

## **TRANSFER PROPOSAL**

**13 September 2016**

**BRAIT SE**

**(SE 1)**

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### **TRANSFER PROPOSAL**

in accordance with Article 8(2) of Council Regulation (EC) No. 2157/2001  
on the Statute for a European Company for the transfer of the registered  
office of Brait SE from Malta to the United Kingdom

Submitted to the Maltese Registry of Companies on 13 September 2016

Subject to Shareholder approval

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Brait SE, a *Societas Europaea* registered under the laws of Malta with registered number SE1, whose registered office is at 4th Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805, Malta (“**Brait**” or “**Company**”) has made this Transfer Proposal on 13 September 2016 pursuant to Article 8(2) of Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European Company (the “**SE Regulation**”).

## **1 Proposed transfer of registered office**

- 1.1 It is proposed that the Company transfer its registered office from Malta to the United Kingdom (the “**Transfer**”). The Transfer will be implemented in accordance with Article 8 of the SE Regulation.
- 1.2 The proposed registered office in the United Kingdom following the Transfer is 4<sup>th</sup> Floor, 55 Blandford Street, London W1U 7HW.
- 1.3 The Company considers the transfer of its registered office to the United Kingdom to be a first step towards a premium listing on the London Stock Exchange and potential inclusion in the FTSE UK Index Series.

## **2 Company name, new registered office and statutes of Brait SE**

- 2.1 It is currently expected that the Company's name will remain “Brait SE” following the Transfer. However, the Company will propose that its name be changed at the Extraordinary General Meeting approving the Transfer should it become clear that the name “Brait SE” is unavailable for any reason.
- 2.2 The Company's registered office following the Transfer will be 4<sup>th</sup> Floor, 55 Blandford Street, London W1U 7HW, United Kingdom.
- 2.3 It is proposed that the Company adopt new articles of association (the “**New Articles**”) to replace the current memorandum and articles of association of the Company with effect from the Transfer becoming effective. The adoption of the proposed New Articles is required to reflect the Company's new registered office and to meet the relevant requirements of English law which will apply to the Company following the Transfer. As an SE, the Company and its statutes will also continue to be subject to the SE Regulation. The New Articles are in a form which is customary for investment companies with a premium listing in the UK.
- 2.4 A summary of the provisions of the New Articles and a copy of the New Articles are attached to this Transfer Proposal as Annexes A and B, respectively.
- 2.5 A comparison of Maltese company law (which currently apply to the Company) and English company law (which will apply to the Company following the Transfer) and certain key differences between the Current Articles and the New Articles will be set out in the Transfer Report (as defined below).

## **3 Implications of the Transfer for employees**

The Company has no employees. Employees within the Company's group will not be affected as a result of the Transfer.

## **4 Proposed timetable for the Transfer**

- 4.1 The Board of Directors (the “**Board**”) proposes that the Transfer be approved, in accordance with Articles 8(6) of the SE Regulation and that the New Articles be adopted with effect from

the Transfer becoming effective, at an Extraordinary General Meeting of the Company (the “**Extraordinary General Meeting**”). It is currently expected that the Extraordinary General Meeting will be held by end of November 2016. A shareholder circular and a notice of Extraordinary General Meeting will be published by the Company in due course.

- 4.2 The Board will prepare a report in respect of the Transfer pursuant to Article 8(3) of the SE Regulation explaining and justifying the legal and economic aspects of the Transfer and explaining the implications of the Transfer for shareholders, creditors and employees (the “**Transfer Report**”). Shareholders and creditors of the Company are entitled to examine this Transfer Proposal and the Transfer Report at the Company’s registered office at 4<sup>th</sup> Floor, Avantech Building, St. Julian’s Road, San Gwann, SGN 2805 Malta, at least one month before the Extraordinary General Meeting and, on request, to obtain copies of these documents.
- 4.3 If the Transfer is approved by the requisite majority of shareholders at the Extraordinary General Meeting, being not less than 75 per cent. in nominal value of the shares represented and entitled to vote at the Extraordinary General Meeting and at least 51 per cent. in nominal value of all the shares entitled to vote at the Extraordinary General Meeting, the Company will proceed to comply with the requirements under the SE Regulation to implement the Transfer. It is anticipated that, subject to shareholder approval and the satisfaction of the other conditions and requirements under the SE Regulation, the Transfer will complete by end of March 2017.
- 4.4 The timetable setting out the indicative dates and times for the Transfer is set out in Schedule 1 to this Transfer Proposal.

## **5 Protection of Shareholders**

- 5.1 The proposed Transfer is subject to shareholder approval, requiring the requisite majority of shareholders at the Extraordinary General Meeting, being not less than 75 per cent. in nominal value of the shares represented and entitled to vote at the Extraordinary General Meeting and at least 51 per cent. in nominal value of all the shares entitled to vote at the Extraordinary General Meeting.
- 5.2 In accordance with Article 8(4) of the SE Regulation, shareholders will be entitled, at least one month before the Extraordinary General Meeting, to examine this Transfer Proposal and the Transfer Report at the registered address of the Company, 4<sup>th</sup> Floor, Avantech Building, St. Julian’s Road, San Gwann, SGN 2805 Malta and, on request, to obtain copies of these documents.

## **6 Protection of creditors**

In order to protect the interests of its creditors:

- 6.1 the Company has submitted a copy of this Transfer Proposal to the Maltese Registry of Companies on 13 September 2016. The Maltese Registry of Companies will then publish a copy of this Transfer Proposal on its website;
- 6.2 in accordance with Article 8(4) of the SE Regulation, creditors of the Company will be entitled to examine this Transfer Proposal and the Transfer Report at the registered address of the Company, 4<sup>th</sup> Floor, Avantech Building, St. Julian’s Road, San Gwann, SGN 2805 Malta and, on request, to obtain copies of this Transfer Proposal and the Transfer Report, at least one month before the Extraordinary General Meeting; and
- 6.3 creditors of the Company will have a statutory period of three months from the date of publication of receipt of a certified extract of the minutes of the Extraordinary General Meeting

by the Maltese Registry of Companies on its website and in a daily newspaper in Malta within which they may object to the Transfer.

## **7 Transfer**

- 7.1 Pursuant to Article 8(10) of the SE Regulation, the Transfer shall take effect on the date on which the Company is registered by the registrar of companies in the UK (“**UK Companies House**”) as a UK-registered *Societas Europaea*, which registration is currently anticipated to take place by end of March 2017. Following such registration, the UK Companies House will notify the Maltese Registry of Companies to remove the Company from the register maintained by the Maltese Registry of Companies. Additionally, notice of the new registration, and deletion of the old registration, shall be published for information purposes in the Official Journal of the European Community (now recognised as the Official Journal of the European Union).
- 7.2 Shareholders should note that, notwithstanding the passing of the resolutions to be proposed at the Extraordinary General Meeting in respect of the Transfer, there can be no guarantee that the Transfer will complete. The Board may, at any time prior to the Transfer becoming effective, withdraw the Transfer Proposal and/or refrain from completing the Transfer if the Board, in its sole discretion, considers it to be in the best interest of the Company.

13 September 2016

### **For and on behalf of the Board of Directors**

Name: Hermanus Roelof Willem Troskie

Title: Director

## SCHEDULE 1 TO THE TRANSFER PROPOSAL

### Expected Timetable of Proposed Transfer

Transfer Proposal filed with the Maltese Registry of Companies	13 September 2016
Transfer Proposal published by the Maltese Registry of Companies on its website	by end of September 2016
Transfer Proposal and Transfer Report made available for inspection by shareholders and creditors at the Company's registered office	by end of October 2016
Shareholder Circular and Notice of the Extraordinary General Meeting of the Company and the Forms of Proxy for the Extraordinary General Meeting published by the Company	by early November 2016
Extraordinary General Meeting ("EGM")	by end of November 2016
Submit certified extract of the minutes of the Extraordinary General Meeting to the Maltese Registry of Companies	As soon as possible following the EGM
Submit request for Transfer Certificate to the Maltese Registry of Companies	by early March 2017
Transfer Certificate expected to be issued by the Maltese Registry of Companies	by mid-March 2017
Submit application for registration to the UK Companies House	by mid-March 2017
Transfer expected to become effective	by end of March 2017

These times and dates are indicative only and are subject to change. All dates are estimations based on current expectations of the Company and are subject to change, which will depend on, amongst other things, shareholder approval of the Transfer and satisfaction of the other conditions and requirements under the SE Regulation to effect the Transfer. Any material change to the indicative times and dates relating to the Transfer in this expected timetable will be notified to shareholders by an announcement through a Regulatory Information Service ("**RIS**") and the Stock Exchange News Service ("**SENS**").

## **ANNEXES TO THE TRANSFER PROPOSAL**

**Annex A: Summary of New Articles**

**Annex B: Copy of New Articles (separate cover)**

## APPENDIX A TO TRANSFER PROPOSAL

### Summary of New Articles

The provisions of the New Articles proposed to be adopted by the Company in connection with, and with effect from completion of, the Transfer are summarised below.

References to “**Articles**” in this section are to the New Articles.

#### 8 Objects

Brait SE’s (the “**Company**”) objects are not restricted by its Articles. Accordingly, pursuant to section 31 of the UK Companies Act, the Company’s objects are unrestricted.

#### 9 Shares

##### Respective rights of different classes of shares

Without prejudice to any rights attached to any existing shares, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, the directors of the Company (the “**Directors**”). The Company may also issue shares which are, or are liable to be, redeemed at the option of the Company or the holder. The Company shall not be subject to any limits by reference to authorised share capital.

##### Voting rights

At a general meeting, subject to any special rights or restrictions attached to any class of shares:

- (i) on a show of hands, every member present in person and every duly appointed proxy present shall have one vote;
- (ii) on a show of hands, a proxy has one vote for and one vote against the resolution, if the proxy has been duly appointed by more than one member entitled to vote on the resolution, and the proxy has been instructed:
  - (a) by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or
  - (b) by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his discretion as to how to vote; and
- (iii) on a poll, every member present in person or by proxy has one vote for every share held by him.

A proxy shall not be entitled to vote on a show of hands or on a poll where the member appointing the proxy would not have been entitled to vote on the resolution had he been present in person.

Unless the Directors resolve otherwise, no member shall be entitled to vote either personally or by proxy or to exercise any other right in relation to general meetings if any call or other sum due from him to the Company in respect of that share remains unpaid.

##### Variation of rights

Should the share capital of the Company be divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the written consent of the holders of three-quarters in nominal value of the issued shares of the class (excluding shares held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the

shares of the class (but not otherwise), and may be so varied or abrogated either while the Company is a going concern or during or in contemplation of a winding up.

The special rights attached to any class of shares will not, unless otherwise expressly provided by the terms of issue, be deemed to be varied by (i) the creation or issue of further shares ranking, as regards participation in the profits or assets of the Company, in some or all respects equally with them but in no respect in priority to them or (ii) the purchase or redemption by the Company of any of its own shares.

### **Transfer of shares**

Transfers of certificated shares must be effected in writing, and signed by or on behalf of the transferor and, except in the case of fully paid shares, by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect of those shares. Transfers of uncertificated shares may be effected by means of a relevant system (e.g. CREST or the system operated by Strate (Pty) Ltd.) unless the rules and regulations of a relevant system (e.g. the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended, the “**CREST Regulations**”) or the rules of Strate (Pty) Ltd, as applicable ) provide otherwise.

The Directors may in their absolute discretion and without giving a reason, decline to transfer, convert or register a transfer of any share in certificated form or (to the extent permitted by the CREST Regulations or the rules of Strate (Pty) Ltd, as applicable) uncertificated form which is not fully paid or on which the Company has a lien or if:

- (i) the instrument of transfer is in respect of more than one class of share;
- (ii) it is an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly;
- (iii) in relation to a share in certificated form, the instrument of transfer having been lodged (duly stamped if required) at the Transfer Office is not accompanied by the relevant share certificate(s) or such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer or, if the instrument of transfer is executed by some other person on the transferor’s behalf, the authority of that person to do so; or
- (iv) the transfer is in favour of any Non-Qualified Holder (as defined in the Articles), being persons whose holding of, or beneficial ownership in, shares in the Company may cause the Company to be subject to adverse registration, reporting or other regulatory requirements under certain US legislation (such as the US Investment Company Act, US securities law and the U.S. Commodity Exchange Act) or to lose an exemption or status to which it might otherwise be entitled, or to become subject to withholding obligations under certain U.S. tax laws,

provided that, in the case of a listed share, such refusal to register a transfer (i) would not prevent dealings in the share from taking place on an open and proper basis on a Relevant Exchange (as defined in the Articles) and (ii) is otherwise not contrary to the rules and requirements of a relevant regulatory authority, exchange operator or relevant system.

### **Notice to Non-Qualified Holders**

If a holder becomes, or holds shares on behalf of, a Non-Qualified Holder (as described above), he shall notify the Company immediately. If the Directors become aware that any shares are held directly, indirectly or beneficially by a Non-Qualified Holder, then the Directors may give notice to such holder requiring him to, within 30 days of such notice, either provide satisfactory evidence that he is not a Non-Qualified Holder, or to sell or transfer his shares to a person who is not a Non-Qualified Holder and to provide evidence of

such sale or transfer. Pending such sale or transfer, the Directors may suspend the exercise of any voting rights attached to such shares, rights to receive notice of and attend general meetings of the Company and any rights to receive dividend or other distribution with respect to such shares. If a person upon whom such a notice is served is in default of the requirements set out in the notice, then he is deemed to have forfeited his shares upon the expiry of the 30 days period. In such case, the Directors may at their discretion follow the forfeiture provisions in the Articles (as described below) or to the extent permitted by the CREST Regulations or the rules of Strate (Pty) Ltd, as applicable, arrange to sell such shares and pay the net proceeds of sale to the former holder of such shares.

### **Restrictions where notice not complied with**

If any person appearing to be interested in shares (within the meaning of Part 22 of the UK Companies Act) has been duly served with a notice under section 793 of the UK Companies Act (which confers upon public companies the power to require information as to interests in its voting shares) and is in default for a period of 14 days in supplying to the Company the information required by that notice:

- (i) the holder of those shares shall not be entitled to attend or vote (in person or by proxy) at any shareholders' meeting, unless the Directors otherwise determine; and
- (ii) the Directors may in their absolute discretion, where those shares represent 0.25 per cent. or more of the issued shares of a relevant class, by notice to the holder, direct that:
  - (a) any dividend or part of a dividend (including shares issued in lieu of a dividend) or other money which would otherwise be payable on the shares will be retained by the Company without any liability for interest and the shareholder will not be entitled to elect to receive shares in lieu of a dividend; and/or
  - (b) (with various exceptions set out in the Articles) transfers of the shares will not be registered.

### **Forfeiture and lien**

If a member fails: (a) to pay in full any sum which is due in respect of a share on or before the due date for payment, then, following notice by the Directors requiring payment of the unpaid amount with any accrued interest and any expenses incurred; or (b) to comply with the requirement to sell or transfer the shares to a person who is not a Non-Qualified Holder (as defined in the Articles) within the required time limit, following notice by the Directors, such share may be forfeited by a resolution of the Directors to that effect (including all dividends declared in respect of the forfeited share and not actually paid before the forfeiture).

A member whose shares have been forfeited will cease to be a member in respect of the shares, but will remain liable to pay the Company all monies which at the date of forfeiture were presently payable, together with interest. The Directors may in their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal, or waive payment in whole or part.

The Company shall have a lien on every share (not being a fully paid-up share) that is not fully paid for all monies called or payable at a fixed time in respect of such share. The Company's lien over a share takes priority over the rights of any third party and extends to any dividends or other sums payable by the Company in respect of that share. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt from such a lien, either wholly or partially.

A share forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of to any person (including the person who was, before such forfeiture or surrender, the holder of that share or entitled to it) on such terms and in such manner as the Directors think fit. The Company may deliver an enforcement notice in respect of any share if a sum in respect of which a lien exists is due and has not been paid. The Company may sell any share in respect of which an enforcement notice, delivered in accordance with the Articles, has been given if such notice has not been complied with. The proceeds of sale shall first be applied towards payment of the amount in respect of the lien to the extent that amount was due on the date of the enforcement notice, and then on surrender of the share certificate for cancellation, to the person entitled to the shares immediately prior to the sale.

### **Reporting or other obligation under certain tax laws**

The Company may require that members provide and the Company shall be entitled to use and disclose information or documentation in relation to such members and (if and to the extent required) the direct and indirect beneficial holders of shares in the Company as may be necessary or desirable to comply with any reporting or other obligations and/or to prevent or mitigate the withholding of tax under Relevant Law (as defined in the Articles), being certain tax laws such as legislation implementing Sections 1471 to 1474 of the United States Internal Revenue Code of 1986, commonly known as “FATCA” and the Organisation for Economic Co-Operation and Development’s “Common Reporting Standard”, any official interpretation or guidance thereof and any agreements made pursuant to their implementation.

## **10 General meetings**

### **Annual general meeting**

An annual general meeting shall be held in each period of six months beginning with the day following the Company’s accounting reference date, at such place or places, date and time as may be decided by the Directors.

### **Convening of general meetings**

The Directors may, whenever they think fit, call a general meeting. The Directors are required to call a general meeting once the Company has received requests from its members to do so in accordance with the UK Companies Act.

### **Notice of general meetings, etc.**

Notice of general meetings shall include all information required to be included by the UK Companies Act and shall be given to all members other than those members who are not entitled to receive such notices from the Company under the provisions of the Articles. The Company may determine that only those persons entered on the Register of Members at the close of business on a day decided by the Company, such day being no more than 21 days before the day that notice of the meeting is sent, shall be entitled to receive such a notice.

For the purposes of determining which persons are entitled to attend or vote at a meeting, and how many votes such persons may cast, the Company must specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register of Members in order to have the right to attend or vote at the meeting. The Directors may in their discretion resolve that, in calculating such period, no account shall be taken of any part of any day that is not a working day (within the meaning of section 1173 of the UK Companies Act).

## **Quorum and voting**

No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by corporate representative or proxy shall be a quorum. At any general meeting, any resolution put to the vote shall be decided by a show of hands unless a poll is demanded (before the resolution is put to the vote on a show of hands, or on the declaration of the result of, the show of hands).

## **Conditions of admission**

The Directors may require attendees to submit to searches or put in place such arrangements or restrictions as they think fit to ensure the safety and security of attendees at a general meeting. Any member, proxy or other person who fails to comply with such arrangements or restrictions may be refused entry into, or removed from, the general meeting.

The Directors may decide that a general meeting shall be held at two or more locations to facilitate the organisation and administration of such meeting. A member present in person or by proxy at the designated "satellite" meeting place may be counted in the quorum and may exercise all rights that they would have been able to exercise if they had been present at the principal meeting place. The Directors may make and change from time to time such arrangements as they shall in their absolute discretion consider appropriate to:

- (i) ensure that all members and proxies for members wishing to attend the meeting can do so;
- (ii) ensure that all persons attending the meeting are able to participate in the business of the meeting and to see and hear anyone else addressing the meeting;
- (iii) ensure the safety of persons attending the meeting and the orderly conduct of the meeting; and
- (iv) restrict the numbers of members and proxies at any one location to such number as can safely and conveniently be accommodated there.

## **11 Directors**

### **General powers**

The Directors shall manage the business and affairs of the Company and may exercise all powers of the Company other than those that are required by the UK Companies Act or by the Articles to be exercised by the Company at the general meeting.

### **Number of Directors**

The Directors shall not be less than three, save that the Company may, by ordinary resolution, from time to time vary the minimum number and/or maximum number of Directors.

### **Share qualification**

A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.

### **Directors' fees**

Directors' fees are determined by the Directors from time to time or by ordinary resolution of shareholders.

Any Director who holds any executive office (including the office of Chairman or Deputy Chairman), or who serves on any committee of the Directors, or who otherwise performs services

which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors may determine.

### **Executive Directors**

The Directors may from time to time appoint one or more of their number to be the holder of any executive office and may confer upon any Director holding an executive office any of the powers exercisable by them as Directors upon such terms and conditions, and with such restrictions, as they think fit. They may from time to time revoke, withdraw, alter or vary all or any of such delegated powers.

### **Directors' retirement**

Each Director shall retire at the annual general meeting held in the third calendar year following the year in which he was elected or last re-elected by the Company. In addition, each Director (other than the Chairman and any Director holding an executive office) shall also be required to retire at each annual general meeting following the ninth anniversary of the date on which he was elected by the Company. A Director who retires at any annual general meeting shall be eligible for election or re-election, unless the Directors resolve otherwise, not later than the date of the notice of such annual general meeting.

When a Director retires at an annual general meeting in accordance with the Articles, the Company may, by ordinary resolution at the meeting, fill the office being vacated by re-electing the retiring Director. In the absence of such a resolution, the retiring Director shall nevertheless be deemed to have been re-elected, except in the cases identified by the Articles.

### **Removal of a Director by resolution of the Company**

The Company may, by ordinary resolution of which special notice is given, remove any Director before the expiration of his period of office in accordance with the UK Companies Act, and elect another person in place of a Director so removed from office. Such removal may take place notwithstanding any provision of the Articles or of any agreement between the Company and such Director, but is without prejudice to any claim the Director may have for damages for breach of any such agreement.

### **Proceedings of the Board**

The Directors shall meet at least once every three months, at such intervals as they may determine, for the despatch of business and adjourn and otherwise regulate the Board's proceedings as they think fit. The following shall apply in relation to proceedings of the Board:

- (i) the quorum necessary for Board meetings shall be a majority of Directors (or as applicable, a majority of non-interested Directors);
- (ii) the Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and decide the period for which each is to hold office; and
- (iii) questions arising at any meeting of the Directors shall be determined by a majority of votes. The chairman of the meeting shall have a second vote in case of an equality of votes.

### **Directors' interests**

For the purposes of section 175 of the UK Companies Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

Any such authorisation will be effective only if:

- (i) the matter in question was proposed in writing for consideration at a meeting of the Directors in accordance with the Board's normal procedures or in such other manner as the Directors may resolve;
- (ii) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- (iii) the matter was agreed to without such interested Directors voting or would have been agreed to if their votes had not been counted.

The Directors may extend any such authorisation to any actual or potential conflict of interest which may arise out of the matter so authorised and may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they expressly impose, but such authorisation is otherwise given to the fullest extent permitted. The Directors may also terminate any such authorisation at any time.

### **Restrictions on voting**

Except as provided below, a Director may not vote in respect of any contract, arrangement or any other proposal in which he, or a person connected to him, is interested. Any vote of a Director in respect of a matter where he is not entitled to vote shall be disregarded. Subject to the provisions of the UK Companies Act, a Director is entitled to vote and be counted in the quorum in respect of any resolution concerning any contract, transaction or arrangement, or any other proposal (*inter alia*):

- (i) in which he has an interest, of which he is not aware or which cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (ii) in which he has an interest only by virtue of interests in the Company's shares, debentures or other securities or otherwise in or through the Company;
- (iii) which involves the giving of any security, guarantee or indemnity to the Director or any other person in respect of obligations incurred by him and guaranteed by the Company (or vice versa);
- (iv) concerning an offer of securities by the Company or any of its subsidiary undertakings in which he is or may be entitled to participate as a holder of securities or as an underwriter or sub-underwriter;
- (v) concerning any other body corporate, provided that he and any connected persons do not own or have a beneficial interest in 1 per cent. or more of any class of share capital of such body corporate, or of the voting rights available to the members of such body corporate;
- (vi) relating to an arrangement for the benefit of employees or former employees which does not award him any privilege or benefit not generally awarded to the employees or former employees to whom such arrangement relates;
- (vii) concerning the purchase or maintenance of insurance for any liability for the benefit of Directors;
- (viii) concerning the giving of indemnities in favour of the Directors; or
- (ix) concerning the funding of expenditure by any Director or Directors (a) on defending criminal, civil or regulatory proceedings or actions against him or them, (b) in connection with an application to the court for relief, (c) on defending him or them in any regulatory investigations or (d) incurred doing anything to enable him to avoid incurring such expenditure.

### **Confidential information**

If a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required to disclose such information to the Company or otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director, provided that such an actual or potential conflict of interest arises from a permitted or authorised interest under the Articles. This is without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing the information, in circumstances where disclosure may otherwise be required under the Articles.

### **Powers of the Directors**

The Directors may delegate any of their powers or discretions, including those involving the payment of remuneration or the conferring of any other benefit to the Directors, to such person or committee and in such manner as they think fit. Any such person or committee shall, unless the Directors otherwise resolve, have the power to sub-delegate any of the powers or discretions delegated to them. The Directors may make regulations in relation to the proceedings of committees or sub-committees.

The Directors may establish any local boards or appoint managers or agents to manage any of the affairs of the Company, either in the United Kingdom or elsewhere, and may:

- (i) appoint persons to be members or agents or managers of such local board and fix their remuneration;
- (ii) delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with the power to sub-delegate;
- (iii) remove any person so appointed, and may annul or vary any such delegation; and
- (iv) authorise the members of any local boards, or any of them, to fill any vacancies on such boards, and to act notwithstanding such vacancies.

The Directors may appoint any person or fluctuating body of persons to be the attorney of the Company with such purposes and with such powers, authorities and discretions and for such periods and subject to such conditions as they may think fit.

Any Director may at any time appoint any person (including another Director) to be his alternate Director and may at any time terminate such appointment.

### **Directors' liabilities**

So far as may be permitted by the UK Companies Act, every Director, former Director or Secretary of the Company or of an Associated Company (as defined in section 256 of the UK Companies Act) of the Company may be indemnified by the Company out of its own funds against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust by him or any other liability incurred by him in the execution of his duties, the exercise of his powers or otherwise in connection with his duties, powers or offices.

The Directors may also purchase and maintain insurance for or for the benefit of:

- (i) any person who is or was a Director or Secretary of a Relevant Company (as defined in the Articles); or
- (ii) any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested,

including insurance against any liability (including all related costs, charges, losses and expenses) incurred by or attaching to him in relation to his duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.

So far as may be permitted by the UK Companies Act, the Company may provide a Relevant Officer (as defined in the Articles) with defence costs in relation to any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company of the Company, or in relation to an application for relief under section 205(5) of the UK Companies Act. The Company may do anything to enable such Relevant Officer to avoid incurring such expenditure.

## **12 President**

The Directors may from time to time elect a President of the Company and may determine the period for which the President shall hold office. A President who is not a Director shall be entitled to receive notice of and attend and speak, but not vote, at all meetings of the Board of Directors.

## **13 Borrowing restrictions**

The Directors may exercise all the powers of the Company to borrow money, mortgage or charge all or any part or parts of its undertaking, property and uncalled capital, and issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

## **14 Dividends and other distributions**

The Company may, by ordinary resolution, declare final dividends to be paid to its shareholders. However, no dividend shall be declared unless it has been recommended by the Directors and does not exceed the amount recommended by the Directors.

If the Directors believe that the profits of the Company justify such payment, they may pay dividends on any class of share where the dividend is payable on fixed dates. They may also pay interim dividends on shares of any class in amounts and on dates and periods as they think fit. Provided the Directors act in good faith, they shall not incur any liability to the holders of any shares for any loss they may suffer by the payment of dividends on any other class of shares having rights ranking equally with or behind those shares.

Unless the share rights otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, and apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.

The Directors may deduct from any dividend or distribution of other amounts payable to a member any withholding, Relevant Law Deduction (as defined in the Articles and described below) or other tax attributable to that member (or if different, any direct or indirect beneficial owner(s) of the shares held by such member) and may take any steps necessary to effectuate such withholding, deduction or payment of tax. Relevant Law Deduction refers to any withholding or deduction required by FATCA and any legislation implementing the Organisation for Economic Co-Operation and Development's "Common Reporting Standard" and any official interpretation or guidance thereof and any agreements made pursuant to their implementation.

Any unclaimed dividends may be invested or otherwise applied for the benefit of the Company until they are claimed. Any dividend unclaimed for 6 years from the date on which it was declared or became due for payment shall be forfeited and shall revert to the Company.

The Directors may, if authorised by ordinary resolution, offer to ordinary shareholders the right to elect to receive, in lieu of a dividend, an allotment of new ordinary shares credited as fully paid.

The Company may, by ordinary resolution, resolve to make an allotment and distribution of bonus shares by capitalising a sum standing to the credit of its reserves equal to the Accounting Par Value of the bonus shares to be allotted (such sum not to exceed the amount recommended by the Directors) and if it so decides, to offer members the right to receive a cash dividend in place of their entitlement to such bonus shares (in which case, those bonus shares or that part of the bonus shares for which the relevant member has made a valid election shall not be allotted). The Accounting Par Value of each bonus share (being the nominal value and share premium (if any) or the nominal value and notional share premium (if any)) shall be determined by the Directors. Additionally, the relevant value of any cash dividend to which such member is entitled in place of such allotment and distribution of bonus shares shall be determined by the Directors from time to time.

## **15 Communication with members and failure to supply an address**

The Company may, subject to the Articles and applicable law, send or supply notices, documents or information to members by electronic means and/or by making such notices, documents or information available on a website. Any notice supplied in hard copy form is deemed to be received 24 hours after the time it was posted (or 48 hours where first class mail or registered mail or an equivalent service is not employed for members with a registered address in the UK or South Africa). Any notice supplied in electronic form shall be deemed to be delivered 24 hours after it is transmitted. Any notice which is sent by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

The Company shall not be required to send notices to a shareholder who (i) has not supplied to the Company either a postal address or an electronic address for the service of notices or (ii) has elected or otherwise notified the Company that he/she/it does not wish to receive notices and other communications from the Company.

## **16 Disclosure of shareholding ownership**

In relation to listed companies, the UK Disclosure Guidance and Transparency Rules require a member to notify the company if the voting rights held by such member (including by way of certain financial instruments) reach, exceed or fall below 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent. Under the UK Disclosure Guidance and Transparency Rules, certain voting rights in the company may be disregarded.

## **17 Changes in capital**

The provisions of the Articles governing the conditions under which the Company may alter its share capital are no more stringent than the conditions imposed by the UK Companies Act.