide.

- (D) The Company may require that it be provided with reasonable evidence of the identity of the member appointing a proxy, the identity of the person appointed as proxy and the member's instructions (if any) as to how the proxy is to vote by the time and at an address referred to in the previous paragraph. If a proxy form is signed or authenticated for a member by another person, the Company may require that, by such time and at such an address, it be provided with:
 - (i) the power of attorney or other authority relied on to sign it (or a copy which has been certified by a solicitor or a notary or in accordance with the Powers of Attorney Act 1971 or in some other way approved by the Board or the secretary); and
 - (ii) such other reasonable evidence of that person's authority to appoint a proxy on the member's behalf as the Company may specify.
- (E) If a proxy form is received by the required time, the member concerned:

- (i) may change the voting instructions in it for the person appointed as proxy; and
- (ii) may change the number of shares in respect of which that person is appointed as proxy,

by delivering an amended proxy form in the same way and to the same address as the original proxy form the time 24 (twenty-four) hours before the time of the meeting or adjourned meeting. The provisions in this Article relating to the signature or authentication of a proxy form apply to an amended proxy form.

- (F) The appointment of a proxy to vote on a matter at a general meeting authorises the proxy to demand, or join in demanding, a poll on that matter. Unless the contrary is stated in the proxy form concerned, the appointment is also to be treated as authorising the proxy to vote on any amendment to a resolution put to the meeting and to vote on other business which may properly come before it.
- (G) If more than one proxy form that is (or would otherwise be) valid is received in respect of the same share for use at the same meeting or poll, the one which is received last (regardless of its date) will be treated as the valid form. If it is not possible to determine the order of receipt, the proxy form dated with the latest date shall be treated as the valid form. If there is no such form and it is not possible to determine the order of receipt, none of those proxy forms will be treated as valid. The Company may treat as invalid one or more proxy forms submitted for a member that would give different persons the apparent right to exercise votes over more shares than are held by him. The proceedings at a general meeting will not be invalidated if a proxy form sent in electronic form cannot be read by the person authorised to read it on the Company's behalf when he attempts to do so as a result of technical difficulties existing after the last time for the receipt of proxy forms.
- (H) A proxy form which, or in respect of which any other document referred to above in this Article, is not received in accordance with the requirements set out above in this Article shall be invalid. This is unless and to the extent that the Company waives any such requirement generally or in relation to any proxy form.
- (I) The appointment of a proxy will not prevent a member from attending, voting and speaking at the meeting or voting on a poll. The presence at a meeting of a member who is an individual (if brought to the attention of the chairman or an appropriate representative of the Company) will suspend the right of a proxy appointed by him to speak and vote at a meeting.
- (J) The Company may require a person who requests admission to a general meeting on the ground that he is a corporate representative to provide a certified copy of the resolution of the directors or other governing body of the corporation concerned authorising him to act as its representative at the meeting or such other documentary evidence of his authority to act as such as the Board or the secretary may decide.
- (K) If a member that is a corporation is represented at a meeting by one or more persons as proxy and by one or more persons as corporate representative and any such proxy and any such corporate representative purport to have authority to exercise votes attached to the same shares, those votes shall be exercisable (unless the Board or the chairman or the secretary decides otherwise) by that corporate representative only.
- (L) The Company is not required to check whether any proxy or corporate representative has voted or demanded a poll in accordance with his appointor's instructions. A vote given or poll demanded by a proxy or a corporate representative will be valid notwithstanding that person did not act in accordance with the instructions given to him. The vote or demand will also be valid notwithstanding that the person's authority to act as such had been terminated unless written notice of the termination was received by the time 24 (twenty-four) hours (excluding any part of a day that is not a working day) before the time of the meeting or adjourned meeting or poll concerned by the Company at its registered office or by another person on its behalf at such other place or address specified by the Company for receipt of proxy forms.

21. Voting

- (A) On a vote on a resolution at a meeting on a show of hands, subject to any restrictions attaching to any shares:
- (i) each member who is an individual and present in person has one vote;
 - (ii) each corporate representative of a member who is present has one vote;
 - (iii) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has (unless the next sub-paragraph applies) one vote; and
 - (iv) a proxy has one vote for and one vote against the resolution if he has been duly appointed by more than one member entitled to vote on the resolution and has been instructed (or exercises a discretion given) by one or more of those members to vote for it and by one or more other of those members to vote against it.
- (B) On a vote on a resolution on a poll every member present has one vote in respect of each share held by him, subject to any restrictions attaching to any such share. A member entitled to more than one vote need not, if he votes on a poll, use all his votes or cast all the votes he uses in the same way.
- (C) Only the vote of the senior of joint holders of shares who votes on a particular matter, together with the vote of any proxies duly authorised by him, is to be counted.
- (D) No matter shall be voted on at a general meeting, other than for the election of a chairman, until it is put to the vote by the chairman.
- (E) A vote on a resolution that is put to a general meeting is to be decided on a show of hands, unless:
- (i) the chairman directs whether before or after it has been put to the vote on a show of hands, that a poll be taken on it;
 - (ii) the resolution is put to a general meeting where one or more of the locations of that meeting is an electronic facility, in which case (unless the chairman directs otherwise) a poll is to be taken on it; or
 - (iii) before or on the declaration of the result of the show of hands a poll is demanded by:
 - (a) not less than five members present having the right to vote on the resolution; or
 - (b) a member or members present representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution; or
 - (c) a member or members present holding shares conferring a right to vote on the resolution on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- (F) A declaration by the chairman that a resolution which has been put to the vote on a show of hands has or has not been passed or has been passed with a particular majority is conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. This is unless a poll is validly demanded in the respect of the resolution and the demand is not subsequently withdrawn.

- (G) A chairman's direction to a meeting that a poll be taken on a resolution shall be treated for the purposes of all subsequent provisions in these Articles as a demand which requires a poll to be taken. The chairman may direct that a poll be taken on two or more resolutions at the same time.
- (H) The chairman shall direct where and when any poll on any matter is to be taken. Subject to his directions, a poll can be taken at or after the meeting or adjourned meeting. A poll shall be taken within 21 (twenty-one) days following the demand for it.
- (I) The chairman shall direct the manner in which a poll is to be taken or authorise another person whom he considers appropriate to do so. The chairman may appoint scrutineers for a poll. The scrutineers need not be members. No notice need be given of a poll not taken at the meeting at which it is demanded if the time and place at which it is to be taken are announced to the meeting. In any other case at least seven days' notice is to be given specifying the time and place at which the poll is to be taken. The result of the poll is to be treated as the resolution of the meeting at which it was demanded.
- (J) A demand for a poll on any matter other than a proposed adjournment will not prevent the meeting from transacting business on other matters. A demand for a poll may be withdrawn before the poll is taken, but only with the chairman's consent.
- (K) Any objection to the entitlement of a person who votes at a general meeting or on a poll to have done so must be made at that meeting or poll. Any objection to the counting of any vote tendered at a general meeting or on a poll or to the failure to count a vote must be made at that meeting or poll and be referred to the chairman. His decision on the matter will be final and conclusive. Every vote that is not disallowed at such meeting or poll will be valid for all purposes.

22. Class meetings

- (A) The provisions of these Articles as to general meetings apply to any meeting of holders of a class of shares (a "**class meeting**"), subject to company legislation and other than as stated in this Article.
- (B) For a class meeting in connection with the variation of rights attached to that class:
 - (i) the quorum (unless an adjourned meeting) is two persons present holding at least one-third in nominal value of the issued shares of that class;
 - (ii) the quorum for an adjourned meeting is one person present holding shares of that class;
 - (iii) a person present by proxy or proxies is treated as holding only the shares in respect of which those proxies are authorised to exercise voting rights; and
 - (iv) a poll may be demanded by any holder of the shares of that class present.
- (C) A class meeting that is adjourned for lack of quorum may be adjourned to a day which is less than ten clear days afterwards or to a later time on the same day, regardless of whether the Company is or is not a traded company for the purposes of the Companies Act.

DIRECTORS

23. Number

- (A) The Company must have a minimum of two Directors. It must not have more than 10 (ten) Directors. These numbers can be changed by the Company passing an ordinary resolution.

- (B) If the number of Directors is less than the minimum required in accordance with these Articles or is less than the number fixed as the quorum for a Board meeting, any Director or Directors may appoint an additional Director or Directors to make up the shortfall or call a general meeting for the purpose of making up the shortfall and for any other purpose that he or they consider appropriate.
- (C) If there is no Director, two or more members holding at least 15 (fifteen) per cent of the ordinary shares then in issue may call a general meeting for the purpose only of appointing Directors. The time of the meeting shall be between 9.00 a.m. and 5.00 p.m. on a working day at a venue in the City of London or at the Company's registered office at the time. No appointment proposed to be made at the meeting will be effective if, immediately before its commencement, the Company then has the minimum number of Directors required by the Companies Act.

24. Appointment

- (A) The Board may appoint as a Director a person who is willing to act as such.
- (B) The Board may appoint any Director to hold any employment or executive office with the Company for such period and on such terms as the Board may decide. The Board may vary those terms and may revoke or terminate any such appointment.
- (C) The Company may by ordinary resolution appoint as a Director a person who is willing to act as such, provided that:
 - (i) the Company gives at least 14 clear days' notice of the resolution; and
 - (ii) if that person is not recommended for appointment by the Board, the Company has received at its registered office his written confirmation of his willingness to be appointed as a Director no earlier than the date one month before the giving of such notice.

25. Termination of appointment

- (A) The Company may remove a Director before the expiration of his period of office by ordinary resolution of which special notice has been given in accordance with the Companies Act or by special resolution.
- (B) A person will cease to be a Director when:
 - (i) he ceases to be a Director as a matter of law;
 - (ii) he is removed from office pursuant to these Articles;
 - (iii) a resignation notice that the Company has received from him takes effect in accordance with its terms or, if later, on its receipt by the Company;
 - (iv) the Board resolves that he cease to be a Director on the ground that (where the Board believes such to be the case):
 - (a) a bankruptcy order has been made against him;
 - (b) a composition has been made with his creditors generally in satisfaction of his debts;
 - (c) he is unable to act properly as a Director for reasons of ill-health or incapacity and has been unable to do so for the previous six months;

- (d) he has not attended a Board meeting in the previous six months;
 - (v) all of the Directors sign a written notice (or different notices in the same form) or unanimously pass a resolution requiring him to resign; or
 - (vi) in the case of a Director who is an employee of a Group undertaking, he ceases to be employed by any Group undertaking without the Board having resolved that, on such cessation, he is to continue in office as a Director.
- (C) A person who ceases to be a Director will also cease at the same time:
- (i) to be a member of any Board committee; and
 - (ii) to have any powers previously delegated to him by the Company other than (where applicable) pursuant to any terms on which he continues to be employed by it.

26. Expenses

- (A) The Company may pay all expenses properly incurred by a Director in connection with the Company's affairs or the discharge of his duties as a Director. These may include any professional fees incurred by him in taking independent professional advice with the Board's approval or in accordance with any procedures prescribed by the Board.
- (B) The Company may, subject to the Companies Act, provide a Director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or in connection with any application for any category of relief referred to in that Act. The Company may, subject to that Act, do anything to enable a Director to avoid incurring any such expenditure.

27. Fees

The Company may pay to the Directors for their services as Directors such aggregate amount of fees as the Board decides of up to £2,000,000 per annum, or such larger amount as the Company may by ordinary resolution decide. The aggregate fees may be divided among the Directors in proportions decided by the Board or, if no decision is made, equally.

28. Indemnity and insurance

The Company may, subject to the Companies Act, indemnify any Director or any director of any associated company against any liability pursuant to any qualifying third-party indemnity provision or any qualifying pension scheme indemnity provision, or on any other basis as is lawful, on such terms as the Board may decide. The Company may, subject to that Act, purchase and maintain for any Director or any director of any associated company insurance against any liability. In this Article "qualifying third party indemnity provision", "qualifying pension scheme provision" and "associated company" have meanings that they have in Part 10 of the Companies Act.

29. Pensions

The Board may exercise all the Company's powers to provide or fund pensions or other retirement benefits and to provide or fund death or disability benefits or other allowances for a person who is or has been a Director or an officer or a director or an employee of a company which is or was a Group undertaking or of a company whose business (or any part of it) has been acquired by a Group undertaking or for any member of such a person's family, including a spouse or former spouse or civil partner or former civil partner, or for anyone else who is or was dependent on him.

30. Salaries and other remuneration

- (A) The remuneration of an executive Director shall be decided by the Board. It may be paid as salary or commission or profit share or on any other basis that the Board considers appropriate. It may be paid in addition to or instead of a fee payable to him as a Director pursuant to the other provisions of these Articles.
- (B) A Director who performs any special or extra service for the Company which the Board considers to be outside the scope of his ordinary duties as a Director or, where applicable, the scope of his duties as an executive Director may be paid additional remuneration for doing so.

31. Permitted benefits

- (A) A person is not required to account to the Company by reason of him being a Director for any profit, remuneration or other benefit which he obtains as a consequence of him:
 - (i) being a party to or otherwise interested in any arrangement or transaction with the Company or any other Group undertaking or in which the Company is otherwise interested;
 - (ii) holding any other office or place of profit with the Company in conjunction with his office of Director for such period and on such terms, including as to remuneration, as the Board may decide;
 - (iii) acting in a professional capacity for the Company or any other Group undertaking or body corporate in which the Company is interested;
 - (iv) being a partner or a member or an employee of a firm or company, or a consultant to it, that provides services to the Company or any other Group undertaking or any such body corporate; or
 - (v) being a director or other officer of a body corporate in which the Company or any other Group undertaking is interested or which has an interest in the Company or in any other Group undertaking or being employed by or otherwise interested in any such body corporate,

provided that, if he is or has been required to disclose the nature and extent of his interest in the matter concerned to the other Directors in accordance with the Companies Act, he has done so.

- (B) The Company will not treat a Director's receipt of any profit, remuneration or other benefit that is permitted in accordance with the previous paragraph as a breach of duty under section 176 of the Companies Act (duty not to accept benefits from third parties). No arrangement or transaction to which that paragraph applies may be avoided on the ground that a Director has obtained or may obtain any such profit, remuneration or other benefit. Nor may it be avoided on the ground that a Director has or had an interest in it unless he was required by the Companies Act to disclose the nature and extent of his interest to the other Directors but failed to do so by the required time.
- (C) A Director or former Director will not be accountable to the Company for any benefit provided to him or his dependants that is permitted under these Articles. This is subject to his compliance with any applicable provision in them and with any terms on which he is or was engaged as a Director or employed by any Group undertaking.

32. Voting restrictions

- (A) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning any contract in which he has an interest unless that interest could not reasonably be regarded by a majority of the other Directors as likely to give rise to a conflict of interest for him or only arises from or relates to one or more of the following matters:
- (i) the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of a Group undertaking;
 - (ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of a Group undertaking for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (iii) an offer of securities by a Group undertaking in which he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
 - (iv) a contract with or relating to another company in which he does not have to his knowledge an interest in shares representing at least one per cent of any class of that company's equity share capital or that carry at least one per cent of the rights to vote on substantially all matters at its general meetings;
 - (v) an arrangement for the benefit of employees of any Group undertaking which does not award him any privilege or benefit not generally awarded to the employees to whom the arrangement relates;
 - (vi) insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including any Director; or
 - (vii) a proposal for the Company (1) to provide him with an indemnity permitted by company legislation, (2) to provide him with funds in circumstances permitted by company legislation to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief permitted by company legislation, or (3) to do anything to enable him to avoid incurring any such expenditure.
- (B) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as a holder of any office or place of profit with the Company or a body corporate in which the Company is interested or concerning the settlement or variation of the terms of appointment or its termination.
- (C) Proposals under consideration concerning the appointment of two or more Directors to offices or places of profit with the Company or a body corporate in which the Company is interested may be divided and a separate resolution considered in relation to each Director. This also applies to proposals concerning the settlement or variation of the terms of any such appointment. Each Director concerned may vote and be counted in the quorum in respect of each such resolution except that concerning his own appointment.
- (D) Any question at a meeting as to the entitlement of any Director to vote that is not resolved by his agreeing to abstain from voting is to be referred to the chairman or, if he is the Director concerned, to the other Directors present. The chairman's ruling (or, in his case, the Board's ruling) on the

matter will be final and conclusive and binding unless the nature or extent of the Director's interest, as known to him, has not been adequately disclosed to the meeting.

33. Conflicts

- (A) The Directors may authorise any situation or matter relating to a particular Director to which section 175 of the Companies Act applies (each a "conflict matter") on such terms (if any) as they think fit, subject to that section.
- (B) Before any such authorisation (a "conflict authorisation") is given, a Director shall propose to the Directors that the conflict matter concerned be so authorised. The proposal shall be made in accordance with the Board's procedures for putting proposals to the Directors for their consideration and approval at a Board meeting or with such other procedures as the Directors may determine or by passing a written resolution.
- (C) Any terms to which a conflict authorisation is made subject ("**conflict authorisation terms**") may include terms to the effect that:
 - (i) the Director concerned is not obliged to disclose to the Company confidential information obtained by him (other than in his capacity as its Director or as its employee or agent or, if the Directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Conflict Authorisation applies;
 - (ii) the Director concerned is not obliged to use any such information for the benefit of the Company where doing so would or could be expected to breach a duty of confidence to any third party and the Director concerned has previously disclosed to the Board the existence of the conflict and the third party's identity; and
 - (iii) the Director concerned may absent himself from any Board discussions relating to the Conflict Matter concerned for so long as he reasonably believes that he has or may have a conflict of interest as a Director in respect of it and, for the same period, he may make arrangements not to receive documents or information relating to that conflict matter.
- (D) The Company will not treat anything done, or omitted to be done, by the Director concerned in compliance with his conflict authorisation terms as a breach of duty under the following sections of the Companies Act, section 172 (duty to promote the success of the company), section 173 (duty to exercise independent judgement) and section 174 (duty to exercise reasonable care, skill and diligence).
- (E) The Directors may terminate or withdraw a conflict authorisation by giving notice to the Director concerned.
- (F) A person is not required to account to the Company by reason of him being a Director for any profit or remuneration or other benefit which he derives from or in connection with a conflict matter which has been authorised by the Board pursuant to this Article or by the Company in general meeting. This is subject to any terms, limits or conditions attaching to such authorisation.

34. General

The Company, by ordinary resolution, may suspend or relax to any extent any provisions in the preceding Articles headed "Permitted benefits", "Voting restrictions" and "Conflicts". The Company, by ordinary resolution, may ratify any transaction or arrangement not properly authorised by reason of a contravention of any such provision. In those provisions references to a "conflict of interest" include a conflict of interest and duty and a conflict of duties and references to a "contract" include any proposed contract and any

transaction or arrangement or any proposed transaction or arrangement whether or not constituting a contract.

THE BOARD

35. Powers vested in the Board

- (A) The Directors acting through the Board may exercise all the Company's powers, and may do on the Company's behalf all such acts as may be done by the Company or on the Company's behalf, which are not required to be exercised or done by the Company in general meeting. This is subject to company legislation, these Articles and any direction that the Company gives to the Directors by passing a special resolution.
- (B) Provisions in these Articles giving specific powers to the Board do not limit the general powers given to the Board by this Article.

36. Chairman

- (A) The Board may appoint any Director to be its chairman. The Board may remove a Director appointed as such from that post.
- (B) The Board may appoint any Director to be its senior non-executive director or to any other post on the Board. The Board may remove a Director appointed as such from that post.
- (C) The chairman or, in his absence, the senior non-executive director or a person with equivalent or similar status designated by a different title is to preside at a Board meeting as chairman of that meeting. If at a Board meeting there is no chairman or senior non-executive director or other person with equivalent status, or if neither is present within five minutes after the time appointed for the start of the meeting or if neither is willing to preside as chairman of the meeting, the Directors present may choose any Director present to preside as chairman of that meeting for so long as the Board's chairman or senior non-executive director (or person with equivalent status) is not present or has not indicated that he is willing to act as chairman of that meeting.

37. Board meetings

- (A) The Board may regulate its meetings and proceedings as it considers appropriate, subject to these Articles, including holding meetings by telephone and/or video conference and/or any other similar means.
- (B) Any two Directors may call a meeting of the Board. The secretary shall call a Board meeting if asked to do so by any two Directors. Notice of a Board meeting is to be treated as given to a Director if it is given to him personally or by word of mouth or sent in writing to the last known address that the Company has for him or any address that he has given to the Company for the receipt of notices. A Director may waive the requirement that notice of any Board meeting be given to him, and may do so with retrospective effect. A Director will be treated as having waived his entitlement to notice of a Board meeting unless, before it takes place, he has supplied the Company with the information necessary to ensure that he receives notice of it.
- (C) A Director may participate in a Board meeting by telephone or by using any other communications equipment for so long as all Directors participating in the meeting are able to hear and speak to each other throughout the meeting. A Director participating in this way is to be treated as present at the meeting and counted in a quorum and is entitled to vote at it. The place of the meeting is to be treated as where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

- (D) Business may be transacted at a Board meeting only when a quorum is present. The quorum shall be two Directors plus one Non-Executive Director, being three directors in total, or such higher number as the Board may decide. A Board meeting at which a quorum is present may exercise all powers exercisable by the Directors.
- (E) Any decision to be taken at a Board meeting is to be decided by a majority of votes. Each Director entitled to vote on a particular matter shall have one vote on it.

38. Written resolutions

- (A) A resolution set out in writing in a document that is signed as a Board resolution by all the Directors entitled to receive notice of a Board meeting and who would be entitled to vote on the resolution at a Board meeting will be as valid and effective as a resolution passed at a Board meeting properly called and constituted. This is so long as the number of those Directors would be sufficient to constitute a quorum at a Board meeting.
- (B) Such a resolution may also be set out in each of two or more documents that are in the same form so long as each document is signed as a Board resolution by at least one Director and each Director entitled to receive notice of a Board meeting and who would be entitled to vote on the resolution at a Board meeting signs at least one of those documents.

39. Board committees

- (A) The Board may establish any committee (a "**Board committee**") of two or more persons for the purpose of carrying out any exercise, function or task or making any decision that the Board has the power to carry out or make itself. Subject to these Articles, the members of a Board committee may include persons who are not Directors and need not include more than two Directors.
- (B) Proceedings of a Board committee shall be conducted in accordance with any regulations prescribed by the Board. Subject to those regulations, such proceedings shall be conducted in accordance with applicable provisions of these Articles regulating the proceedings of the Board.

40. Delegation of powers

- (A) The Board may delegate any of its powers under these Articles, and any other of its powers that can be delegated, to such person or persons or to any Board committee as the Board considers appropriate. These powers include the Board's power to carry out any exercise, function or task attributed to it in these Articles and its power to consider or decide any matter that is to be or can be referred to the Board under these Articles.
- (B) A delegation of powers in accordance with the previous paragraph shall be made to such an extent, on such terms and subject to such conditions, for such period or indefinitely and by such means as the Board considers appropriate. The Board may retain the ability to exercise any power itself, or exclude itself from exercising that power, when delegating any power in accordance with previous paragraph. The Board may revoke the delegation or alter its terms or conditions.
- (C) The Board may grant to any person or persons or to any Board committee to whom it delegates any power the power to sub-delegate that power (with or without a power of further sub-delegation) to one or more persons or to a sub-committee.
- (D) The Board's ability under these Articles to delegate any of its powers is not limited by the making of express reference in some Articles but not others to the exercise of any particular power by the Board. A reference to the Board in these Articles in relation to any matter also applies, so far as relevant, to any person or persons or committee to whom any power of the Board exercisable in respect of that matter has been delegated.

DISTRIBUTIONS

41. Dividend rights

- (A) The Company may pay dividends on fully paid ordinary shares. The Company shall not pay dividends on shares of another class unless in accordance with other provisions in these Articles or unless the Company by ordinary resolution authorises the payment of dividends on shares of that class. The Company shall not pay dividends on shares of any class that are not fully paid.
- (B) The Company may by ordinary resolution declare a dividend in respect of fully paid ordinary shares in issue on a record date fixed by the Board. The dividend must not exceed the amount recommended by the Board. The Board may resolve that the Company pay an interim dividend in respect of fully paid ordinary shares in issue on a record date fixed by the Board. The amount of a dividend payable on fully paid ordinary shares carrying the right to receive it shall be the same for each share.
- (C) The Board may resolve that the Company pay a dividend on shares that are not ordinary shares, if permitted in accordance with these Articles.

42. Dividend payments

- (A) The Company may pay a dividend or any cash sum in respect of a share by cheque or dividend warrant or similar financial instrument or through an inter-bank transfer or other electronic transfer in accordance with any authority given to the Company to do so by or on behalf of the member concerned. Any joint holder or other person jointly entitled to a share may give an effective receipt for a dividend or other cash sum paid in respect of the share.
- (B) Every cheque, dividend warrant or similar financial instrument will be sent at the risk of the person or persons entitled to the payment and made payable to the order of the person entitled to it or, if more than one person is entitled to it, to at least one of them. Clearance of the cheque or dividend warrant or similar financial instrument, and settlement of the inter-bank or other electronic transfer, will be a good discharge to the Company. The Company will not be responsible for a payment which is lost or delayed in the course of delivery.
- (C) The Company may deduct from any dividend or other amounts payable to a person in respect of a share the amount of any sum owed by him to the Company in respect of any shares. The Company can apply the deducted amount towards paying the sum owed to it.
- (D) A dividend may be paid in any currency or currencies decided by the Board, except as provided by the rights attached to the shares concerned. The Company may agree with a member that any dividend declared or which may become due in one currency will be paid to him in another currency. The Board may decide the basis of conversion for any currency conversion, how any costs involved are to be met and whether any amount in respect of those costs is to be deducted before payment of a reduced amount, net of costs, as the net dividend due to the member.
- (E) The Company may send a cheque, dividend warrant or similar financial instrument by post:
 - (i) in the case of a sole holder, to his registered address;
 - (ii) in the case of joint holders, to the registered address of any of them;
 - (iii) in the case of a person entitled by transmission, to his address that is noted in the register of members;

- (iv) in the case of persons jointly entitled by transmission to the same share, to any of them at his address that is noted in the register of members; and
 - (v) in any case, to an address that the person entitled to the payment (or, if more than one person is entitled to it, any of them) may in writing direct.
- (F) The Board may decide that the payment of any dividend or other money payable in cash in respect of shares is to be made only by means of inter-bank or other electronic transfer. If it does so, the Company will not be required to make the payment to a person or persons otherwise entitled to it or to account to that person or persons for it unless and until that person or any of such persons has provided the Company with sufficient details of an appropriate account into which the Company is authorised to make the payment by electronic transfer. The details shall be provided in a manner and form, and in accordance with any terms, prescribed by the Company for such purpose.
- (G) No dividend or other money payable in respect of a share will bear interest against the Company, unless otherwise provided by the rights attached to the share.

43. Unclaimed dividends

- (A) Monies representing unclaimed or unpaid dividends or other sums payable by the Company in respect of a share will belong to the Company. The Company may use and apply those monies as the Board thinks fit. The payment of any unclaimed dividend or other amount payable by the Company in respect of a share into a separate account will not constitute the Company a trustee in respect of it. Any dividend unclaimed after a period of six years from the date the dividend was declared or became due for payment will be forfeited, by operation of this Article, and revert to the Company.
- (B) This paragraph applies where a cheque or dividend warrant in respect of any amount payable by the Company in respect of a share is returned undelivered or left uncashed or a transfer made by or through a bank transfer system or any other funds transfer system fails or is not accepted on two consecutive occasions or, if reasonable enquiries have failed to establish another address or account of the person entitled to the payment, on one occasion only. Where this paragraph applies, the Company is not obliged to send or transfer a dividend or other amount payable in respect of such share to such person until he requests that the Company do so by notice.

44. Scrip dividends

- (A) The Board may, with the authority of an ordinary resolution, offer holders of ordinary shares the right to elect to receive fully paid ordinary shares instead of cash in respect of all or part of any dividend to which that resolution applies (a "**scrip dividend offer**"). The offer may also be made to persons entitled by transmission to ordinary shares.
- (B) A scrip dividend offer shall be made on such terms as the Board decides, subject to this Article and to the authorising resolution. The Board may exclude from the offer any persons to whom, in the view of the Board or the secretary, the making of the offer would or might involve contravention of any law or the offer should not be made for any other reason.
- (C) The Company may capitalise out of any amount available for distribution standing to the credit of any reserve or fund or other account of the Company a sum equal to the aggregate nominal amount of any new ordinary shares referred to above in this Article and apply it in paying up in full those shares for allotment pursuant to elections under a scrip dividend offer. The new ordinary shares will rank equally with the fully paid ordinary shares in issue at a particular time on a specified date selected by the Board or the secretary, except that they will not carry any right to participate in the dividend.

- (D) The Board may do all acts and things which it considers necessary or appropriate to give effect to any capitalisation referred to above in this Article. The Board may authorise any person on behalf of all persons who elect to receive shares under a scrip dividend offer to enter into a binding agreement with the Company providing for the capitalisation and for any matters incidental to it.

45. Dividends in kind

A general meeting declaring a dividend may, on the Board's recommendation, direct that it be satisfied by the distribution of specific assets. The Board may direct that any interim dividend be satisfied wholly or partly by the distribution of specific assets. Where any difficulty arises concerning such a distribution, the Board may settle it as it considers appropriate. For example, the Board can value assets for distribution purposes, can disregard fractions or authorise any person to sell and transfer assets representing fractions, can pay cash of a similar value to adjust the rights of members and can vest any assets in trustees for the benefit of more than one member.

46. Bonus issues

- (A) The Board may, with the authority of an ordinary resolution, give effect to the issue of new ordinary shares as bonus shares to holders of ordinary shares (a "**bonus issue**") by:
- (i) resolving that the Company capitalise any sum standing to the credit of any reserve or fund or other account of the Company that is available for distribution or which the Company may use to pay up new shares as fully paid bonus shares;
 - (ii) resolving that such sum be appropriated as capital to the holders of ordinary shares (including, if the Board so decides, the Company as a holder of treasury shares) at a specified time on a particular date selected by the Board in proportion (as nearly as may be) to their holdings or in such other proportions as determined or required by the ordinary resolution; and
 - (iii) applying that sum in paying up in full and allotting new ordinary shares to those holders or as they may direct.
- (B) In relation to any allotments for the purposes of the previous paragraph the Board may:
- (i) provide for fractions of new ordinary shares or disregard them, as it decides; and
 - (ii) authorise any person to enter on behalf of all the holders of ordinary shares concerned into a binding agreement with the Company to give effect to allotments of new shares in accordance with this Article; and
 - (iii) do all other acts and things that are required or, in its view, appropriate to give effect to the bonus issue.
- (C) The Board may, with the authority of an ordinary resolution, resolve that the Company capitalise and appropriate any sum standing to the credit of any reserve or fund or other account of the Company and may take other actions permitted under the previous provisions of this Article (and on the basis set out in them) for the purpose of allotting shares of another class fully paid to holders of ordinary shares or (to the extent applicable) distributing any specific assets to them.
- (D) The Company may issue to a member fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following a consolidation or a consolidation and division, will leave him with an exact number of shares without any fraction of a share becoming attributable to him. The amount required to pay up those shares may be

capitalised as the Board considers appropriate out of amounts standing to the credit of any reserve or fund or other account of the Company that is available for distribution or which the Company may use to pay up new shares as fully paid bonus shares and applied in paying up in full the required number of shares.

- (E) In this paragraph "employee share plan" means a share scheme or an incentive plan established for the benefit of one or more employees of one or more Group undertakings which is operated by or for a Group undertaking (whether or not it is open to all such employees or any former employee or any relative or dependent of an employee or former employee) under which a participant is or may become entitled to subscribe for or receive or benefit from shares in the Company pursuant to any option or other award granted or made under it. New shares issuable pursuant to an employee share plan without the participant concerned subscribing cash for them or on terms that the participant is to subscribe an amount of cash for each share that is less than its nominal value may be issued, subject to the Companies Act, credited as fully paid as to their nominal value by way of capitalisation. The amount required to pay up in full such shares (after taking into account any subscription monies to paid for them) may be capitalised as the Board considers appropriate out of amounts standing to the credit of any reserve or fund or other account of the Company which is available for distribution or which the Company may use to pay up new shares as fully paid bonus shares and applied (together with any subscription monies) in paying up such shares in full.

47. Winding up

- (A) The assets of the Company available for distribution to the members on its winding up shall first be applied in paying to members sums equal to the nominal amounts of capital paid up on their shares, subject to the next paragraph. For this purpose, shares that are subject to an undertaking given to the Company in respect of their allotment to provide a cash consideration or consideration other than cash for any part of their nominal amount or for any premium on them that remains undischarged to any extent shall be treated as not paid up to that extent. The remaining assets of the Company available for distribution shall then be applied in making payments to the holders of ordinary shares in proportion to the number of ordinary shares held by them.
- (B) Rights may be attached to shares of a particular class that confer on their holders the right to receive payments on the Company's winding up out of its assets available for distribution in priority to the making of payments on the Company's winding up to holders of shares of another class. A person entitled by transmission to a share has the rights under the previous paragraph that the person who remains as its registered holder would otherwise have had as a member but for the event giving rise to its transmission. Such a registered holder does not have any rights in respect of that share under the previous paragraph.
- (C) Rights of members and persons entitled by transmission under this Article are subject to the terms of issue of or rights attached to any shares allotted or issued prior to the Company's adoption of these Articles.

COMMUNICATIONS

48. Authentication

Any document or information sent or supplied in electronic form to the Company by or on behalf of a member or a person entitled by transmission that is required to be authenticated will be sufficiently authenticated if it is treated as such under the Companies Act or is authenticated on any other basis approved by the Board. Any document or information not so authenticated will be deemed not to have been received by the Company. The Company may require such evidence as the Board considers to be reasonable of any person's authority to send or supply any document or information to the Company on behalf of someone else who is a member or a person entitled by transmission.

49. Deemed receipt

- (A) Any document or information sent or supplied by the Company:
- (i) by post (in hard copy or electronic form) to an address in the United Kingdom is deemed to have been received by the intended recipient 24 (twenty-four) hours after it was posted first class or 48 (forty-eight) hours after it was posted second class, provided that the Company is able to show that it was properly addressed, pre-paid and posted;
 - (ii) by electronic means is deemed to have been received by the intended recipient on the day it was sent, provided that the Company is able to show that it was properly addressed;
 - (iii) by means of a website is deemed to have been received on the day the material was first made available on the website or, if later, when the recipient received or is deemed to have received notice of its availability on that website;
 - (iv) by hand (in hard copy or electronic form) by leaving it at the intended recipient's registered address or an address in the United Kingdom notified by him to the Company for the sending or supply of documents and information is deemed to have been received when it was left; and
 - (v) by any other means authorised in writing by the intended recipient is deemed to have been received when the Company has carried out the action that it has been authorised to take for that purpose.
- (B) Full account shall be taken of any day, and any part of a day, that is not a working day when calculating the time when any document or information sent or supplied by the Company is deemed to have been received by the intended recipient for the purposes of these Articles.
- (C) A member present at a general meeting is to be treated as having received sufficient notice of that meeting and of each resolution proposed in the notice of that meeting.
- (D) Any accidental failure on the part of the Company or anyone acting on its behalf to send:
- (i) notice of a general meeting or of any resolution intended to be moved at a general meeting or any poll to be taken in relation to a general meeting;
 - (ii) any other document or information relating to the meeting; or
 - (iii) a document or information relating to any offer made by the Company to holders of shares of the same class,

to any person will not invalidate the relevant meeting or offer and will not give rise to any claim or right of action by a member or a person entitled by transmission against the Company or against anyone acting on the Company's behalf. The non-receipt of any such item by any person will not invalidate the relevant meeting or offer.

50. Documents returned undelivered

- (A) This Article applies where the Company has sent more than one document to a member during a 24 month period and each document that it has sent to him in that period has been returned undelivered or unopened or marked "return to sender" or with other words or in any other manner that indicates that the document has not been received or accepted by the person to whom it, or

the envelope or package in which it was contained, was addressed. A document sent in electronic form is to be treated as returned undelivered if the sender receives notification that it was not delivered to the address to which it was sent.

- (B) Where this Article applies the Company will not be required to send or supply documents or information (including any notice of meeting) to the member concerned until he gives a new registered address in the United Kingdom or a postal address in the United Kingdom or an address for the purposes of communications by electronic means to the Company for sending and supplying documents and information to him.

51. Information for the Company

- (A) Whether a document or information sent or supplied to the Company by or on behalf of a member or a person entitled by transmission is validly sent or supplied is to be determined in accordance with the Companies Act and, subject to that Act, these Articles and to any terms imposed by the Company for its sending or supply to the Company.
- (B) Any part of a day that is not a working day is to be excluded, unless stated otherwise, when calculating the duration of any period fixed in hours or days in these Articles for the giving of any document or information to the Company.

52. Information from the Company

- (A) The Company may send or supply any document or information that is required or authorised by company legislation or pursuant to these Articles to be sent or supplied by it to a member or a person entitled by transmission in such form and by such means as the Board may decide, subject to these Articles and the Companies Act.
- (B) The Company may send or supply documents or information to a member by making them available on a website. This is permitted for so long as, and to the extent that, the member is taken to have agreed to the Company doing so in accordance with the Companies Act.
- (C) The Company may send any document or information that is to be sent to a member by sending it only in hard copy form without sending it in electronic form.
- (D) The Company may send or supply any document or information or payment to which a person entitled by transmission to a share would be entitled if he were the holder of that share to him at any postal address in the United Kingdom or address for the purpose of communication by electronic means that he has provided to the Company. The Company may notify him at such an address of the availability of any document or information on a website.

53. Joint holders

- (A) In the case of joint holders of a share:
 - (i) anything to be agreed or specified in relation to any document or information to be sent or supplied by the Company to them as joint holders may be agreed or specified by any one of them on behalf of each of them;
 - (ii) any document or information which is authorised or required to be sent or supplied by the Company to them as joint holders may be sent or supplied to any one of them on behalf of each of them; and

- (iii) the Company is not required to send or supply any document or information to any joint holder if none of them has a registered address in the United Kingdom and none of them has supplied a postal address in the United Kingdom or an address for the purposes of communications by electronic means to the Company for sending or supplying documents and information to him.
- (B) Any document or information sent or supplied by the Company to a person jointly entitled by transmission to a share shall be deemed to have been sent or supplied to all persons jointly entitled by transmission to it.

54. Members outside the United Kingdom

- (A) A member with a registered address outside the United Kingdom who gives a postal address in the United Kingdom or an address for the purposes of communications by electronic means to the Company for the purpose of it sending and supplying documents and information to him is entitled to have documents or information sent or supplied by the Company to him at that address or, where applicable, by the Company making them available on a website and notifying him at that address of their availability. This applies even if access to the website, or to relevant information on it, is denied to a person for any reason, for example where the person does not confirm that he is accessing the website from any specified territory or jurisdiction or that he is a citizen of any specified country or state or where he is unable to give any other confirmation required in order to access that information.
- (B) The Company is not required to send or supply any documents or information (including any notice of meeting) to a member with a registered address outside the United Kingdom, except as provided above in this Article.

55. Notices by advertisement

- (A) This Article applies where the Company is unable to give notice by post of a general meeting to each person entitled to receive it in hard copy format a postal address in the United Kingdom as a result of the suspension or curtailment of postal services in any part of the United Kingdom or for any other reason outside the Company's control.
- (B) Where this Article applies the Company:
 - (i) need only give notice of a general meeting to those members with whom the Company can give notice by electronic means in accordance with these Articles;
 - (ii) shall advertise the notice in a daily newspaper widely circulated in hard copy form in the United Kingdom;
 - (iii) shall state in that advertisement that the notice will be available on a specified website until the conclusion of the meeting; and
 - (iv) shall send confirmatory copies of the notice by post to those members who would otherwise have been entitled to receive it in hard copy form if the posting of notices to addresses throughout the United Kingdom again becomes practicable at least seven days before the meeting.

56. Notices in writing

A notice calling a meeting of the Board need not be in writing. Any other notice to be given to or by any person pursuant to these Articles shall be in writing, unless stated otherwise.

TRANSFER AND TRANSMISSION OF SHARES

57. Transfers

- (A) A member may transfer all or any of his certificated shares of the same class by an instrument of transfer in writing in any usual form or in any other form approved by the Board. The instrument must be signed by or on behalf of the member as the transferor. An instrument of transfer in respect of shares that are not fully paid must also be signed by or on behalf of the transferee. A member may transfer all or any of his uncertificated shares without a written instrument in accordance with the CREST regulations.
- (B) The transferor will remain the holder of the share transferred until the transferee's name is entered in the register of members in respect of it. The Company may retain any instrument of transfer which is registered. The Company will not charge any fee for registering a share transfer or making any other amendment to the register of members relating to the ownership of shares.
- (C) The Company may recognise the renunciation of the allotment of a share by the allottee in accordance with the allotment terms in favour of some other person. If the Company does so, and to the extent applicable, the renunciation will be treated as a transfer for the purposes of these Articles. The Company has the same powers of refusing to give effect to the renunciation as if it were a transfer.

58. When registration may be refused

- (A) Registration of the transfer of an uncertificated share may be refused if:
 - (i) the transfer is in favour of more than four persons jointly; or
 - (ii) any other circumstances apply in respect of which refusal to register it is permitted or required by the CREST regulations.
- (B) The Company may refuse to register a transfer of certificated shares which are not fully paid.
- (C) The Company may refuse to register a transfer of fully paid certificated shares in accordance with the Article below headed "Disclosure of interests in shares". It may also refuse to register a transfer of fully paid certificated shares unless:
 - (i) the instrument of transfer is properly stamped or is certified or otherwise shown to the Board's satisfaction to be exempt from stamp duty;
 - (ii) all the shares to which the instrument relates are of the same class; and
 - (iii) the instrument is:
 - (a) in favour of a single transferee or not more than four joint transferees, so long as the transferee or each transferee is a natural or legal person;
 - (b) delivered for registration to the Company at its registered office or such other place as the Board may decide; and

- (c) accompanied on delivery by the certificate for the shares to which it relates (except for shares in respect of which the Company did not issue a certificate for their holder) and by any other evidence required by the Company to show the right of the transferor to make the transfer or, if the instrument is signed by some other person, to show that person's authority to do so.

59. Transmission

- (A) The Company is required to recognise a person's entitlement to a certificated share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law only if that person has:
 - (i) provided the Company with a postal address and, if that address is not in the United Kingdom, with a postal address in the United Kingdom or an address for the purposes of communications by electronic means;
 - (ii) provided the Company with such evidence as it may reasonably require for the purpose of proving his entitlement; and
 - (iii) proven his entitlement to the Board's satisfaction.
- (B) The Company shall inform a person entitled by transmission to a certificated share that the Company has recognised his entitlement within two months of the Company becoming required to recognise it. That entitlement, with the name and address of the person so entitled, shall be noted in the issuer register of members within the same period.
- (C) The Company shall recognise a person's entitlement to an uncertificated share if the Operator, having recognised his entitlement, continues to do so.
- (D) A person's rights under these Articles as a member in respect of a share of which he is the registered holder shall cease on another person becoming entitled to it in consequence of his death or bankruptcy or of any other event giving rise to its transmission by operation of law. The Company may treat such person as if he had retained such rights in respect of that share until the Company recognises another person as entitled by transmission to it.
- (E) A person that the Company has recognised as being entitled by transmission to a share has the right to receive all dividends, distributions and payments that the Company is to make or pay in respect of that share which would otherwise have been receivable by its holder. He also has the right to make an election in respect of that share in accordance with the Article below headed "Elections following transmission". The share will not entitle him, unless and until he is registered as its holder, to receive notice of any general meeting or any class meeting or to attend or vote at any such meeting or to exercise any other rights in relation to any such meeting. Nor will the share entitle him, unless and until he is registered as its holder, to exercise any other right conferred by company legislation or these Articles on its holder. The Company is not required to extend to a person entitled by transmission to a share any invitation or offer that it makes to holders of shares of the same class.
- (F) The Company may recognise up to four persons as being jointly entitled by transmission to the same certificated share. The Company may require any of those persons to confirm that, should an election be made on his behalf for him to be registered as its joint holder, he agrees to become a member of the Company. The names of all persons recognised as jointly entitled by transmission to the same certificated share shall be noted in the issuer register of members as being so entitled in an order that the secretary considers appropriate.

- (G) The only persons that the Company will recognise as having title to shares registered in the name of a dead member are the personal representatives of a sole holder of the shares and the surviving holder or holders of shares registered in the names of joint holders. The estate of a dead member will remain liable for any undischarged liability that he had to the Company in respect of those shares.
- (H) Where the Company has been notified of an event giving rise to the transmission of a share through operation of law but has yet to recognise any person's entitlement to the share, the Company may send or supply any document or information or make any payment in respect of that share as if the event had not occurred or may refrain from sending any document or information to anyone and from making any payment until it has decided to recognise a person as entitled to it through operation of law.

60. Elections following transmission

- (A) A person entitled by transmission to a certificated share may elect to be registered as its holder or to have someone else selected by him registered as its holder. To elect to be registered himself as its holder, he shall give notice to the Company to that effect. To elect to have someone else registered as its holder, he shall sign an instrument of transfer in respect of the share and deliver that instrument to the Company. He shall cease to be treated as a person entitled by transmission to that share for the purposes of these Articles on the share's registration is his or another person's name.
- (B) All the provisions of these Articles relating to the transfer of certificated shares apply to the notice or instrument of transfer referred to above in this Article as if the notice were an instrument of transfer and as if the notice or instrument were signed by the member and the event giving rise to the transmission had not occurred.
- (C) The Company may give notice requiring a person to make an election referred to above in this Article, including an election to be made by one or more of the persons jointly entitled by transmission to the same share on behalf of all the persons jointly entitled to it. If the notice is not complied with within 60 (sixty) days, the Company may withhold payment of all dividends and other amounts payable in respect of the share, and all other distributions in respect of it, until the election is made.

MISCELLANEOUS

61. Change of name

The Directors may pass a Board resolution to change the Company's name.

62. Disclosure of interests in shares

- (A) The Company may exercise its powers under this Article if:
 - (i) a person (the "**defaulter**") to whom the Company has given a notice in accordance with section 793 of the Companies Act (a "**statutory notice**") fails to comply with it by the date 14 (fourteen) days after it was given or, if later, by any deadline specified in it (a "**default**");
 - (ii) all or some of the shares to which the statutory notice relates are shares (the "**default shares**") which are (or of which their holder is) identifiable by the Company; and
 - (iii) the defaulter remains in default of the statutory notice, so far as the Board is aware.

- (B) The Company may suspend all rights conferred by default shares to attend or vote at a general meeting or at a class meeting or on a poll. It may also suspend all other rights conferred by default shares in relation to any meeting or poll. The Company may do so without having given notice to the holder of the default shares that the Company will or may do so.
- (C) Where the default shares represent at least 0.25 per cent of the issued shares of their class:
- (i) the Company may, without having given notice to the holder of the default shares that the Company will or may do so:
 - (a) suspend the payment of all dividends and other monies otherwise payable by the Company in respect of those shares to their holder; and
 - (b) suspend the right of their holder to elect to receive other shares instead of any dividend in respect of them;
 - (ii) the Company may require a holder of default shares by notice, to refrain from transferring those shares or any of them or from agreeing or offering to do so or from entering into any option or other arrangement which would or could require their transfer, other than pursuant to an exempt transfer;
 - (iii) the Company may require a holder of default shares in uncertificated form, by notice, to have them converted into certificated form within a specified period; and
 - (iv) the Company may refuse to register the transfer of default shares in certificated form, unless the transfer is an exempt transfer.
- (D) Where the default shares represent at least 0.25 per cent of the issued shares of their class, the Company may require the Operator to convert default shares in uncertificated form into certificated form in accordance with the CREST regulations. The Company may inform the Operator that the conversion is required to enable the Company to deal with those shares in accordance with provisions in these Articles.
- (E) Where applicable, the Company may issue a notice to a holder of default shares (as part of or in addition to any notice given under the previous provisions of this Article) informing him of all or any of the giving of the statutory notice, the identity of the defaulter, the fact that the defaulter is in default of that notice, the class and number of the default shares held by him and any suspension in accordance with this Article of any rights conferred by the default shares.
- (F) The suspension of any rights conferred by default shares, and the obligation of their holder to continue to comply with any requirements notified to it, in accordance with this Article shall cease:
- (i) in relation to all default shares, on the earlier of the Company notifying the holder of such cessation and the date seven days after the Company's receipt, to the satisfaction of the Board or the secretary, of all the information required by the statutory notice;
 - (ii) in relation to default shares that are the subject of an exempt transfer, on the registration of those shares in a transferee's name pursuant to that transfer; and
 - (iii) in relation to some (but not all) default shares, at such earlier time as the Company may notify to the holder.
- (G) The Company shall also give to a holder of default shares to whom it gives a notice under this Article a copy of the statutory notice, unless the Company has already done so. Any failure or

omission by the Company to do so, or the non-receipt of such a copy by the holder, will not invalidate any notice to a holder of default shares under this Article. The Company may give more than one notice under the same provision in this Article to a holder of default shares. No interest shall accrue on any dividend or amount withheld from a person in accordance with this Article.

(H) This Article does not restrict the Company's powers or rights under company legislation or at law in respect of any matter. For the purpose of this Article:

(i) **"exempt transfer"** means a transfer of shares:

(a) made pursuant to an acceptance of a takeover offer made in compliance with the City Code on Takeovers and Mergers; or

(b) which the Board is satisfied is made pursuant to a genuine sale to a person who has no connection with the member making the transfer nor with the defaulter nor with anyone else appearing (other than as a result of the sale) to be interested in the shares or appearing to have been interested in them when the statutory notice was issued or at any time afterwards;

(ii) a transfer of shares made pursuant to a sale made on a market through a recognised investment exchange in the United Kingdom or any other securities investment exchange outside the United Kingdom on which the shares have been admitted to trading on the Company's application shall be assumed to be an exempt transfer within the "genuine sale" category, unless there is a reason to conclude otherwise;

(iii) a person, other than the member holding a share, is to be treated as appearing to be interested in such share if that member has informed the Company that the person is or may be so interested, or if the Company (after taking account of information obtained from the member or, pursuant to a statutory notice from anyone else) knows or has reasonable cause to believe that the person is or may be so interested; and

(iv) reference to a person failing to comply with a statutory notice includes references to him not having given all or any part of the information required by that notice and to him making a statement in response to that notice or in purported compliance with it that is untrue or, in the view of the Board or the secretary, misleading or insufficient.

(I) The Company may treat any shares issued on or after the date of the statutory notice to the holder of the default shares in respect of them (whether under a rights issue, an open offer, a bonus issue or otherwise) as additional default shares for the purposes of this Article. The Company may also treat any other shares that become registered in that holder's name on or after that date as additional default shares for the purposes of this Article. If in either case the Company does so, all other references in this Article to default shares shall also apply so far as they are relevant to those additional shares.

63. Document retention

(A) The Company may delete or destroy:

(i) any share certificate or other evidence of title to shares which have been cancelled after one year from the cancellation date;

- (ii) any mandate for the payment of dividends or other amounts or any variation or cancellation of such mandate or any other instruction concerning the payment of monies or any notification of change of name or address after two years from the date the mandate, variation, cancellation or notification was recorded by the Company;
- (iii) any instrument or other evidence of a transfer or an allotment of shares which has been registered after six years from the date of registration;
- (iv) any proxy form which has been used for the purpose of a poll after a period of one year from the date of use;
- (v) any proxy form which has not been used for the purpose of a poll after a period of one month from the end of the meeting to which the proxy form relates; and
- (vi) any other document on the basis of which an entry in the register of members is made after six years from the date an entry in that register was first made in respect of it,

and the Company may delete or destroy any such document earlier than the relevant date, provided that a permanent record of the document is made which is not destroyed before that date.

- (B) It shall be conclusively presumed in favour of the Company that every entry in the register of members purporting to have been made on the basis of a document deleted or destroyed in accordance with this Article was properly made, that every instrument of transfer so destroyed was a valid and effective instrument of transfer and properly made, that every share certificate so destroyed was valid and properly cancelled and that every other document so deleted or destroyed was valid and effective in accordance with the recorded particulars in the records of the Company.
- (C) Nothing in this Article imposes on any person any liability in respect of the destruction of any document otherwise than as provided for in this Article which would not attach to him in the absence of this Article. References in this Article to the deletion or destruction of any document include references to its disposal in any manner.

64. Provision for employees

The Board may pass a resolution sanctioning the exercise of any power conferred on the Directors by the Companies Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries. This paragraph does not allow the Board to sanction the making of provision for the benefit of a Director or former Director or a person who is or was a shadow director of the Company unless the Company has passed a resolution sanctioning such provision.

65. Record dates

- (A) The Board may fix a time on a particular date as the record date for entitlement to any dividend, distribution, allotment or issue or for determining to whom any notice, information, document or circular is to be given or for any other matter for which a record date is appropriate.
- (B) Any notice or other document to be given to any members may be given by reference to the register of members as it stands at a time on a particular date within the period of 21 (twenty-one) days before the day on which that the notice (or notification of its availability on a website) or document is sent.

- (C) The notice of a general meeting or an adjourned general meeting may specify a time when a person must be registered on the register of members as a holder of shares in order to have the right to attend or vote at that meeting in respect of those shares.

66. Untraced members

- (A) The Company may sell any shares ("**untraced shares**") registered in the name of a particular member (an "**untraced member**") on such basis and in such manner and to any person (including the Company) as the Board may decide if:
- (i) during the period (the "**initial holding period**") of six years before the sending of an intended sale notice (as defined below):
 - (a) the shares have been registered in that member's name throughout;
 - (b) if the shares are registered in the names of joint holders, they have been registered in those names throughout; and
 - (c) the Company has paid at least three cash dividends in respect of shares of the same class;
 - (ii) at least one cash dividend was paid in respect of shares of the same class in the first twelve months of the initial holding period;
 - (iii) before sending the intended sale notice, the Company made tracing enquiries for the purpose of contacting that member which the Board considers to be reasonable and appropriate in the circumstances;
 - (iv) the Company has sent a notice (an "**intended sale notice**") to that member at his registered address or at the last known address that the Company has for him stating the Company's intention to sell the shares in accordance with this Article; and
 - (v) during the initial holding period and in the three months following the sending of the intended sale notice:
 - (a) the Company did not receive, so far as the Board or the secretary is aware, any authenticated communication from that member or, in the case of joint holders, any of them or any cash payment from him or any other joint holder or from a third party on behalf of him or any other joint holder in respect of the allotment of any shares; and
 - (b) no dividend on the shares was cashed and no dividend was paid on them through a completed funds transfer.
- (B) If untraced shares are registered in the names of two or more joint holders:
- (i) tracing enquiries must be made of each of them in accordance with the previous paragraph; and
 - (ii) an intended sale notice need be sent only to those of them for whom the Company already has a registered address or any other address.

- (C) Any additional shares issued in respect of untraced shares during the initial holding period or in the three months following the sending of the intended sale notice under a capitalisation issue or in any other circumstances not requiring or involving any act of acceptance or election or payment by or on behalf of the untraced member may be sold in accordance with this Article as if they were untraced shares and as if they had been held by the untraced member for the duration of the initial holding period. The previous sentence only applies if the additional shares were first registered in the untraced member's name and remain registered in that name and have always been held in the same form (certificated or uncertificated) as the untraced shares.
- (D) Any sale of untraced shares, or any additional shares, in accordance with this Article must be made between three and six months following the sending of the intended sale notice. To give effect to the sale, the Company may authorise a person to sign an instrument of transfer of shares in the name and on behalf of the untraced member to the purchaser or as the purchaser may direct or, for uncertificated shares, exercise any power conferred on it under these Articles to effect their transfer.
- (E) The purchaser will not be bound to see to the application of the purchase monies in respect of any such sale. The title of the transferee to the shares will not be affected by any irregularity or defect in the proceedings connected with the sale or transfer. Any instrument or exercise referred to in the previous paragraph is effective as if it had been signed or exercised by the untraced member.
- (F) No communication received by the Company:
 - (i) in relation to any shares more the three months following the sending of an intended sale notice will prevent the Company from selling them under this Article; or
 - (ii) from a person other than the untraced member or, in the case of joint holders, any of them will prevent the Company from selling that member's shares under this Article.
- (G) The proceeds of any sale under this Article will belong to the Company and may be used and applied by the Company as the Board thinks fit. The Company will be a debtor to, and not a trustee for, the untraced member in respect of an amount equal to the proceeds. No interest will be payable to the untraced member in respect of that debt. The Company will be released from all its obligations to the untraced member or any other person in respect of that debt if the Company does not receive any valid claim in respect of it by the sixth anniversary of the date of the registration of the transfer of the shares pursuant to the sale.

[end]

