

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom, or if you are taking advice in another jurisdiction, from an appropriately authorised independent professional adviser.

If you have sold or otherwise transferred all of your shares in Oxford Pharmascience Group plc you should deliver this document together with the enclosed Form of Proxy 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. However, this document and any accompanying documents should not be sent or transmitted in, or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations. If you have sold or otherwise transferred only part of your holding of your shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

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## **OXFORD PHARMASCIENCE GROUP PLC**

*(Incorporated and registered in England and Wales with registered number 07036758)*

**Demerger of Oxford Pharmascience Limited;**

**Change of name to Abaco Capital plc;**

**Subdivision and reclassification of the Company's existing issued share capital;**

**Capital reduction, cancellation of share premium account and  
amendment to the Company's Articles of Association;**

**and**

**Notice of General Meeting**

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This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company to be held at the offices of DWF LLP at 20 Fenchurch Street, London EC3M 3AG on 27 November 2017 at 11:00 a.m. is set out at the end of this document. A Form of Proxy for use at the meeting is enclosed with this document and should be returned as soon as possible and in any event so as to be received at the office of the Company's registrars by not later than 11:00 a.m. on 23 November 2017. Completion and posting of the Form of Proxy will not prevent a shareholder from attending and voting in person at the General Meeting.

Copies of this document will be available for collection, free of charge, for a period of one month from the date of this document, at the Company's registered office during normal business hours (Saturdays, Sundays and public holidays excepted) and at the Company's website, [www.oxfordpharmascience.com](http://www.oxfordpharmascience.com).

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document and/or the accompanying Form of Proxy comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities law of any such jurisdiction. In particular, this document should not be distributed, forwarded to or transmitted in or into the United States, Canada, Japan, the Republic of South Africa, New Zealand or Australia.

None of the New Shares to be admitted, as described in this document, have been registered under the securities laws of any other territory other than those pertaining to the United Kingdom.

## CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS	4
DEFINITIONS	5
PART I – LETTER FROM THE CHAIRMAN	7
PART II – BACKGROUND TO AND LEGAL PROCESS FOR THE DEMERGER	13
PART III – THE PARTICIPATING DEFERRED SHARES	17
PART IV – RISK FACTORS	18
PART V – TAXATION	20
PART VI – NOTICE OF GENERAL MEETING	21
APPENDIX – ARTICLES OF ASSOCIATION OF OXFORD PHARMASCIENCE GROUP PLC	A-1

## **FORWARD LOOKING STATEMENTS**

Certain statements contained herein constitute forward-looking statements. The forward-looking statements contained herein include statements about the expected effects of the Capital Reductions and the Demerger, the expected timing and scope of the Capital Reductions and the Demerger and other statements other than in relation to historical facts. Forward-looking statements are statements which contain, without limitation, words such as “intends”, “anticipates”, “targets”, “estimates”, “believes”, “should”, “plans”, “will”, “expects” and similar expressions or statements that are not historical facts. The statements are based on the assumptions and assessments by the Board and are naturally subject to uncertainty and changes in circumstances. By their nature, forward-looking statements involve risk and uncertainty and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, local and global political and economic conditions, future revenues of the Company being lower than expected, expected cost savings from the Capital Reductions and the Demerger or other future transactions not being realised fully or in line with expected timeframes, competitive pressures in the industry increasing, foreign exchange rate fluctuations and interest rate fluctuations (including those from any potential credit rating decline) and legal or regulatory developments and changes. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements.

Neither the Company, nor any of its respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied by any forward-looking statements contained herein will actually occur. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, Market Abuse Regulation, the Disclosure and Transparency Rules of the Financial Conduct Authority and the City Code on Takeovers and Mergers), the Company is not under any obligation and expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## KEY STATISTICS

### *Existing Shares*

Number of Existing Shares of £0.001 in issue at the date of this document 1,205,661,619

### *Participating Deferred Shares*

Number of Participating Deferred Shares of £0.00099 following the Subdivision 1,205,661,619

### *New Shares*

Number of New Shares of £0.00001 following the Subdivision 1,205,661,619

### *Ratio of OPL Shares to Participating Deferred Shares*

1 OPL Share for 25 Participating Deferred Shares

### *Company's residual holding of OPL Shares following the Demerger*

Nil

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	10 November 2017
Latest time and date for receipt of Forms of Proxy for the General Meeting	11:00 a.m. on 23 November 2017
General Meeting	27 November 2017
Latest time and date for transfers of Existing Shares to be registered in order for the transferee to be registered at the Record Date	4 December 2017
Ex entitlement date for the proposed Subdivision	4 December 2017
Record Date for the proposed Subdivision	6:00 p.m. on 4 December 2017
Dealings in New Shares (following Subdivision) expected to commence	5 December 2017
Expected date of High Court hearing to confirm the Capital Reductions	13 December 2017
Expected effective date for the Capital Reductions	20 December 2017
Expected date for completion of the Demerger	20 December 2017
Expected date for the issue of shares in the capital of Oxford Pharmascience Limited to Participating Deferred Shareholders	29 December 2017

### **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 by an appropriate announcement to a Regulatory Information Service.
- (2) References to times in this document are to London times unless otherwise stated.
- (3) All events in the above timetable following the holding of the General Meeting are conditional upon: (i) the passing of the Resolutions; (ii) approval of the Capital Reductions by the High Court; and (iii) registration of the High Court Order confirming the Capital Reductions with the UK Registrar of Companies.

The New Shares will have the same stock identification codes as the Existing Shares as follows:

ISIN: GB00B3LXPB43

SEDOL: B3LXPB4

## DEFINITIONS

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

<b>Act</b>	the Companies Act 2006
<b>AIM</b>	AIM, a market operated by the London Stock Exchange
<b>AIM Rules</b>	the rules of AIM as set out in the publication entitled 'AIM Rules for Companies' published by London Stock Exchange from time to time
<b>Board of Directors or the Board</b>	the board of directors of the Company as at the date of this document, comprising David Norwood, Marcelo Bravo, Chris Hill, James White, John Goddard and Karl Robertson Van Horn
<b>Capital Reductions</b>	the proposed reductions of the Issued Share Capital and Share Premium Account as described in paragraph 4 of Part II of this document
<b>Circular or this document</b>	this document
<b>City Code</b>	the City Code on Takeovers and Mergers
<b>Company</b>	Oxford Pharmascience Group plc, a company incorporated in England and Wales with registered number 07036758 and having its registered office at 2 Royal College Street, London NW1 0NH, to be renamed pursuant to approval of Resolution 6
<b>CREST</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>CREST Regulations</b>	the Uncertified Securities Regulations 2001 (SI 2001/3755), as amended
<b>Demerger</b>	the demerger of all of the Company's OPL Shares to the Participating Deferred Shareholders as described in paragraph 3 of Part II of this document
<b>Existing Articles</b>	the existing articles of association of the Company (as amended) as adopted by special resolution passed on 27 January 2010
<b>Existing Shareholders</b>	the holders of the Existing Shares
<b>Existing Shares</b>	the existing ordinary shares £0.001 each in the capital of the Company
<b>Forms of Proxy</b>	the form or forms of proxy accompanying this document relating to the General Meeting
<b>Group</b>	the Company and OPL
<b>HMRC</b>	Her Majesty's Revenue and Customs
<b>Independent Directors</b>	Chris Hill, James White, John Goddard and Karl Robertson Van Horn
<b>Issued Share Capital</b>	the issued share capital of the Company as at the date of this document, being 1,205,661,619 Existing Shares

<b>General Meeting</b>	the general meeting of the Company to be held at 11:00 a.m. on 27 November 2017 at the offices of DWF LLP at 20 Fenchurch Street, London EC3M 3AG, notice of which is set out at the end of this document, and including any adjournment(s) thereof
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>New Articles</b>	the new articles of association of the Company proposed to be adopted at the General Meeting
<b>New Shares</b>	the new ordinary shares of £0.00001 each in the capital of the Company having those rights set out in the New Articles
<b>Notice of General Meeting</b>	the notice of General Meeting, set out in Part VI of this document
<b>OPL</b>	Oxford Pharmascience Limited, a company incorporated in England and Wales with registered number 06498279 and a wholly owned subsidiary of the Company as at the date of this document
<b>OPL Shares</b>	the ordinary shares of £0.01 each in the capital of OPL
<b>Overseas Shareholders</b>	those Existing Shareholders with registered addresses outside the UK or who are incorporated in, registered in or otherwise resident or located in, countries outside the UK
<b>Participating Deferred Shares</b>	the new participating deferred shares of £0.00099 each in the capital of the Company having the rights set out in the New Articles
<b>Participating Deferred Shareholders</b>	holders of the Participating Deferred Shares
<b>Proposals</b>	together, the Subdivision and the Demerger
<b>Qualifying Holding</b>	a holding of at least 1% of the voting rights which may be cast on a poll at a general meeting of the shareholders of OPL
<b>Record Date</b>	4 December 2017
<b>Registrars</b>	Neville Registrars Limited of Neville House, 18 Laurel Lane, Halesowen B63 3DA
<b>Regulatory Information Service</b>	has the meaning given in the AIM Rules
<b>Resolutions</b>	the resolutions to be proposed at the General Meeting which are set out in full in the Notice of General Meeting
<b>Rule 15 Cash Shell</b>	has the meaning set out in the AIM Rules
<b>Share Premium Account</b>	the share premium account of the Company
<b>Subdivision</b>	the subdivision and reclassification of the Existing Shares into New Shares and Participating Deferred Shares as described in paragraph 3 of Part II of this document
<b>UK or United Kingdom</b>	the United Kingdom of England, Scotland, Wales and Northern Ireland

## PART I

### LETTER FROM THE CHAIRMAN

# OXFORD PHARMASCIENCE GROUP PLC

*(Incorporated and registered in England and Wales with registered number 07036758)*

*Directors:*

David Norwood (*Chairman*)  
Marcelo Bravo (*Chief Executive Officer*)  
Chris Hill (*Chief Financial Officer*)  
James White (*Non-executive Director*)  
John Goddard (*Non-executive Director*)  
Karl Robertson Van Horn (*Non-executive Director*)

*Registered office:*

2 Royal College Street  
London  
NW1 0NH

10 November 2017

*To Shareholders*

Dear Shareholder

#### **Proposed Subdivision and Demerger (and related issues)**

##### **1. Introduction**

Following a strategic review of the Group's operations undertaken by the Board, the Company today announced its intention to demerge its entire holding of shares in the capital of its wholly owned subsidiary, OPL, which holds substantially all of the Group's commercial assets, drug development assets and intellectual property and to distribute the shares in OPL *in specie* to Existing Shareholders.

The objective of the Demerger is to maximise value to Existing Shareholders through the further commercialisation of the Group's existing commercial and development assets and intellectual property in a private vehicle, and provide a continued investment in a Rule 15 Cash Shell seeking to deploy the Company's remaining cash assets through the acquisition of an operating business (or operating assets), with such an acquisition constituting a reverse takeover under Rule 14 of the AIM Rules.

The Demerger is considered to be a fundamental change of business pursuant to Rule 15 of the AIM Rules and therefore requires the approval of Existing Shareholders at the General Meeting. Completion of the Demerger will result in the Company becoming a Rule 15 Cash Shell. In order to achieve the Demerger, the Board is also seeking Existing Shareholder approval to subdivide and re-classify each Existing Share into 1 New Share of £0.00001 and 1 Participating Deferred Share of £0.00099 and amend the Existing Articles by the adoption of the New Articles.

The purpose of this document is to set out the background to and reasons for the Demerger, explain why the Board believes that the Proposals are in the best interests of Existing Shareholders as a whole and detail the Resolutions to be put to the Existing Shareholders at the General Meeting to be held on 27 November 2017. The formal Notice of the General Meeting is set out at the end of this document.

##### **2. Background and reasons for the Demerger**

In June 2015, the Company raised £20 million from the issue of new equity to existing and new shareholders of the Company, the proceeds of which were to be used to continue development of reduced gastrointestinal damage, non-steroidal anti-inflammatory drug products for ibuprofen and naproxen along with a programme to fast-track the development of OXPzero™ Aspirin.

Since raising the new capital, an OXPzero™ Aspirin product proved to be unviable due to stability issues and the pathway to approval for gastric safe OXPzero™ Ibuprofen products in the USA, the Company's biggest potential market, was proved to be economically unviable due to the regulatory complexities imposed by the US Food and Drug Administration.



As a result, the Company decided to focus primarily on its NSAID programmes for over-the-counter markets and has deemed that it no longer requires such a large capital base to execute its streamlined business plan. The Group has always been operated in an efficient and tightly cost-controlled manner and, as a result, Group cash balances stand at £20.6 million as at 31 October 2017.

The Board continues to believe that the OXPzero™ technology platform can be successful as early stage discussions with potential partners are on-going (although with uncertain outcomes), however, operating OPL from within a public company would not offer the best means of achieving that success. The Company's share price has traded below cash for some time indicating that the market does not value the prospects for the technology. In addition, there is a lack of liquidity in the market for its shares.

The Demerger will allow OPL to continue commercialisation efforts of the OXPzero™ platform technology as a private company with cash reserves of approximately £1.3 million whilst revenue will continue to be generated from the on-going sales of calcium chew products, and provides Existing Shareholders with continued investment in this business through the receipt of OPL Shares. Existing Shareholders will also retain the potential upside from continuing interests in the Company via the investment of its cash resources (being the sum of approximately £19.3 million as at 31 October 2017) into other opportunities as further described below. The Board believes the Demerger to be in the best interests of the Company and Existing Shareholders.

The profits attributable to OPL are a loss before tax of £1.5 million for the twelve months ended 31 December 2016 and a loss before tax of £1.2 million for the six months ended 30 June 2017.

### **3. Rule 15 Cash Shell**

Following completion of the Demerger, the Company will become a Rule 15 Cash Shell and as such will be required to make an acquisition or acquisitions which constitutes a reverse takeover under Rule 14 of the AIM Rules (including seeking re-admission as an investing company, as defined under the AIM Rules) on or before the date falling six months from completion of the Demerger.

In seeking and considering potential acquisitions, the Board of Directors intends to identify opportunities offering the potential to deliver value creation and returns to shareholders over the medium to long-term. The Company will consider investment opportunities in any sectors as they arise, however, the Board of Directors have a combined skill set and experience particular to the pharmaceutical, biotechnology and technology sectors.

As required under Rule 15 of the AIM Rules, the Directors' initial priority in considering investments will be to seek an acquisition which would constitute a reverse takeover and then form the primary trading business of the Company going forward. Following the completion of such a reverse takeover, however, the Directors will also consider other investments, to the extent it has additional cash resources. If the Directors are unable to identify a compelling reverse takeover target, they retain the option to return capital to shareholders.

The Company will consider investment opportunities anywhere in the world. Investments may be made by way of purchasing shares in appropriate companies, outright acquisition or by the acquisition of assets, including the intellectual property, of a relevant business, or by entering into partnerships or joint venture arrangements.

Such investments may result in the Company acquiring the whole or part of a company or project (which in the case of an investment in a company may be private or listed or quoted on a stock exchange, and which may be pre-revenue), and such investments may constitute a minority stake in the company or project in question. The Company may be both an active and a passive investor depending on the nature of the individual investments.

Although the Company intends to be a medium to long-term operator or investor, the Company places no minimum or maximum limit on the length of time that any investment may be held and therefore shorter term disposal of any investments cannot be ruled out. The Company intends there to be no absolute limit on the number of projects into which the Company may invest, and the Company's available financial resources



may be invested in a number of propositions or in just one opportunity, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules. This approach will allow investments to be in all types of assets and there will be no investment restrictions.

Failing to complete such an acquisition(s) (or otherwise seek to admit as an investing company under Rule 8 of the AIM Rules), within six months from completing the Demerger, would result in the New Shares being suspended from trading on AIM pursuant to Rule 40 of the AIM Rules. Admission to trading on AIM of the New Shares would be cancelled six months from the date of suspension, under Rule 41 of the AIM Rules, should the reason for the suspension not have been rectified.

Following completion of the share capital re-organisation, the Board will retain the right to distribute the cash reserves of the Company to shareholders, to the extent that such cash resources are not considered necessary for any acquisition, the operation of any enlarged business and/or for investment purposes.

#### **4. Proposed Board Changes**

It is intended that the Group's existing chief executive officer, Marcelo Bravo, will continue to lead the development of OPL's commercial assets as chief executive of OPL, and will accordingly resign from his position as Chief Executive Officer of the Company upon completion of the Demerger. It is intended that both James White and Karl Robertson Van Horn will also resign from their positions as non-executive directors of the Company. Karl Robertson Van Horn will be appointed as a director of OPL and will act in a non-executive capacity on the OPL board of directors, to provide guidance and oversight to the commercialisation of OPL's assets.

Chris Hill will remain as Chief Financial Officer and a director of the Company and will remain a director of OPL to provide financial management services to OPL.

Therefore following completion of the Demerger, the board of OPL will consist of Marcelo Bravo, Chris Hill and Karl Robertson Van Horn, with David Norwood, Chris Hill and John Goddard remaining as Chairman, Chief Financial Officer and Non-Executive Director of the Company, respectively.

As a result of the above proposed changes, Marcelo Bravo and Karl Robertson Van Horn will enter into new service contracts with OPL. It is expected that Marcelo Bravo will work two to three days per week for OPL and Karl Robertson Van Horn will continue on the same terms for OPL as he had in place with the Company prior to the Demerger. In relation to the remaining Company appointments, it is expected that there will be a reduction in the number of hours the directors are required to provide to the Company following the Demerger (although a degree of flexibility will be required to reflect increased working commitments required to evaluate, negotiate and enter into any investment opportunities referred to in paragraph 3 above).

#### **5. Change of name**

Following completion of the Demerger, OPL will keep its corporate name and continue to trade under such name. Given that OPL will no longer be a subsidiary of the Company and to reflect the new strategy of the Company, a proposal to change the Company's name to "*Abaco Capital plc*" is included in the Resolutions.

#### **6. Background to and legal process to give effect to the Demerger**

In order to effect the Demerger, the Group is required to undertake a legal process, including the Subdivision and the Capital Reductions, which are subject to Existing Shareholder approval at the General Meeting. Further details on this process are set out in Part II of this Circular.

#### **7. Related Party Transactions**

The Demerger constitutes related party transactions under Rule 13 of the AIM Rules with each of Woodford Investment Managers and Richard Griffiths, as substantial shareholders of the Company and David Norwood and Marcelo Bravo, as directors of the Company, (each being a "**Related Party**" and together being the "**Related Parties**"). Based upon the Related Parties' shareholdings in the Company as at the date

of this document, upon completion of the Demerger, the Related Parties will have the following holdings in each of the Company and OPL:

	<i>Current holding of Existing Shares</i>	<i>% of current holding of Existing Shares</i>	<i>% of issued share capital of the Company following the Demerger</i>	<i>% of issued share capital of OPL following the Demerger</i>
Woodford Investment Managers	401,597,920	33.31	33.31	33.31
Richard Griffiths	170,553,029	14.13	14.13	14.13
David Norwood	105,938,633	8.79	8.79	8.79
Marcelo Bravo	65,000,000	5.39	5.39	5.39

**Note:**

The above figures assume no changes to the underlying holdings of the named shareholders after publication of this document and before the Record Date.

Chris Hill, James White, John Goddard and Karl Robertson Van Horn are deemed to be independent of the Demerger for the purposes of Rule 13 of the AIM Rules. The Independent Directors, having consulted with the Company's nominated adviser, N+1 Singer, consider that the terms of the Demerger referred to above are fair and reasonable in so far as the Existing Shareholders are concerned.

**8. Company's authority to purchase its own shares**

Authority is sought from Existing Shareholders for the Company to make market purchases of New Shares (subject to completion of the Subdivision), such authority being limited to the purchase of up to 10 per cent. of the issued share capital of the Company following the Demerger. Resolution 7 is proposed in this regard and sets out the maximum and minimum prices that can be paid.

The Directors have no present intention of exercising the authority to purchase New Shares. The authority will be exercised only if the Directors believe that to do so would result in an increase in earnings per share or an increased net asset value per share (or both) for the Company's shareholders, and would be likely to promote the success of the Company for the benefit of its shareholders as a whole.

The Company may either cancel any New Shares which it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

**9. Share Option Schemes**

Certain Directors and employees of the Company and OPL have signed deeds of surrender contingent on approval of the Demerger or have confirmed their intention to surrender share options in respect of options over 98,200,000 shares in the Company.

Following the Demerger, in order to incentivise its employees, it is proposed that OPL will adopt its own employee share schemes. On completion of a reverse takeover in accordance with Rule 14 of the AIM Rules, the Company would also look to adopt new employee share option schemes.

**10. Taxation**

There should be generally no tax liabilities under normal capital gains tax or income tax on dividend rules for UK resident Existing Shareholders arising from the proposed transactions.

Details and risk factors of the UK tax treatment are set out in Part V of this document (Taxation). Shareholders who are Venture Capital Trusts or have other privileged tax treatment should confirm their specific position, as further detailed in Part V.

If shareholders are in any doubt about their tax position or are subject to tax in a jurisdiction other than the UK, they should consult a professional adviser. The absence of any reference to the tax consequences of the

Demerger for Existing Shareholders who are subject to tax in any other particular jurisdiction should not be taken to imply that the implementation of the Demerger might not have adverse tax consequences for such Existing Shareholders.

#### **11. Restricted Shareholders**

Within the timetable for the Demerger, the Board have provided for a period of seven days following the General Meeting during which Existing Shareholders will be able dispose of Existing Shares they hold prior to the Record Date. Any Existing Shareholders who are unable or do not wish to hold shares in the capital of a private company limited by shares should ensure that they have disposed of their Existing Shares by the Record Date.

It is the Board's current intention that OPL will put in place an electronic off-market dealing facility for the OPL Shares following completion of the Demerger. This facility would allow shareholders of OPL to trade their OPL Shares on a matched bargain and arm's length basis via periodic auctions.

#### **12. Overseas Shareholders**

The implications of the Demerger for Overseas Shareholders may be affected by the laws of the jurisdiction in which they are resident or otherwise located. Overseas Shareholders should inform themselves about and observe all applicable legal requirements. It is the responsibility of any person into whose possession this document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the transfer of OPL Shares pursuant to the Demerger, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

#### **13. Action to be taken**

A reply-paid Form of Proxy for use in connection with the General Meeting is enclosed with this document. Whether or not you intend to be present at the General Meeting, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed thereon to the Company at the Company's registrars as soon as possible and, in any event, not later than 11:00 a.m. on 23 November 2017, being 48 hours before the time of the General Meeting. The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you subsequently wish to do so.

The proposals can only be implemented if the Resolutions are approved by the requisite majority at the General Meeting and the Capital Reductions are confirmed by the High Court. It is therefore important that you either vote in person or by proxy at the General Meeting.

Shareholders are reminded that, if their Shares are held in the name of a nominee, only that nominee or its duly appointed proxy can be counted in the quorum at the General Meeting.

#### **14. Recommendation**

The Board considers that the Proposals and the passing of the Resolutions to be proposed at the General Meeting are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board of Directors unanimously recommends that you vote in favour of the Resolutions set out in the Notice of General Meeting as the Board of Directors intend to do in respect of their own (and connected persons') beneficial shareholdings totalling 170,938,633 Existing Shares, representing approximately 14.18% of the Company's issued voting share capital as at the date of this document.

Whether or not you are able to attend the General Meeting in person, please read the Notice of General Meeting set out at the end of this document and the enclosed Form of Proxy, including the notes thereto,

carefully to ensure you are able to record your votes in respect of the Resolutions to be proposed at the General Meeting.

Yours faithfully

**David Norwood**  
*Chairman*

## PART II

### BACKGROUND TO AND LEGAL PROCESS FOR THE DEMERGER

#### 1. Background and reasons for the cancellation of the Share Premium Account

The Board considers it highly desirable that the Company has the maximum flexibility to consider the payment of dividends and otherwise return value to its shareholders. However, the Company is generally precluded from the payment of any dividends or other distributions or the redemption or buy back of its shares in the absence of sufficient distributable reserves.

The Share Premium Account currently stands at approximately £31.8 million. As at 30 September 2017, the Company had a retained earnings deficit of approximately £13.2 million. It is proposed that all of the Share Premium Account be cancelled.

The purpose of the cancellation of the Share Premium Account is to create distributable reserves in the Company to facilitate the future consideration of payment of dividends to shareholders, where justified by the profits of the Company, or to allow the redemption or buy back of the Company's shares. As the Company currently has negative distributable reserves, it is prohibited from returning money to its shareholders including by way of dividends or carrying out buybacks of the Company's shares (if considered appropriate). The proposed cancellation of the Share Premium Account will create sufficient distributable reserves to enable such distributions or buy-backs (if considered appropriate) to be made.

If the cancellation of the Share Premium Account is approved by the Existing Shareholders at the General Meeting, it will be subject to the scrutiny of, and confirmation by, the High Court to ensure that the interests of existing creditors are protected and, subject to that confirmation and registration by the Registrar of Companies of the order of the High Court, is expected to take effect by 20 December 2017. Assuming that there is no material change in the financial position or prospects of the Company, and subject to any undertakings which the Company may be required to offer the High Court for the protection of creditors, the Board anticipates that the cancellation of the Share Premium Account will result in the creation of distributable reserves of approximately £31.8 million. Once the retained earnings deficit is extinguished, the sum of up to £18.6 million will be potentially available for the purposes set out in the paragraph above.

#### 2. OPL Shares

It is intended that OPL Shares will be registered in CREST in advance of their distribution to Participating Deferred Shareholders. The directors of OPL have confirmed to the Company that they intend to maintain regular communication with its shareholders through OPL's website [www.oxfordpharmascience.com](http://www.oxfordpharmascience.com) with regular news releases and updates on business development and performance.

It is the Board's current intention that OPL will put in place an electronic off-market dealing facility for the OPL Shares. This facility would allow shareholders of OPL to trade their OPL Shares on a matched bargain and arm's length basis via periodic auctions.

Shareholders' attention is drawn to the Risk Factors set out in Part IV of this document which highlight the consequences of owning the OPL Shares directly rather than indirectly through their shareholdings in the Company and the differences between holding these shares as a private limited company and through a public company whose shares are listed on AIM.

A summary of the rights attaching to the OPL Shares, pursuant to the articles of association of OPL to be adopted prior to completion of the Demerger, follows:

#### ***Voting Rights:***

Every shareholder present in person, by proxy or by a duly authorised corporate representative at a general meeting of OPL shall have one vote on a show of hands and, on a poll, every shareholder present in person,

by proxy, or by a duly authorised corporate representative shall have one vote for every OPL Share of which he is the holder.

***Dividends:***

Any profits which OPL determines to distribute in respect of any financial year shall be distributed amongst the holders of OPL Shares then in issue according to the number of OPL Shares held by them.

***Variation of rights:***

Subject to the Act, if the capital of OPL is divided into different classes of shares, the rights attached to any class of share may be varied or abrogated (whether or not OPL is being wound up) with the written consent of the holders of at least 75% of the issued shares of that class.

***Further issue of shares:***

If OPL proposes to allot any relevant securities, such relevant securities must first be offered to all shareholders holding OPL Shares on the same terms and at the same price as those relevant securities are being offered to other persons on a *pari passu* and *pro rata* basis to the number of OPL Shares held by those holders.

***Transfers of shares:***

In the event that the OPL Shares are traded on an electronic off-market dealing facility, the OPL Shares will be freely transferrable. If the OPL Shares are not traded on an electronic off-market dealing facility, the following provisions relating to transfers of OPL Shares will apply:

Transfers of the OPL Shares are permitted as follows:

- (a) a transfer of OPL Shares approved by the holders of in aggregate 50% or more of the total number of OPL Shares in issue may be made without restriction as to price or otherwise;
- (b) a transfer of OPL Shares made by an OPL shareholder which is a body corporate to a member of its group;
- (c) a transfer of OPL Shares made by an OPL shareholder to a privileged relation or to trustees to be held upon a family trust.

Save for any permitted transfer of shares referred to above, any OPL shareholder who wishes to transfer any interest in OPL Shares must serve a transfer notice on OPL. The sale price for the shares shall be agreed between the seller and the directors of OPL, or in the absence of such agreement OPL shall have the ability to refer the matter to an independent expert. Such sale shares shall be offered for sale by OPL (i) first to OPL (to the extent that OPL is lawfully able to buyback such shares) and (ii) second to all holders of OPL Shares (other than the seller).

***Drag-along:***

If the holders of 90% of the OPL Shares wish to transfer their interest in the OPL Shares (“**Dragging Shareholders**”) to a bona fide arms’ length purchaser, such selling shareholders shall have the option to require the remaining OPL shareholders to sell and transfer all their shares to that purchaser. The consideration payable to the OPL shareholders whose shares are to be acquired under the drag-along procedure shall be the same as the consideration payable to the Dragging Shareholders.

***Tag-along:***

Notwithstanding any other provision of the OPL articles of association, no sale or transfer of any interest in any OPL Shares (“**Specified Shares**”) shall have any effect if it would result in a controlling interest (being an interest in shares giving the holder(s) control of OPL within the meaning of section 1124 of the Corporation Tax Act 2010) being obtained before the proposed transferee has made a bona fide offer to purchase all the OPL Shares held by the other holders of OPL Shares. The consideration payable to such other shareholders shall be a price per OPL Share that is equal to the highest price paid by the transferee (or

persons acting in concert with him or connected with him) for any OPL Shares in the previous six months plus an amount equal to the relevant proportion of any other consideration payable to the holders of the Specified Shares.

### **3. Demerger and Subdivision**

It is the Board's intention that all of the Company's holding of OPL Shares will be demerged to the Existing Shareholders as part of the Demerger. The Company's residual holding of OPL Shares will be nil.

In order to effect the Demerger, a number of events need to occur which are set out below.

#### ***Amending Articles of Association***

The Company needs to amend its Existing Articles to create two new classes of share (the New Shares and the Participating Deferred Shares) and make some consequential amendments as a result. The amendments to the Existing Articles are shown in the blacklined version of the New Articles attached to the Notice of General Meeting. Such amendments are proposed to be effected by the adoption of the New Articles. A summary of the two classes of Shares is as follows:

#### ***The New Shares***

The rights attaching to the New Shares will be the same as the Existing Shares save that they will have a nominal value of £0.00001 and are subject to the rights of the Participating Deferred Shares.

#### ***The Participating Deferred Shares***

The Participating Deferred Shares will carry all of the "economic rights" to OPL (for as long as the Company has a Qualifying Holding) so that the Company's value in its holding of shares in OPL is ring-fenced for the Existing Shareholders. The Participating Deferred Shares will be non-voting (meaning that they do not allow the holder(s) to attend and/or vote at general meetings of the Company), and will only be allowed to participate in a return of capital of the Company in certain limited circumstances. Further details of the rights and restrictions attaching to the Participating Deferred Shares are set out in Part III of this document.

#### ***Subdivision***

Conditional upon the Existing Shareholders approving the adoption of the New Articles and the creation of the New Shares and the Participating Deferred Shares, the Existing Shareholders' holdings of Existing Shares will be subdivided and reclassified such that each Existing Share of £0.001 will be subdivided and reclassified into 1 New Share of £0.00001 and 1 Participating Deferred Share of £0.00099.

The Subdivision will be made by reference to holdings of Existing Shares on the Record Date, being 4 December 2017.

#### ***Settlement***

If the Reorganisation is approved, the New Ordinary Shares will be re-admitted to trading on AIM with no change to the existing ISIN: GB00B3LXPB43.

Following the Subdivision, each Existing Shareholder's proportionate holding of New Shares out of the Company's total issued New Shares shall remain unchanged, therefore no new share certificates will be issued, and Shareholders' existing certificate(s) will remain valid for the quantity shown.

Shareholders who hold their entitlement to Existing Ordinary Shares in uncertificated form through CREST should expect the CREST description of the stock adjusted to reflect their nominal value on 5 December 2017.

No certificates will be issued in respect of the Participating Deferred Shares.



### ***Demerging the OPL Shares***

Once the Capital Reductions are approved by the Court (see Paragraph 4 of this Part II) the Participating Deferred Shares will be cancelled and the Company shall distribute to the Participating Deferred Shareholders in specie all of its holding of OPL Shares on the basis of 1 OPL Share for every 25 Participating Deferred Shares held. Fractional entitlements will be ignored.

#### **4. Capital Reductions – Procedure**

In order to effect the Capital Reductions, the Company first requires the authority of its Existing Shareholders by the passing of special resolutions at the General Meeting. Resolutions 4 and 5 are proposed in this regard.

The Capital Reductions must be confirmed by the High Court, to which the Company will make an application if Resolutions 4 and 5 are passed. If the Capital Reductions are confirmed by the High Court, the Company will effect the Demerger by distributing in specie its entire holding of OPL Shares to the Participating Deferred Shareholders.

The Board has provisionally scheduled the two Court hearings, at which, subject to the discretion of the High Court, the Capital Reductions will be confirmed. The actual dates of the Court hearings to confirm the Capital Reductions will be advertised in a national newspaper, as directed by the High Court, at least seven days prior to the second of these Court hearings.

The Capital Reductions will take effect when the Order of the High Court confirming them and a statement of capital approved by the High Court have been registered with the Registrar of Companies. The effective date of the Capital Reduction is currently expected to be no later than 20 December 2017. The date is likely to be within a few working days of the hearing at which the Capital Reductions are confirmed by the High Court, which is currently scheduled to be on 13 December 2017.

In order to approve the Capital Reductions, the High Court will need to be satisfied that the interests of the creditors of the Company will not be prejudiced. It is unlikely that any undertaking will be required to be given by the Company regarding the use of the reserve arising on the Capital Reductions given that the Company has been advised that the relatively small amount due to creditors and the value of the assets of the Company reduce the likelihood that such an undertaking would be required.

The Board reserves the right (where necessary by application to the High Court) to abandon, discontinue or adjourn any application to the High Court for confirmation of the Capital Reductions, and hence the Capital Reductions themselves, if the Board believes that the terms required to obtain confirmation are unsatisfactory to the Company or if as the result of a material unforeseen event the Board considers that to continue with the Capital Reductions is inappropriate or inadvisable.

## PART III

### THE PARTICIPATING DEFERRED SHARES

The Participating Deferred Shares shall have the following rights and shall be subject to the following restrictions:

- (a) The Participating Deferred Shares shall not entitle their holders to participate in the profits or the assets of the Company other than:
  - (i) on a winding up of the Company as provided by paragraph (b)(ii) below; or
  - (ii) as set out in (g) below.
- (b) The Participating Deferred Shares shall:
  - (i) not entitle their holders to receive notice of or to attend, speak or vote at any general meeting of the Company by virtue of or in respect of their holding of Participating Deferred Shares;
  - (ii) (save to the extent any of the Company's assets are in respect of or derived from its holding of OPL Shares for as long as the Company has a Qualifying Holding) entitle their holders on a return of capital on a winding-up of the Company or otherwise only to the repayment of the capital paid up or credited as paid up on such Participating Deferred Shares and only after the sum of £1,000,000 per New Share has been distributed among the holders of the New Shares and the holders of the Participating Deferred Shares shall not be entitled to any further participation in the assets or profits of the Company.
- (c) Neither the passing by the Company of any special resolution for the cancellation of Participating Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court, nor the obtaining by the Company nor the making by the Court of any order confirming any such reduction of capital, nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Participating Deferred Shares. Accordingly, the Participating Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with the Act without sanction on the part of the holders of the Participating Deferred Shares.
- (d) No share certificates will be issued in respect of the Participating Deferred Shares.
- (e) The Participating Deferred Shares shall not be capable of transfer by the holder of any Participating Deferred Shares (save upon the death of such a holder).
- (f) The rights attaching to the Participating Deferred Shares shall not be, or deemed to be, varied, modified or abrogated by the creation, allotment or issue of any shares in the capital of the Company of any class (whether ranking *pari passu* with or in priority to them) or anything done pursuant to or any other act, matter or thing whatsoever save for any proposal to vary (otherwise than to the advantage of the holders of the Participating Deferred Shares) the rights of the holders of the Participating Deferred Shares to participate in a return of capital.
- (g) For as long as the Company has a Qualifying Holding, the profits and value attributable to the Company's holding of OPL Shares shall accrue to the holders of OPL Shares.

## PART IV

### RISK FACTORS

The Directors draw to the attention of Shareholders the following factors which should be taken into account in assessing whether or not to vote in favour of the Resolutions.

This section addresses the existing and future material risks that relate to the Demerger and the Company (in the context of the Demerger). The risks below are not the only ones that the Company and OPL will face. Some risks are not yet known and some that are not currently deemed material could later turn out to be material. Shareholders and prospective investors should read this section in conjunction with this entire document.

The Directors draw to the attention of Shareholders the following factors which should be taken into account in assessing whether or not to vote in favour of the Resolutions relating to the Demerger,

#### **Risks associated with Rule 15 Cash Shell status**

- (a) As a Rule 15 Cash Shell, the future success of the Company will depend on the Directors' ability to identify, and the availability of, suitable acquisition opportunities at an acceptable price, the Company's ability to compete effectively for these opportunities and the ability to fund or the availability of capital to complete such acquisition(s). Whilst the Directors are optimistic about its prospects, the Company has not yet identified an acquisition or acquisitions which would constitute a reverse takeover under Rule 14 of the AIM Rules.
- (b) As a Rule 15 Cash Shell, the Company is required to undertake an acquisition constituting a reverse takeover pursuant to Rule 14 of the AIM Rules within six months of becoming a Rule 15 Cash Shell. Failure to identify, secure and complete such a reverse takeover within this time frame would be highly likely to result in the suspension and/or cancellation of trading of the New Shares on AIM. In these circumstances, the Company would retain the right to return available cash to Shareholders.
- (c) The Company expects that a number of other entities will compete with it to make the types of acquisitions that it seeks to make. Competition for the acquisition of companies and/or assets may have the effect of increasing the price which the Company will need to pay in order to secure the acquisition. Many of these competitors may be substantially larger and have greater financial, technical, transaction execution and marketing capabilities than may be available to the Company. Some competitors may have a lower cost of capital and access to funding sources that are not available to the Company, which may give rise to competitive disadvantages for the Company with respect to acquisition opportunities. A failure by the Company to compete effectively with other entities operating in this environment may result in the loss of acquisition opportunities.
- (d) Alongside seeking an acquisition which would constitute a reverse takeover under Rule 14 of the AIM Rules, the Company may also seek to acquire interests in companies. Such an investment strategy may involve certain risks including, amongst others, unidentified past or future liabilities relating to the operations or assets and the inability to receive accurate and timely information about these operations or assets of investee companies in order to make informed investment decisions. As with any investment, those investments may fall in value and it is possible that the total loss in value of such investments (being the value of the initial investments and, where relevant, any gains and/or subsequent additional investments) may be significant. Underperformance or failure of one or more of the investments may have an adverse effect on the value of the Company. There can be no guarantee that the investment objectives of the Company will be met and the Company's ability to achieve its investment objectives may be adversely affected in the event of any significant or sustained changes in market returns or volatility.
- (e) As described above, the Company is required to complete a reverse takeover within six months of becoming a Rule 15 Cash Shell. The Company may incur substantial legal, financial and advisory

expenses arising from such a transaction and in doing so there can be no guarantee that such a transaction would ultimately be successful.

- (f) The Directors intend to use the Company's existing cash resources to fund any acquisition(s). To the extent the Company has insufficient cash resources or is required to use equity as an incentive in order to secure such an acquisition(s), the Directors may be required to supplement the consideration payable through the issue of new equity. The dilutive effect of any such issue of New Shares could be significant on Existing Shareholders and any such issues could have a detrimental impact on the enlarged group's resultant share price.
- (g) The investment objectives set out in this document may be modified and altered from time to time without the need for prior consultation or approval of Shareholders. It is possible that the approaches adopted to identify an appropriate acquisition in the future may be different from those the Directors currently expect to use, and which are disclosed in this document. If the investing objectives are changed it is possible that any sector of focus may be one in which shareholders in the Company now do not consider to be in keeping with their own investment objectives.

#### **Risks associated with holding shares in private companies**

- (a) In the event that OPL does not implement an electronic off-market dealing facility for the OPL Shares, there will be no market facility for dealing in the OPL Shares and no price will be quoted for OPL Shares publicly or otherwise. As such, interests in OPL Shares are unlikely to be readily capable of sale and where a buyer is identified, it may be difficult to place a fair value on any such sale.
- (b) As a private limited company, OPL will not be subject to the AIM Rules or the City Code and shareholders will only be able to rely on the protections afforded to minority shareholders under general English law.
- (c) OPL is currently reliant on cash funding from the Company which it has previously raised from investors. OPL may need to raise additional funding in order to commercialise its assets and the OXPzero™ technology platform, which would have a dilutive impact on existing shareholders. There is a risk that OPL may not secure additional funding or that the funding raised is insufficient to see the business through to full commercialisation. If any required additional funds are not forthcoming, OPL would have to seek alternative external financing or reduce the costs of ongoing operations to be able to continue to meet its obligations as they fall due.
- (d) Without re-registering as a public limited company, OPL as a private limited company is not able to raise money by offering shares to the public.
- (e) OPL will not be subject to the rules relating to disclosure of interests in shares set out in the Disclosure and Transparency Rules of the Financial Conduct Authority, such that it may be difficult to ascertain the ownership of OPL Shares from time to time.
- (f) The levels of transparency and corporate governance within OPL following the Demerger are unlikely to be as stringent as for a public limited company whose shares are admitted to trading on AIM.
- (g) Certain existing or prospective customers and suppliers may be unwilling to trade or continue to trade with OPL on terms with which OPL has become accustomed to trade in the event that OPL no longer has a parent whose shares are admitted to trading on AIM.

## **PART V**

### **TAXATION**

Comments made regarding taxation are intended to apply only a general guide to current UK tax law and to the current practice of HMRC, both of which are subject to change possibly with retrospective effect.

Any change in the Company's tax status or in tax legislation could affect the Company's ability to provide returns to Shareholders or alter post tax returns to Shareholders.

#### **Clearances**

Clearance has been obtained under section 1091 Corporation Taxes Act 2010 (“**CTA 2010**”), confirming that the distribution of the OPL Shares will qualify as an exempt distribution within the meaning of sections 1075 and 1076 CTA 2010. The clearance application indirectly confirms that no income tax liability shall arise on the exempt distribution.

Any shareholder who is a Venture Capital Trust should not expect its ongoing holding in Existing Shares or New Shares to continue to be a “qualifying holding” as on the face of it the Demerger would not constitute a scheme of reconstruction. However as no statutory clearance is available this cannot be confirmed and such shareholders should consider obtaining confirmation direct from HM Revenue and Customs.

The Demerger is expected to give rise to a receipt of value from the Company for those Existing Shareholders who have claimed relief under the Enterprise Investment Scheme (“**EIS**”). The value received would be equivalent to the market value of the OPL Shares distributed to the particular Existing Shareholder at the time of the Demerger. In consequence, EIS income tax relief is expected to be withdrawn in respect of that receipt of value for those Existing Shareholders who have claimed it in respect of an issue of Existing Shares within the three years immediately before the Demerger. Any such Existing Shareholder is advised to contact HMRC.

#### **Taxation of chargeable gains**

For the purposes of UK taxation of chargeable gains (“**CGT**”) the reorganisation will constitute a reorganisation under section 192 of the Taxation of Chargeable Gains Act 1992 (“**TCGA 1992**”) in the case of exempt distributions.

Existing Shareholders will therefore not be treated as making a disposal for CGT purposes of their Existing Shares as a result of receiving New Shares and Participating Deferred Shares. Consequently no chargeable gain or loss should arise on the issue of the New Shares and Participating Deferred Shares to the Existing Shareholders or on the cancellation of the Participating Deferred Shares. The New Shares and Participating Deferred Shares should be treated as the same asset as the Existing Shares, acquired on the same date and for the same consideration as the Existing Shares were acquired.

Accordingly, the Existing Shareholder's original base cost in their Existing Shares should be apportioned between their New Shares and OPL Shares by reference to the market values of the New Shares and OPL Shares on the first day of dealings in such New Shares as derived from the Official List.

## PART VI

### NOTICE OF GENERAL MEETING

# OXFORD PHARMASCIENCE GROUP PLC

*(Incorporated and registered in England and Wales with registered number 07036758)*

**NOTICE IS HEREBY GIVEN** that a General Meeting of Oxford Pharmascience Group plc (the “**Company**”) will be held at the offices of DWF LLP at 20 Fenchurch Street, London EC3M 3AG at 11:00 a.m. on 27 November 2017 for the purpose of considering and, if thought fit, passing the following resolutions as an Ordinary Resolution or Special Resolutions as specified below:

#### ORDINARY RESOLUTION

1. THAT the demerger of Oxford Pharmascience Limited to the Company’s shareholders, as described in the circular of the Company dated 10 November 2017, be and is hereby approved for the purposes of Rule 15 of the AIM Rules.

#### SPECIAL RESOLUTIONS

2. THAT the regulations produced and annexed to the copy of this Notice be adopted as the Company’s articles of association to the exclusion of all others.
3. THAT conditional upon the passing of Resolution 2, each of the existing ordinary shares of £0.001 each in the capital of the Company be subdivided into 1 Ordinary Share of £0.00001 each and 1 Participating Deferred Share of £0.00099 each (“**Participating Deferred Share**”) having the rights and restrictions set out in the Company’s articles of association as adopted pursuant to Resolution 1.
4. THAT conditional upon passing Resolutions 1 to 3, the issued share capital of the Company be reduced by cancelling and extinguishing all of the Participating Deferred Shares of £0.00099 each and returning all of the capital paid up on those shares to the holders of them to be satisfied *in specie* by the transfer to them of the Company’s entire holding of shares in the capital of Oxford Pharmascience Limited on the basis of 1 ordinary share in Oxford Pharmascience Limited for every 25 Participating Deferred Shares.
5. THAT conditional upon passing Resolution 4, the capital and reserves of the Company be reduced by cancelling and extinguishing the entire amount standing to the credit of the Company’s share premium account.
6. THAT the Company’s name be changed to “*Abaco Capital plc*”.
7. THAT, conditional on the passing of Resolution 4, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of £0.00001 each provided that:
  - 7.1 the maximum aggregate number of ordinary shares that may be purchased is 120,566,161
  - 7.2 the minimum price (excluding expenses) which may be paid for each ordinary share is £0.00001;
  - 7.3 the maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:
    - (a) 105 per cent of the average market value of an ordinary share in the Company for the five business days prior to the day the purchase is made; and

- (b) the value of an ordinary share calculated on the basis of the higher of the price quoted for:
  - (i) the last independent trade of; and
  - (ii) the highest current independent bid for,any number of the Company's ordinary shares on the trading venue where the purchase is carried out.

The authority conferred by this resolution shall expire at the conclusion of the Company's next annual general meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

By Order of the Board

**David Norwood**  
*Chairman*



## NOTES:

- 1 The Resolutions are proposed as an Ordinary Resolution and Special Resolutions as indicated. This means that for the Resolutions to be passed, at least three-quarters of the votes cast on such Resolutions must be in favour of such Resolutions for Special Resolutions and a majority of the votes cast must be in favour of such Resolution for the Ordinary Resolution.
- 2 Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars.
- 3 To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the office of the Company's registrars no later than 48 hours before the time appointed for holding the meeting.
- 4 The return of a complete proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 7 below) will not prevent a shareholder attending the meeting and voting in person if he/she wishes to do so.
- 5 To be entitled to attend and vote at the meeting or any adjournment (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company 48 hours (excluding non-working days) before the time appointed for holding the meeting or adjourned meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 6 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so 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.
- 7 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 & Ireland's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or 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 issuer's agent (ID 7RA11) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp 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.
- 8 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland 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.
- 9 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.
- 10 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- 11 Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Company No 7036758

The Companies Act 2006

Public Company Limited by Shares

**NEW**

**ARTICLES OF ASSOCIATION**

of

**OXFORD ~~NUTRASCIENCE~~PHARMASCIENCE GROUP PLC**

Incorporated on 7 October 2009

Adopted Pursuant to a Special Resolution passed on \_\_\_\_\_ ~~2010~~ 2017

## 1 Interpretation

1.1 In these Articles, if not inconsistent with the subject or context, the following words and expressions shall have the meanings stated:

“ACT”	the Companies Act 2006
“THESE ARTICLES”	these Articles of Association as from time to time altered
“AIM”	AIM market operated by the London Stock Exchange
“AUDITORS”	the auditors of the Company
“BOARD” or “DIRECTORS”	the directors of the Company or a quorum of the directors present at a board meeting
“CERTIFICATED”	in relation to a share, a share which is recorded in the register of members of the Company as being held in certificated form
“COMPANIES ACTS”	means as defined in section 2 of the Act, in so far as they apply to the Company
“COMPANY”	Oxford <del>Nutrascience</del> <u>Pharmascience</u> Group plc (company number 7036758)
“DEBENTURE” and “DEBENTURE HOLDER”	include debenture stock and debenture stockholder
“ELECTRONIC FORM”	has the meaning given in the Act
“ISSUER-INSTRUCTION”	an issuer-instruction, as defined in the Uncertificated Securities Regulations
“LONDON STOCK EXCHANGE”	London Stock Exchange PLC
“MONTH”	calendar month
“NOMINATED ADVISER”	an adviser whose name appears on the register published by the London Stock Exchange and who is acting as the nominated adviser for the time being of the Company
“OFFICE”	the registered office of the Company
“OFFICIAL LIST”	the Official List of the UK Listing Authority
“OPERATOR”	the Operator (as defined in the Uncertificated Securities Regulations) of the Uncertificated System
“OPL”	<u>Oxford Pharmascience Limited (06498279)</u>
“ORDINARY SHARES”	<u>the ordinary shares of £0.00001 each in the capital of the</u>

Company No 7036758

The Companies Act 2006

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**NEW**

**ARTICLES OF ASSOCIATION**

of

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Incorporated on 7 October 2009

Adopted Pursuant to a Special Resolution passed on \_\_\_\_\_ ~~2010~~ 2017

1.2.3 a reference to an Uncertificated System is a reference to the Uncertificated System in respect of which the particular share or class of shares or renounceable right of allotment of a share is a Participating Security; and

1.2.4 the headings are inserted for convenience and do not affect the construction of these Articles.

## 2 **Public company, limited liability and exclusion of model articles**

2.1 The Company is a Public Company limited by shares.

2.2 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

2.3 No regulations for management of a company set out in any schedule to the Statutes concerning companies or contained in any regulations or instrument made pursuant to a statute shall apply to the Company, but the following shall be the Articles of Association of the Company.

### **Business**

3 Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such times as they think fit, and may be permitted by them to be in abeyance, whether the branch or kind of business commenced or not, so long as the Directors deem it expedient not to commence or proceed with it.

### **Registered office**

4 The Office shall be at such place in England or Wales as the Directors appoint.

### **Capital**

5 Subject to the Articles, but without prejudice to any rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be modified or abrogated except with such consent or sanction as is provided in the next following Article), a share may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company by ordinary resolution determines.

### **Modification of rights**

6 ~~Whenever~~ Subject to Articles 7 and 8, whenever the capital of the Company is divided into different classes of shares or groups and either whilst the Company is a going concern or during or in contemplation of a winding up, the special rights attached to any class or group may be modified or abrogated, unless otherwise provided by the terms of issue of the shares of that class or group, either with the consent In Writing of the holders of three-quarters of the issued shares of the class or group, or with the sanction of any special resolution passed at a separate general meeting of the holders (but not otherwise). The consent or resolution shall be binding upon all the holders of shares of the class or group. To every separate general meeting all the provisions of these Articles relating to, or to the proceedings at, general meetings shall, mutatis mutandis, apply, except that (a) the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class or group (but, if at any adjourned meeting of the holders a quorum as above defined is not present, those members who are present shall be a quorum); (b) any holder of shares in the class or group present in person or by proxy may demand a poll; and (c) the holders of shares of the class or group shall, on a poll, have one vote in respect of every share of the class or group held by them respectively. The special rights conferred upon the holders of any shares or class or group of

















































to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting. No Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of the notice but before the close of the meeting.

124 ~~418~~-A retiring Director shall be eligible for re-election.

125 ~~419~~-Subject to the provisions of these Articles, the Company at the meeting at which a Director retires may elect a person to fill the vacated office. In default, the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at the meeting it is expressly resolved not to fill the vacated office or unless a resolution for the re-election of the Director has been put to the meeting and lost.

126 ~~420~~-No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting, unless not less than 7 nor more than 42 days before the date appointed for the meeting there has been left at the Office a notice In Writing, signed by a member (not being the person to be proposed) duly qualified to attend and vote at the meeting, of his intention to propose the person for election, and a notice In Writing signed by that person of his willingness to be elected.

127 ~~421~~-The Company in general meeting may increase or reduce the number of Directors and may determine in what rotation the increased or reduced number is to go out of office.

128 ~~422~~-The Directors may appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors does not exceed the maximum number fixed by or in accordance with these Articles. The Director shall hold office only until the next following annual general meeting and shall then be eligible for re-election. A Director who retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.

129 ~~423~~-The Company may, by ordinary resolution of which special notice has been given in accordance with section 312 of the Act, remove any Director (including a managing Director or other executive Director, but without prejudice to any claim for damages under any contract) before the expiration of his period of office and may by an ordinary resolution appoint another person in his place. The person who is appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

### **Proceedings of Directors**

130 ~~424~~-The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote. A Director may at any time, and the Secretary on the requisition of a Director shall, summon a Board meeting.

131 ~~425~~-Notice of a Board meeting may be given to a Director personally or by word of mouth or sent in writing to him at his last known address or any other address (including an e-mail address) given by him to the Company for this purpose. A notice sent by post shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an e-mail communication, at the expiration of 48 hours after the time it was sent. A Director may waive notice of a meeting either prospectively or retrospectively.

- 132 ~~426~~The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and, unless fixed at any other number, shall be two.
- 133 ~~427~~The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in the Board. If and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company, but not for any other purpose. If there are no Directors or no Director able or willing to act, any two members may summon a general meeting of members for the purpose of appointing Directors.
- 134 ~~428~~If the Directors have not appointed a chairman or vice-chairman pursuant to Article ~~413~~119, or if at any meeting neither the chairman nor the vice-chairman is present within 5 minutes after the time appointed for holding it, the Directors present may choose one of their number to be chairman of the meeting.
- 135 ~~429~~The Board may establish local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local boards, or to be managers or agents, and may fix their remuneration. The Board may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than the power to borrow and make calls), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies and to act notwithstanding vacancies. An appointment or delegation may be made upon such terms and subject to such conditions as the Board thinks fit. The Board may remove any person appointed as above and may revoke or vary any delegation, but a person dealing in good faith and without notice of the revocation or variation shall not be affected by it.
- 136 ~~430~~A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Directors.
- 137 ~~431~~The Directors may delegate any of their powers to committees consisting of such number of members of their body as they think fit and may revoke a delegation and discharge a committee in whole or in part. A committee shall in the exercise of the powers delegated to it conform to any regulations that are imposed by the Directors.
- 138 ~~432~~The meetings and proceedings of a committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as they are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
- 139 ~~433~~A member of the Board, or of a committee of the Board, may participate in a meeting of the Board or the committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 140 ~~434~~A resolution In Writing, signed by all of the Directors entitled to notice of a meeting of the Directors or by all of the members of a committee, shall be as valid as if it had been passed at a Board meeting or a meeting of the committee duly called and constituted. The resolution may consist of several documents in the like form each signed by one or more of the Directors or members of the committee. For the purpose of Articles ~~424~~130 to ~~437~~143, the signature of an alternate Director entitled to notice of a meeting of Directors shall suffice in lieu of the signature of the Director appointing him.

141 ~~435~~ The Directors shall cause minutes to be made in books provided for the purpose:

141.1 ~~435.1~~ of all appointments of officers made by the Directors;

141.2 ~~435.2~~ of the names of all the Directors present at each Board meeting and meeting of a committee of Directors;

141.3 ~~435.3~~ of all resolutions and proceedings at meetings of the Company and of any class of members of the Company and of the Directors and of any committee of Directors.

The minutes, if purporting to be signed by the chairman of the meeting at which the appointments were made, or the Directors were present, or the resolutions were passed or proceedings held (as the case may be), or by the chairman of the next succeeding meeting of the Company, or class of members of the Company, or Directors or committee (as the case may be), shall be sufficient evidence without any further proof of the facts stated in it.

142 ~~436~~ All actions done by any Board meeting, or meeting of a committee of Directors, or by a person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any Director, or of the person acting as a Director, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if each of them had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote.

143 ~~437~~ The Directors may appoint any person to an office or employment having a title including the word "director" or attach such a title to any existing employment with the Company and may terminate the appointment or the use of the title. The inclusion of the word "director" in the title of any office or employment (other than the office of managing or joint managing or deputy or assistant managing director) does not imply that the employee is a Director and the employee shall not as a result be empowered in any respect to act as a Director or be deemed to be a Director for any of the purposes of these Articles.

### **Secretary**

144 ~~438~~ The Secretary shall be appointed by the Directors at such remuneration and upon such terms as they think fit. The Secretary may be removed by the Directors. The Directors may appoint an assistant Secretary or assistant Secretaries and temporary substitutes for the Secretary. An assistant Secretary or temporary substitute shall for the purpose of these Articles be deemed to be and may fulfil the duty of the Secretary subject to any limitation prescribed by the Directors.

145 ~~439~~ A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

### **Borrowing**

146 ~~440~~ The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (both present and future), including its uncalled capital and, subject to the Statutes, to 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.

147 ~~441~~ The Board must restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (but as regards subsidiaries only in so far as, by the exercise of the rights or powers of control, the Board can secure) that the aggregate principal amount outstanding of all borrowings by the Group (exclusive of borrowings owing by one member of the Group to another member) does not, without

the previous sanction of an ordinary resolution, exceed the greater of £30,000,000 or an amount equal to four times the Adjusted Capital and Reserves.

147.1 ~~441.1~~ For this purpose:

147.1.1 ~~441.1.1~~ "the Adjusted Capital and Reserves" means at any time the aggregate of:

147.1.2 ~~441.1.2~~ the amount paid up or credited as paid up on the issued share capital of the Company; and

147.1.3 ~~441.1.3~~ the amount standing to the credit of the reserves (including any share premium account, capital redemption reserve and credit balance on profit and loss account)

all as shown by the then latest audited balance sheet and without making any provision for Goodwill unless already written off against the Company's profit and loss account but after deducting any debit balance on profit and loss account (except to the extent that the deduction has already been made) and making adjustments to reflect any variation in the amount of the paid up share capital, share premium account or capital redemption reserve since the date of the audited balance sheet;

147.1.4 ~~441.1.4~~ "borrowings" include the following except in so far as otherwise taken into account:

147.1.5 ~~441.1.5~~ the nominal amount of any issued share capital and the principal amount of any Debentures or borrowed monies of any person, the beneficial interest in which is not owned by a member of the Group and the payment or repayment of which is the subject of a guarantee or indemnity by a member of the Group, but excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;

147.1.6 ~~441.1.6~~ the outstanding amount raised by acceptances by a bank or accepting house under an acceptance credit opened on behalf of and in favour of a member of the Group, excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;

147.1.7 ~~441.1.7~~ the principal amount of any Debenture of a member of the Group owned otherwise than by another member of the Group;

147.1.8 ~~441.1.8~~ the principal amount of any preference share capital of a subsidiary owned otherwise than by a member of the Group; and

147.1.9 ~~441.1.9~~ any premium payable on repayment on any borrowing or deemed borrowing; but does not include:

147.1.10 ~~441.1.10~~ borrowings for the purposes of repaying the whole or any part of borrowings by a member of the Group within six months of being borrowed, pending their application for that purpose within that period; and

147.1.11 ~~441.1.11~~ borrowings for the purpose of financing a contract in respect of which any part of the price receivable by a member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other Governmental department fulfilling a similar function, to an amount not exceeding the part of the price which is guaranteed or insured;



147.1.12 ~~441.1.12~~ when the aggregate principal amount of borrowings to be taken into account for the purposes of this Article on any particular date is being ascertained:

147.1.13 ~~441.1.13~~ monies denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on that date in London or, if the amount of borrowings would as a result be less, at the rate of exchange prevailing in London six months before that date. For this purpose the rate of exchange shall be taken as the middle market rate as at the close of business; and

147.1.14 ~~441.1.14~~ where under the terms of borrowing the amount of money that would be required to discharge the principal amount in full if it fell to be repaid (at the option of the Company or by reason of default) on that date is less than the amount that would otherwise be taken into account in respect of that borrowing for the purpose of Articles 140 to 143, the amount of the borrowing shall be taken to be the lesser amount;

147.1.15 ~~441.1.15~~ "audited balance sheet" means the then latest audited balance sheet of the Company prepared for the purposes of the Statutes unless there has then been prepared for those purposes and audited a consolidated balance sheet of the Company and its subsidiaries (with such exceptions as may be permitted in the case of a consolidated balance sheet prepared for the purposes of the Statutes); and in the latter event "audited balance sheet" means the audited consolidated balance sheet, the references to reserves and profit and loss account being references to the consolidated reserves and consolidated profit and loss accounts respectively, any amounts attributable to outside interests in subsidiaries being excluded. The Company may change the accounting convention on which the audited balance sheet is based, provided it complies with the requirements of the Statutes. If the Company prepares its main audited balance sheet on the basis of one convention but a supplementary audited balance sheet or statement on the basis of another, the main audited balance sheet shall be taken as the audited balance sheet for the purposes of Articles ~~140~~146 to ~~143~~149;

147.1.16 ~~441.1.16~~ "the Group" means the Company and its subsidiaries (if any).

148 ~~442~~ A certificate or report by the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of any borrowings or to the effect that the limit imposed by Articles ~~140~~146 to ~~143~~149 has not been or will not be exceeded at any particular time or times shall be conclusive for the purposes of Articles ~~140~~146 to ~~143~~149.

149 ~~443~~ Notwithstanding the foregoing, no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by Articles ~~140~~146 to ~~143~~149 is observed. No borrowing incurred or security given in excess of the limit shall be invalid or ineffectual, except in the case of express notice to the lender or the recipient of the security given that the limit had been or would be exceeded.

#### **The seal**

150 ~~444~~ The Seal shall be used only by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed.

151 ~~445~~ The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and the powers shall be vested in the Board.

152 ~~446~~-A document signed by a Director and by the Secretary or another Director, or by a sole Director in the presence of a witness and expressed, in whatever form of words, to be executed by the Company shall have the same effect as if it were under seal. A document executed in this way which makes it clear on its face that it is intended to be a deed, in whatever form of words, has effect, upon delivery, as a deed.

#### **Authentication of documents**

153 ~~447~~-Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the Company's head office, the local manager or other officer of the Company having the custody of them shall be deemed to be a person appointed by the Directors under this Article.

#### **Alternate directors**

154 ~~448~~-A Director may appoint any other Director or person who is approved by the Board to be an alternate Director, and may remove from office an alternate Director appointed by him.

155 ~~449~~-An alternate Director shall be entitled (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) to receive notices of all meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and vote as a Director at any of the meetings at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in the absence of the appointor. When acting also as a Director or as an alternate Director for more than one Director, an alternate Director shall have one vote for every Director he represents, in addition to his own if he is himself a Director, and, where the quorum exceeds two, he shall be considered as two Directors for the purpose of making a quorum.

156 ~~450~~-An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director. If a Director retires by rotation but is re-elected by the meeting at which the retirement takes effect, an appointment made by him under Articles ~~448~~154 to ~~453~~159 which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not retired.

157 ~~451~~-All appointments and removals of alternate Directors shall be effected by notice In Writing by the Director making or revoking the appointment given to the Company at the Office or at a duly convened and held meeting of the Board.

158 ~~452~~-An alternate Director may be repaid by the Company such expenses as might properly be repaid to him if he were a Director. He shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as his appointor by notice In Writing to the Company directs. He shall not otherwise in respect of the appointment be entitled to receive any remuneration from the Company. An alternate Director may be indemnified by the Company to the same extent as a Director.

159 ~~453~~-An alternate Director shall be an officer of the Company. He shall alone be responsible to the Company for his own acts or defaults and shall not be deemed to be the agent of or for the Director appointing him.

#### **Dividends**

- 160 ~~454~~ The profits of the Company (other than OPL Profits (as defined in Article 174)) available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in general meeting may declare dividends accordingly in favour of the holders of Ordinary Shares. No dividend or interim dividend may be paid otherwise than in accordance with Part 23 of the Act.
- 161 ~~455~~ No dividend shall be payable except out of the profits of the Company (including profits set aside to any reserve fund) or in excess of the amount recommended by the Directors.
- 162 ~~456~~ Dividends must be declared and paid according to the amounts paid on the shares in respect of which the dividends are paid. For the purposes of Articles ~~454~~160 to ~~467~~173, no amount paid on a share in advance of calls shall be treated as paid on the share. Dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portions of the period in respect of which the dividend is paid but, if any share is issued on terms providing that it ranks for dividend as from a particular date, the share shall rank for dividend accordingly. For the avoidance of doubt different amounts shall be capable of being declared on shares of a different class.
- 163 ~~457~~ The Directors must transfer to share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company are issued.
- 164 ~~458~~ The Directors may pay such interim dividends as appear to them to be justified by the profits of the Company. If the capital of the Company is divided into different classes of shares the Directors may pay interim dividends in respect of those shares which confer on the holders deferred or non-preferred rights as well as in respect of those shares which confer on the holders preferential or special rights with regard to dividends. Provided that the Directors act bona fide, they shall not incur any responsibility to the holders of any shares for any damage that they suffer by reason of the payment of an interim dividend on any shares. The Directors may also pay half yearly or at other suitable intervals to be settled by them any dividend which is payable at a fixed rate if they are of the opinion that the profits justify the payment.
- 165 ~~459~~ A general meeting declaring a dividend or bonus may direct payment of the dividend or bonus wholly or partly by the distribution of specific assets and, in particular, of paid up shares or Debentures of another company or in any one or more of these ways. The Directors shall give effect to the resolution and, where a difficulty arises in regard to the distribution, the Directors may settle it as they think expedient. In particular they may issue certificates in respect of fractions and fix the value for distribution of specific assets, may determine that cash payments are made to any members upon the footing of that value in order to adjust the rights of all parties and may vest the assets in trustees as may seem expedient to the Directors.
- 166 ~~460~~ A resolution of the Company or of the Directors declaring a dividend may specify any date as the record date for the dividend, whether or not prior to the date on which the resolution is passed.
- 167 ~~461~~ The Directors may deduct from any dividend or bonus payable to a member any sums presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 168 ~~462~~ No unpaid dividend, bonus or interest shall bear interest as against the Company.
- 169 ~~463~~ The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien permitted by the Statutes and may apply them in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 170 ~~464~~ The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is, under the provisions of these Articles relating to the transmission of shares, entitled to

become a member, or which any person under those provisions is entitled to transfer, until he becomes a member in respect of the shares or duly transfers them.

171 ~~465~~-A dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled to it, or by direct bank transfer to such bank account as the member or person entitled to it directs, and in case of joint holders to any one of them or to such person and such address or such bank account as the joint holders may direct. The cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the member, person entitled or joint holders direct. Payment of the cheque or warrant shall be a good discharge to the Company. Every cheque or warrant shall be sent at the risk of the person entitled to the money which it represents.

172 ~~466~~-If several persons are registered as joint holders of a share, any one of them may give an effectual receipt for any dividend or other monies payable on or in respect of the share.

173 ~~467~~-All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Dividends unclaimed for 12 years after the date they were declared or they became due for payment shall, unless the Directors otherwise resolve, be forfeited and revert to the Company.

#### **Dividends on Participating Deferred Shares**

174 Dividends paid to the holders of the Participating Deferred Shares shall be paid in the same manner as set out in Articles 160 to 173 above save that (to the extent the Company has a Qualifying Holding), for the purpose of paying such dividends, the only profits available for distribution to the holders of the Participating Deferred Shares shall be that part of the Company's available profits attributable to the Company's holding shares in OPL whether that be by way of distribution from OPL, gain on the sale of shares in OPL or otherwise attributable to OPL ("**OPL Profits**"). For as long as the Company has a Qualifying Holding, no OPL Profits shall be distributed to any shareholder other than a holder of Participating Deferred Shares. For the avoidance of doubt the Participating Deferred Shares shall cease to entitle their holders to participate in or receive the OPL Profits when the Company has no Qualifying Holding.

175 To the extent the Company has profits available for distribution which are attributable to OPL Profits, and the Directors decide to declare a dividend in respect of the Participating Deferred Shares (to the extent the Company has a Qualifying Holding), such a dividend will be distributed to the holders of the Participating Deferred Shares out of OPL Profits in the proportion to which each such holder holds Participating Deferred Shares. For the avoidance of doubt the Participating Deferred Shares shall cease to entitle their holders to participate in or receive the OPL Profits when the Company has no Qualifying Holding.

#### **Scrip dividends**

176 ~~468~~-The Directors may, if authorised by an ordinary resolution, offer any holders of ~~ordinary shares~~Ordinary Shares one or more of the following options:

176.1 ~~468.1~~-instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any ~~ordinary shares~~Ordinary Shares held by them, either to invest the cash in subscribing for unissued ~~ordinary shares~~Ordinary Shares, payable in full or by instalments, or in paying up in full or by instalments any unpaid or partly paid ~~ordinary shares~~Ordinary Shares held by them; or

176.2 ~~468.2~~ instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any ~~ordinary shares~~ Ordinary Shares held by them, to elect to receive new ~~ordinary shares~~ Ordinary Shares credited as fully paid; or

176.3 ~~468.3~~ to forego their entitlement to all or any part (to be determined by the Directors) of any dividend declared or payable on any ~~ordinary shares~~ Ordinary Shares held by them and to take instead fully paid bonus ~~ordinary shares~~ Ordinary Shares; or

176.4 ~~468.4~~ any other option in respect of all or any part (to be determined by the Directors) of any dividend on any ~~ordinary shares~~ Ordinary Shares held by them as the Directors determine.

177 ~~469~~ In relation to the above options, the following provisions apply:

177.1 ~~469.1~~ the ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period;

177.2 ~~469.2~~ the entitlement of each holder of ~~ordinary shares~~ Ordinary Shares to new ~~ordinary shares~~ Ordinary Shares shall be such that the relevant value of the entitlement shall be, as nearly as possible, equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that the holder elects to forego. In calculating the entitlement, the Directors may, at their discretion, adjust the figure obtained by dividing the relevant value by the amount payable on the ~~ordinary shares~~ Ordinary Shares up or down so as to procure that the entitlement of each shareholder to new ~~ordinary shares~~ Ordinary Shares is represented by a simple numerical ratio. For this purpose, "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's ~~ordinary shares~~ Ordinary Shares on the London Stock Exchange as derived from the Daily Official List, on such five consecutive dealing days as the Directors determine, provided that the first day is on or after the day on which the ~~ordinary shares~~ Ordinary Shares are first quoted "ex" the relevant dividend, or in such other manner as may be determined by or in accordance with the ordinary resolution;

177.3 ~~469.3~~ on or as soon as practicable after announcing that they are to declare or recommend any dividend the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention and shall, after determining the basis of allotment if they decide to proceed with the offer, notify the holders of ~~ordinary shares~~ Ordinary Shares in writing of the right of election offered to them and specify the procedure to be followed and the place at which and the latest time by which elections must be lodged in order for elections to be effective;

177.4 ~~469.4~~ the Directors shall not proceed with any election unless the Company has sufficient unissued shares authorised for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;

177.5 ~~469.5~~ the Directors may exclude from any offer any holders of ~~ordinary shares~~ Ordinary Shares where the Directors believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them;

177.6 ~~469.6~~ the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ~~ordinary shares~~ Ordinary Shares in respect of which an election has been made (the "~~elected ordinary shares~~ Elected Ordinary Shares") and instead additional ~~ordinary shares~~ Ordinary Shares shall be allotted to the holders of the ~~elected ordinary shares~~ Elected Ordinary Shares on the basis of allotment calculated as stated above. For this purpose the Directors may capitalise, out of any amount standing to the credit of any reserve or fund (including the profit and loss account, share premium account, capital redemption reserve or any other undistributable reserve) whether or not it is available for distribution as the Directors determine, a sum equal to the aggregate



nominal amount of the additional ~~ordinary shares~~Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ~~ordinary shares~~Ordinary Shares for allotment and distribution to the holders of the ~~elected ordinary shares~~Elected Ordinary Shares on that basis;

177.7 ~~469.7~~ the additional ~~ordinary shares~~Ordinary Shares when allotted shall rank pari passu in all respects with the fully paid ~~ordinary shares~~Ordinary Shares then in issue except that they will not be entitled to participate in the relevant dividend or in that part of the dividend in respect of which the right of election was offered;

177.8 ~~469.8~~ the Directors may also from time to time establish or vary a procedure for election mandates, under which a holder of ~~ordinary shares~~Ordinary Shares may elect to receive ~~ordinary shares~~Ordinary Shares credited as fully paid instead of cash in respect of all future rights offered to that holder under Articles ~~468~~176 and ~~469~~177 until the election mandate is revoked or deemed to be revoked in accordance with the procedure;

177.9 ~~469.9~~ the Directors may undertake and do such acts and things as they consider necessary or expedient for the purpose of giving effect to Articles ~~468~~176 and ~~469~~177 including (without limitation) making such provisions as they think fit in relation to any fraction of an ordinary share which may or would arise from the application of Articles ~~468~~176 and ~~469~~177 (including provisions whereby, in whole or in part, fractional entitlements are disregarded and the benefit of them accrues to the Company rather than to the shareholders concerned or under which fractional entitlements are accrued or retained and in each case accumulated on behalf of any shareholder and the accruals or retentions are applied to the allotment of fully paid ~~ordinary shares~~Ordinary Shares by way of bonus to, or cash subscription on behalf of, the shareholder).

## **Reserves**

178 ~~470~~ The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied. Pending application the sum reserved may either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors think fit. The Directors may, without placing them to reserve, carry forward any profits which they think it prudent not to divide.

## **Capitalisation of profits and reserves**

179 ~~474~~ Subject to sections 549 and 551 and Part 23 of the Act, the Company in general meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise an amount standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that it is set free for distribution among the members who would have been entitled to it if distributed by way of dividend and in the same proportions on condition that it is not paid in cash but is applied either in or towards paying up any amounts unpaid on shares held by the members or paying up in full unissued shares or Debentures of the Company to be allotted and distributed, credited as fully paid up, to and among those members in those proportions, or partly in the one way and partly in the other. The Directors shall give effect to the resolution.

180 ~~472~~ Whenever a resolution is passed under the preceding Article, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised. Subject to section 80 of the Act, the Directors shall make all allotments and issues of fully paid shares, Debentures or securities, if any, and generally shall do all acts and things required to give effect to the resolution. The Directors may make such provision by the issue of certificates in respect of fractions or by payment in

cash or otherwise as they think fit for the case of shares, Debentures or securities becoming distributable in fractions. The Directors may authorise any person to enter into an agreement with the Company, on behalf of the members interested, providing for the allotment to them, credited as fully paid up, of any shares, Debentures or securities to which they may be entitled upon the capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application of their proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under the authority shall be effective and binding on all the members.

### **Discovery and secrecy**

181 ~~473~~ No member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter in the nature of a trade secret or secret process which relates to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the members of the Company to communicate to the public.

### **Accounts**

182 ~~474~~ The Directors shall cause true accounts to be kept:

182.1 ~~474.1~~ of the sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;

182.2 ~~474.2~~ of all sales and purchases of goods by the Company; and

182.3 ~~474.3~~ of the assets and liabilities of the Company.

183 ~~475~~ The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than as Director) shall have any right of inspecting any account, book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.

184 ~~476~~ The Directors shall not be bound, unless expressly instructed so to do by a special resolution of the Company in general meeting, to publish any list or particulars of the securities or investments held by the Company or to give to any shareholder any information relating to them.

185 ~~477~~ Once at least in every year the Directors shall lay before the Company in an annual general meeting a profit and loss account giving a true and fair view of the profit or loss of the Company for the financial year to which it relates and a balance sheet giving a true and fair view of the state of affairs of the Company as at the date at which it is made out and containing a general summary of the capital, the assets and the liabilities of the Company arranged under suitable heads. If the Company is a holding company as defined by the Statutes, there shall also (except in so far as the Statutes otherwise permit) be laid before the Company in general meeting a consolidated balance sheet dealing with the state of affairs at the end of the Company's financial year of the Company and its then subsidiary undertakings and a consolidated profit and loss account dealing with the profit or loss for the Company's financial year of the Company and its then subsidiary undertakings. The Directors shall in preparing every such profit and loss account and balance sheet and consolidated profit and loss account and consolidated balance sheet have regard to the applicable provisions of the Statutes.

186 ~~478~~ Every balance sheet, profit and loss account, consolidated balance sheet and consolidated profit and loss account shall be signed in such manner as is required by the Statutes. There shall be attached to the balance sheet a report by the Directors as required by the Statutes.

187 ~~479~~ Except as provided in the next following Article, a copy of the report by the Directors and of the Auditors' report, accompanied by the balance sheet (including every document required by law to be annexed or attached to it), and profit and loss account, consolidated balance sheet and consolidated profit and loss account, shall, at least 21 days before the annual general meeting, be delivered or sent in Electronic Form or by means of a website or by post or to the registered address of every member and every holder of Debentures of the Company. If any shares or securities of the Company are admitted to trading on AIM, such number of copies of each of these documents, as shall be reasonably required by the Nominated Adviser, shall at the same time be forwarded to the Nominated Adviser. If any shares or securities of the Company are admitted to the Official List of the UK Listing Authority and are admitted to trading on the main market of the London Stock Exchange, the required number of copies of each of these documents shall at the same time be forwarded to its appropriate department.

188 ~~480~~ The Company may, in accordance with section 251 of the Act and any regulations made under it, send a summary financial statement to any member instead of or in addition to the documents referred to in the preceding Article.

#### **Auditors**

189 ~~481~~ The Company shall at each annual general meeting appoint Auditors to hold office until the next annual general meeting.

190 ~~482~~ No Director or other officer of the Company and no person who is a partner of or in the employment of an officer of the Company, and no corporation may be appointed as an Auditor. The duties of the Auditors shall be regulated in accordance with the Statutes.

191 ~~483~~ Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that at the time of his appointment he was not qualified for appointment.

#### **Notices**

192 ~~484~~ Any notice or document may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to him at his registered address as appearing in the register of members. A member is entitled to receive notices from the Company notwithstanding that his registered address as appearing in the register of members is outside the United Kingdom. In the case of joint holders of a share, notices shall be given to that one of the joint holders whose name stands first in the register of members and notice given to him shall be sufficient notice to all the joint holders.

193 ~~485~~ Any notice or other document, if served by post, shall be deemed to have been served at the expiration of 24 hours after the time when the letter containing it is posted. In proving service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.

194 ~~486~~ Any notice or document delivered or sent by post to or left at the registered address of any member shall, notwithstanding that the member is then dead or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in his name as sole or joint holder, unless at the time of the service of the notice or document his name has been removed from the register as the holder of the share. The service shall for all purposes be deemed a sufficient service of the notice or document on all persons interested in the share (whether jointly with or as claiming through or under him).



195 ~~487~~-A notice required to be given by the Company to members and not expressly provided for by these Articles shall be sufficiently given if given by advertisement. A notice required to be or which may be given by advertisement shall be advertised once in one national daily newspaper and shall be taken as given on the day on which the advertisement appears. If by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, it may be convened by notice advertised in at least two leading daily newspapers with appropriate circulation, of which one is a leading London daily newspaper. The notice shall be deemed to have been duly served on all members entitled to it at noon on the day when the advertisement appears. The Company shall send confirmatory copies of the notice by post if at least 48 hours prior to the meeting the posting of notices to addressees within the United Kingdom again becomes practicable.

196 ~~488~~-Every person who by operation of law, transfer or other means becomes entitled to any share shall be bound by every notice in respect of the share which, prior to his name and address being entered in the register of members, has been duly given to the person from whom he derives his title other than a notice given under Article ~~88~~94 or section 793 of the Act.

197 ~~489~~-A member who holds shares on behalf of another person may nominate that person to enjoy information rights pursuant to section 147 of the Act.

#### **Electronic communication by the Company**

198 ~~490~~-In addition to the methods of service set out above, any notice or other document (including, without limitation, the Company's annual accounts and reports, or any summary financial statements) may be given by the Company to any member or other person entitled to receive it in such Electronic Form or by means of a website as the Statutes may allow from time to time to an address notified by the member (or other person entitled to receive it) in writing or by similar means for such purposes. Subject to the Statutes, where a notice or other document is given or sent in accordance with Articles ~~490~~198 to ~~492,200~~, it shall be deemed to be given at 9.00 am on the day following that on which the Electronic Form of delivery was implemented by or on behalf of the Company. Proof that an Electronic Form was sent or made shall be conclusive evidence of receipt.

199 ~~491~~-Any member may notify the Company of an address for the purpose of receiving communications in Electronic Form or by means of a website from the Company to the extent that it is permitted by the Statutes, and having done so shall be deemed to have agreed to receive in Electronic Form or by means of a website notices and other documents from the Company of the kind to which the address relates. In addition, if a member notifies the Company of his e-mail address, the Company may satisfy its obligation to send him any notice or other document by:

- (a) publishing such notice or other document on a website; and
- (b) notifying him by e-mail to that e-mail address that such notice or document has been so published, specifying the address of the web site on which it has been published, the place on the web site where the notice may be accessed, how it may be accessed and (if the notice relates to a shareholders' meeting) stating:
  - (i) that the notice concerns a notice of a company meeting served in accordance with the Acts;
  - (ii) the place, date and time of the meeting;

- (iii) whether the meeting is to be an annual or general meeting; and
- (iv) such other information as the Statutes may prescribe.

200 ~~492~~ Any amendment or revocation of a notification given to the Company under Articles ~~490~~198 to ~~492~~200 shall only take effect if in writing, signed by the member and on actual receipt by the Company thereof. A communication in Electronic Form shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.

200.1 ~~492.1~~ Nothing contained in these Articles shall oblige the Company to use communication in Electronic Form, the use of which is, subject to the Statutes, solely at the Company's discretion.

200.2 ~~492.2~~ In the case of joint holders of a share:

200.2.1 ~~492.2.1~~ it shall be sufficient for all notices, documents and other information to be given, sent or supplied in Electronic Form to the joint holder whose name stands first in the register of members in respect of the joint holding only, and

200.2.2 ~~492.2.2~~ the agreement of the first named holder that notices, documents and information may be given, sent or supplied in Electronic Form or by being made available on a website shall be binding on all the joint holders.

200.3 ~~492.3~~ A member whose registered address is not within the United Kingdom shall not be entitled to receive any notice, document or information from the Company unless he gives to the Company an address (not being an electronic address) within the United Kingdom at which notices, documents or information may be given to him.

### **Communication to the Company**

201 ~~493~~ A notice or document or information is validly sent or supplied by a member to the Company in hard copy form if it is sent or supplied by hand or by post (in a prepaid envelope) to:

201.1 ~~493.1~~ an address specified by the company for the purpose;

201.2 ~~493.2~~ the Company's registered office; or

201.3 ~~493.3~~ an address to which any provision of the Statutes authorises the document or information to be sent or supplied.

202 ~~494~~ A notice or document or information may only be sent or supplied by a member to the Company in Electronic Form if the Company has notified the members that the notice or document or information may be sent or supplied in that form (and not revoked that agreement) and if it is authenticated in such manner as the Directors may determine from time to time.

203 ~~495~~ Subject to Article ~~494~~202, where a notice or document or information is sent or supplied in Electronic Form, it may only be sent or supplied to an address:

203.1 ~~495.1~~ specified for the purpose by the Company (generally or specifically); or

203.2 ~~495.2~~ deemed by a provision of the Statutes to have been so specified.

204 ~~196~~ Subject to Article ~~194,202~~, where a notice or document or information is sent or supplied in Electronic Form by hand or by post, it must be sent or supplied to an address to which it could validly be sent if it were in hard copy form in accordance with Article ~~194,202~~.

### **Winding up**

205 ~~197~~ On a winding up of the Company, the balance of the assets available for distribution, after deduction of any provision made under section 719 of the Act and subject to any special rights attaching to any class of shares, shall be applied in repaying to the members of the Company the amounts paid up on the shares held by them together with any premium paid up or credited as paid up on the issue of such shares. Any surplus assets will belong to the holders of any ~~ordinary shares~~ Ordinary Shares then in issue according to the numbers of shares held by them in proportion to the amounts paid up on the shares held by them together with any premium paid up or credited as paid up on the issue of such shares or, if no ~~ordinary shares~~ Ordinary Shares are then in issue, to the holders of any unclassified shares then in issue according to the numbers of shares held by them.

206 ~~198~~ If the Company is wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of properties of different kinds. He may for that purpose set such value as he deems fair upon any one or more class or classes of property and may determine how the division is carried out as between the members or different classes of members. He may, with the same authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the same authority thinks fit, but no contributory shall be compelled to accept any shares in respect of which there is a liability.

207 ~~199~~ The power of sale of a liquidator includes a power to sell wholly or partially for shares or Debentures, or other obligations of another company either then already constituted or about to be constituted, for the purpose of carrying out the sale.

### **Indemnity**

208 ~~200~~ Subject to the provisions of the Statutes, the Company may:

208.1 ~~200.1~~ indemnify, to any extent any person (which shall include any company) who is or was a Director or officer of the Company, or a director or officer of any associated company, or a director or officer of any associated company being a trustee of an pension scheme (including any employee pension fund or benefits trust), directly or indirectly (including by funding any expenditure incurred or to be incurred by him in defending any civil, criminal or regulatory proceedings) against any loss or liability whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company, or any associated company or trustee of a pension scheme; and/or

208.2 ~~200.2~~ purchase and maintain insurance for any person (which shall include any company) who is or was a Director or officer of the Company, or a director or officer of any associated company, or a director or officer of any associated company being a trustee of an pension scheme (including any employee pension fund or benefits trust), against any loss of liability or any expenditure he may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company or a director of any associated company being a trustee of a pension scheme.





