

# AMENDED ARTICLES OF ASSOCIATION

of

**ZAMBEEF PRODUCTS PLC**

**LCO: NO 119940031824**

PUBLIC COMPANY LIMITED BY SHARES

**AS ADOPTED BY SPECIAL RESOLUTION PASSED ON 30 DECEMBER 2019**



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**of**  
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## PRELIMINARY

### 1. Standard Articles in First Schedule not to apply

No regulations set out in any statute or in any statutory instrument or other subordinate legislation concerning companies (including the Standard Articles in the First Schedule of the Companies Act) shall apply as the regulations or articles of the Company, but the following shall be the Articles of Association of the Company.

### 2. Interpretation

2.1 In these Articles, unless the context otherwise requires, the following expressions have the following meanings:

**Affiliate** means:

- (a) in relation to a company, (i) any subsidiary of such company; (ii) any holding company of such company; or (iii) any subsidiary of any such holding company; and
- (b) in relation to the Strategic Investor, includes any Strategic Investor Related Party

**address** includes a number or address used for the purposes of sending or receiving documents or information by electronic means

**these Articles** means these Articles of Association as originally adopted as the same may be amended from time to time (and **Article** means one of these Articles)

**Auditors** means the auditors for the time being of the Company or, in the case of joint auditors, all or any one of them

**Board** means the board of Directors for the time being of the Company or the Directors present or deemed to be present at a duly convened meeting of the board of Directors at which a quorum is present

**Business Integrity Laws** means any law, rule or regulation relating to bribery, corruption, financial crime, anti-terrorism, terrorism financing, anti-money laundering, export controls, trade embargoes, travel bans applicable to any Group Company or the Strategic Investor including, without limitation, the economic sanctions and regulations of a Sanctioning Body,

any European Union restrictive measure that has been implemented pursuant to any European Council or Commission Regulation or decision adopted pursuant to a Common Position in furtherance of the European Union's Common Foreign and Security Policy

**Chairman** means the chairman (if any) of the Board or, where the context requires, the chairman of a general meeting of the Company

**clear days** means (in relation to the period of a notice) that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect

**Companies Act** means the Companies Act No. 10 of 2017

**Company** means Zambeef Products Plc

**Controlled by** means:

- (a) the power (whether directly or indirectly) and whether by ownership of share capital, the possession of voting power, contract or otherwise to appoint and/or remove all of such board of directors or other governing body of person as are able to cast a majority of the votes capable of being cast by the members of that board or body, or otherwise to control or have the power to control the policies and affairs of that person; and/or
- (b) the holding and/or ownership of the beneficial interest and/or the ability to exercise the voting rights applicable to shares or other securities in any person which confer in aggregate on the holders (whether directly or by means of holding such interests in one or more other persons (either directly or indirectly) thereof) more than 50% (fifty percent) of the voting rights exercisable at general meetings of that person

**Conversion Date** has the meaning set out in Article 6.1

**Depository** means a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board whereby such custodian or other person or nominee holds or is interested in shares of the Company or rights or interests in shares of the Company and issues securities or other documents of title or otherwise evidencing the entitlement of the holder thereof to or to receive such shares, rights or interests, and shall include, where approved by the Board, the trustees (acting in their capacity as such) of any employees' share scheme established by the Company or any other scheme or arrangement principally for the benefit of employees or those in the service of the Company and/or its subsidiaries or their respective businesses and the managers (acting in their capacity as such) of any investment or savings plan, which, in each case, the Board has approved

**Director** means a director for the time being of the Company (including a Strategic Investor Director) and includes any person appointed by him as his alternate director but only while acting as such

**Disclosure and Transparency Rules** means the Disclosure and Transparency Rules made by the UKLA as the same may be amended from time to time

**electronic form** and **electronic** means email or fax.

**Equity Securities** means shares and any other capital stock, equity interest or other ownership interest or profit participation or similar right with respect to the Company, including, any preference share, note or debt security having or containing equity or profit participation features, or any option, warrant or other security or right which is directly or indirectly convertible into or exercisable or exchangeable for any of the foregoing including (a) Ordinary Shares, or (b) Preference Shares, and (c) rights to subscribe for, or to convert securities into, Ordinary Shares or Preference Shares;

**Environment** means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water)

**execution** includes any mode of execution (and **executed** shall be construed accordingly)

**Fully-Diluted Basis** means the number of shares of the Company that would be in issue at the relevant time calculated as if all then issued and outstanding Share Equivalents had been exercised in full

**general meeting** means a meeting of shareholders which is an annual general meeting or any other general meeting

**Group Company** means together the Company and every other company which is for the time being a subsidiary (direct or indirect) of the Company

**holder** means (in relation to any share) the member whose name is entered in the Register as the holder or, where the context permits, the members whose names are entered in the Register as the joint holders of that share

**holding company** of a person means any company or entity of which such person is a subsidiary, and a company is to be treated as the holding company or a parent undertaking (as the case may be) of another company even if its shares in the other company are registered in the name of (i) a nominee, or (ii) any party holding security over those shares, or that secured party's nominee

**London Stock Exchange** means London Stock Exchange plc or other principal stock exchange in the United Kingdom for the time being

**LuSE** means Lusaka Securities Exchange Limited or other principal stock exchange in Zambia for the time being

**member** means a member of the Company or, where the context requires, a member of the Board or of any committee

**NOMAD** means the Nominated Advisor of the Company from time to time appointed pursuant to the AIM Rules for Companies listed on the AIM market of the London Stock Exchange

**Office** means the registered office for the time being of the Company

**Operator** means the Central Securities Depository or such other person approved as an operator under the Regulations.

**Ordinary Share** means an ordinary share in the capital of the Company with a nominal value of ZMK 1.00 (one kwacha) and having the rights as set out in the Companies Act and these Articles (including Article 4.2)

**Ordinary Shareholder** means the holder of an Ordinary Share

**parent undertaking** means any undertaking or company, by which another company or undertaking (the parent undertaking's subsidiary undertaking) is directly or indirectly Controlled, and a company is to be treated as a subsidiary or a subsidiary undertaking as the case may be even if its shares are registered in the name of (i) a nominee, or (ii) any party holding security over those shares, or that secured party's nominee

**Preference Share** means a convertible redeemable preference share in the capital of the Company with a nominal value of ZMK 1.00 (one kwacha) each and having the rights set out in these Articles (including Article 4.3)

**Preference Shareholder** means the holder of a Preference Share

**paid up** means paid up or credited as paid up

**Participating Security** means a security title to units of which are permitted by the Operator to be transferred by means of a relevant system

**Redemption Price** means the Subscription Price plus a return of 12 per cent per annum (compounding annually), subject to a minimum price equal to the sum of USD 0.77 less the aggregate of all Preference Share Dividends paid with respect to each Preference Share, and where the Preference Share Dividends are paid in a currency other than US Dollars then for the purpose of determining the Redemption Price the amount of the Preference Share

Dividend shall be converted into USD at the prevailing conversion rate on the date of payment of the Preference Share Dividend

**Register** means the register of members of the Company to be kept pursuant to the Companies Act or, as the case may be, any overseas branch register kept pursuant to Article 108 (Overseas registers)

**Regulations** means the regulations of the LuSE and the Central Securities Depository and any other regulatory regime for holding shares or interests in shares in relation to holding certificate in dematerialised form

**Regulatory Information Service** means an information service for giving information in relation to a notification under Rule 17 of the AIM Rules

**relevant system** means the computer-based system and procedures which enable title to units of a security to be evidenced and transferred without a written instrument pursuant to the Regulations

**Seal** means the common seal of the Company or any official or securities seal that the Company may be permitted to have under the Companies Act

**Secretary** means the secretary for the time being of the Company or any other person appointed to perform any of the duties of the secretary of the Company including (subject to the provisions of the Companies Act) a joint, temporary, assistant or deputy secretary

**share** means a share of the Company

**Share Equivalents** means preference shares, bonds, loans, warrants, options or other similar instruments or securities which are convertible into or exercisable or exchangeable for, or which carry a right to subscribe for or purchase, shares of the Company or any instrument or certificate representing a beneficial ownership interest in shares of the Company, including global depository receipts or American depository receipts

**Shareholders** means the Ordinary Shareholders and the Preference Shareholders and **Shareholder** means any one of them

**Subscription Price** means:

(d) in the case of the Ordinary Shares, USD 0.180 per Ordinary Share; and

(e) in the case of the Preference Shares, USD 0.555 per Preference Share

**Strategic Investor** means CDC Group Plc (a public limited company incorporated in England and Wales with registered number 3877777) or such other strategic shareholder investing new capital and approved by the shareholders from time to time, in each case provided that CDC Group Plc (or such other strategic shareholder investing new capital and approved by the shareholders as a Strategic Investor) holds not less than 3% of the issued share capital of the Company

**Strategic Investor Core Holding** means 34.9% of the issued share capital of the Company

**Strategic Investor Director** means any Director appointed by the Strategic Investor from time to time in accordance with Article 79.2

**Strategic Investor Related Party** means any of the Strategic Investor and its subsidiary undertakings, any parent undertaking of the Strategic Investor and any subsidiary undertaking of that parent undertaking (together, the **Strategic Investor Group**)

**subsidiary** of a person means any company or undertaking directly or indirectly Controlled by such person and a company is to be treated as a subsidiary or a subsidiary undertaking as the case may be even if its shares are registered in the name of (i) a nominee, or (ii) any party holding security over those shares, or that secured party's nominee

**writing** or **written** means printing, typewriting, lithography, photography and any other mode or modes of representing or reproducing words in a legible and non-transitory form, whether sent or supplied in electronic form or otherwise

**ZMK or Kwacha** means the Zambian Kwacha, the official currency of Zambia

2.2 In these Articles, unless the context otherwise requires:

- a) words in the singular include the plural, and vice versa;
- b) words importing the masculine gender include every gender;
- c) a reference to a person includes a body corporate and an unincorporated body of persons;
- d) a reference to a Director being appointed includes a Director being elected and appointment of a Director shall be construed accordingly;
- e) a reference to an uncertificated share or to a share (or to a holding of shares) being in uncertificated form is to that share being an uncertificated unit of a security which, for the time being, is a Participating Security, and a reference to a certificated share or to a share being in certificated form is to that share being a unit of a security which is not an uncertificated unit;
- f) a reference to any statute or statutory provision includes any orders, regulations or other subordinate legislation made under it and any statutory modification or re-enactment of it for the time being in force; and
- g) words or expressions defined in the Companies Act shall have the meaning given to them in that Act.

2.3 The headings are inserted for convenience only and shall not affect the construction of these Articles.



- 2.4 The footnotes do not form part of these Articles and are only included so as to give statutory references and other guidance.

### **3. Limited liability**

The liability of the members is limited to the amount, if any, unpaid on their shares.

## **SHARE CAPITAL**

### **4. Share rights**

- 4.1 The nominal capital of the Company as the date of the adoption of these articles is ZMK 7,000,000.00 divided into:

- (a) 599,942,342 Ordinary Shares; and;
- (b) 100,057,658 Preference Shares

- 4.2 The following rights shall be attached to the Ordinary Shares:

- a) as to voting: the Ordinary Shares shall confer a right to receive notice of, attend and vote at any general meeting of the Company;
- b) as to dividend: a holder of Ordinary Shares shall be entitled to receive a share of any dividend paid by the Company proportionately to the amounts paid up on such shares during any portion or portions of the period in respect of which the dividend is paid. The rights of the Ordinary Shareholders to receive a share of any dividend shall rank *pari passu* to the holders of any other class of share of the Company; and
- c) on a winding up or return of capital: on a liquidation, dissolution or winding up of the Company, the proceeds remaining after the payment of the Company's liabilities shall (to the extent that the Company is lawfully able to do so) be distributed in accordance with Article 4.3(c).

- 4.3 The following rights shall be attached to the Preference Shares:

- (a) as to voting: each Preference Share shall:
  - (i) in respect of a Preference Shareholder's own Preference Shares, have the right to receive notice of, attend and speak at any general meeting of the Company and shall have the right to vote at such meetings in accordance with the rights set out in Article 4.3(a)(ii) below; and
  - (ii) carry the right to four votes for every five Preference Shares held, provided that if: (A) the Company fails to convert any Preference Shares into Ordinary Shares on the request of the holder of such Preference Shares in accordance

with Article 6; or (B) notice following the failure of A Group Company to meet environmental, social or governance standards agreed in writing by the Company with the Preference Shareholders, each Preference Share shall, at the sole option of the holder of that Preference Share and on notice to the Company, carry the right to 3 votes for each Preference Share;

- (b) as to dividends: a holder of Preference Shares shall be entitled to receive the same dividend per preference share as Ordinary Shareholders are entitled to receive per Ordinary Share (**Preference Share Dividend**), and the Preference Share Dividend shall be paid at the same time as any dividend paid to Ordinary Shareholders under Article 4.2(b). The rights of the Preference Shareholders to receive a share of any dividend shall rank pari passu to the holders of any other class of share of the Company;
- (c) as to capital: on a liquidation, dissolution or winding up of the Company (the Liquidation Event), the proceeds from the Liquidation Event shall (to the extent that the Company is lawfully able to do so) be distributed as follows:
  - (i) first, a sum equal to any arrears accruals of the Preference Share Dividend up to the Conversion Date; and
  - (ii) second, each Preference Shareholder will receive the Redemption Price per Preference Share held.
  - (iii) third, any remaining funds shall be applied amongst the holders of Ordinary Shares pro rata according to the nominal capital paid upon their holdings of Ordinary Shares.

4.4 Subject to the provisions of the Companies Act, to these Articles (including Article 5.1), and to any rights for the time being attached to any existing shares, any shares may be allotted or issued with, or have attached to them, such preferred, deferred or other rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine.

4.5 Subject to Articles 4.6 and 4.7, any Equity Securities which are to be allotted for cash shall, before they are allotted, be offered to the holders of shares in proportion to the numbers of shares held by them respectively. The offer shall be made by notice specifying the number and class of shares offered and the price per share and setting a time limit (being not less than 21 days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time, or on receipt of an indication from the person to whom the offer is made that he declines to accept the shares offered or any of them, the Directors shall offer the shares declined to third parties in such manner as they think most beneficial to the Company. If the shares comprised in such further offer are declined or deemed to be declined the further offer shall be withdrawn.

- 4.6 No Equity Security to which Article 4.5 applies shall be issued more than three months after the expiry of the period for acceptance of the last offer of such Equity Securities made under Article 4.5 unless the procedure set out in that Article is repeated in respect of such Equity Securities (and so that the time limit set out in this Article 4.6 shall apply equally to any repetition of that procedure).
- 4.7 No Equity Securities shall be issued at a price less than that at which they were offered to the members of the Company in accordance with Article 4.5

## 5. Allotment

- 5.1 Subject to the provisions of these Articles and the Companies Act and to any relevant authority of the Company required by the Companies Act, the Board may allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any new shares or rights to subscribe for or convert any security into shares, to such persons (including the Directors themselves), at such times and generally on such terms and conditions as the Board may decide, provided that (i) no share shall be issued at a discount to its nominal value; and (ii) the Company shall not create or issue any other preference share ranking in some, all or any respects in priority to the Preference Shares unless the Company obtains approval from all the Preference Shareholders.
- 5.2 The Board may, at any time after the allotment of any share but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and accord to any allottee of a share a right to effect such renunciation and/or allow the rights represented thereby to be one or more participating securities, in each case upon and subject to such terms and conditions as the Board may think fit to impose.
- 5.3 Any offer of new Equity Securities (**Offer**) shall be made in writing by the Company (**Offer Notice**) to the Ordinary Shareholders and the Preference Shareholders *pari passu* and must be open for a period of acceptance of at least [30] Business Days from the date of the Offer Notice (**Offer Period**).
- 5.4 Each Ordinary Shareholder and Preference Shareholder may accept its allocation of Equity Securities (in accordance with Article 5.6) and may also offer to subscribe for additional Equity Securities (**Additional Securities**) not taken up by the other Ordinary Shareholders and Preference Shareholders by notice in writing to the Company within the Offer Period.
- 5.5 At the end of the Offer Period, the new Equity Securities shall be issued in accordance with the acceptances of the Shareholders (including Additional Securities if these have not been taken up by the Shareholders first entitled to them and in the event of over-subscription for Additional Securities, the Board shall fairly and equitably scale back the allocation of the Additional Securities to the Shareholders who have accepted such Additional Securities). Any Equity Securities which are not the subject of acceptances (**Declined Securities**) may, at

the option of the Strategic Investor (in its sole discretion), be allocated to the Strategic Investor or if the Strategic Investor does not elect to take up such Declined Securities, the Board shall (within a period of 30 Business Days and with the prior written consent of the Strategic Investor) be entitled to allocate such Declined Securities at the same price and on the same terms to a third party, provided that any such third party has cleared “know your customer” and other checks required under Business Integrity Laws and in line with the Strategic Investor’s internal compliance requirements (which shall be notified to the Company from time to time).

- 5.6 An Offer shall be made to the holders of Ordinary Shares and Preference Shares on a pro rata basis as if they were the same class of shares. For the purposes of an Offer, any holder of Preference Shares shall be deemed to have converted each of their Preference Shares into 3.0833 (recurring) Ordinary Shares.
- 5.7 Notwithstanding the provisions of this Article 5, the Company shall be entitled to issue and sell Equity Securities without complying with the provisions of Articles 5.1 to 5.4 in connection any exercise of any right to subscribe for Shares granted to any employee, officer or consultant as part of an incentivisation or reward scheme or arrangement, provided that the number of Shares so issued (when aggregated with any existing incentive schemes or arrangements of the Company) shall not exceed 10 per cent of the share capital of the Company on a Fully-Diluted Basis.
- 5.8 The right to accept an Offer shall not be transferable or renounceable.

## 6. Conversion of Preference Shares

- 6.1 Each Preference Shareholder shall be entitled to convert all or part of its Preference Shares into Ordinary Shares (**Conversion**) at any time on giving the Company [30] Business Days’ written notice (**Conversion Notice**). The relevant Preference Shares shall convert on the date specified in the Conversion Notice (**Conversion Date**) unless redeemed by the Company beforehand in accordance with the provisions of these Articles.
- 6.2 The number of Ordinary Shares into which the Preferences Shares convert shall be determined in accordance with the following formula (the **Conversion Formula**):
- (a) if the Preference Shares are being converted before the eighth anniversary of the adoption of these Articles by Special Resolution on [*date*], each Preference Share shall convert into one Ordinary Share; or
  - (b) if the Preference Shares are being converted after the eighth anniversary of the adoption of these Articles by Special Resolution on [*date*], each Preference Share shall convert into 3.0833 (recurring) Ordinary Shares (rounded down to the nearest whole number of Ordinary Shares).
- 6.3 If a person (or persons acting in concert) (**Offeror**) makes an offer to the Shareholders for 25 per cent or more of the Ordinary Shares (excluding any existing holding of Ordinary Shares

of the Offeror) (**Takeover Offer**), then any Preference Shareholder shall have the right to participate in the Takeover Offer by converting all or part of its Preference Shares into Ordinary Shares:

- (a) on the basis of one Ordinary Share for each Preference Share, where the offer price pursuant to the Takeover Offer (**Offer Price**) is equal to, or is more than USD 0.555 per Ordinary Shares;
- (b) on the basis of 1.52 Ordinary Shares for each Preference Share, where the Offer Price is equal to, or is more than USD 0.365 but less than USD 0.555; or
- (c) on the basis of 3.0833 (recurring) Ordinary Shares for each Preference Share, where the Offer Price is less than USD 0.365 per Ordinary Shares. The Company shall notify the Preference Shareholders of a Takeover Offer within five Business Days of the Company being notified or becoming aware of a Takeover Offer. Relevant Preference Shareholders may notify the Company in writing of their intention to exercise their right of Conversion pursuant to Article 6.3 at any time prior to the deadline for Ordinary Shareholders to accept the Takeover Offer. Conversion of the Preference Shares shall be conditional on the Takeover Offer becoming wholly unconditional and shall take effect immediately prior to the completion of the Takeover Offer.

6.4 On any Conversion pursuant to Article 6.2(b),6.3(b) or 6.3(c) where the number of Ordinary Shares to be received pursuant to the Conversion exceeds the number of Preference Shares being converted the excess of the Ordinary Shares shall be paid by way of capitalisation of share premium account.

6.5 The Company shall maintain:

- (a) sufficient distributable reserves or share premium account to enable a Conversion; and
- (b) sufficient authorised share capital to issue the Ordinary Shares pursuant to a Conversion.

6.6 Each Preference Shareholder exercising its right to convert its Preference Shares shall deliver its share certificate (or an indemnity in a form reasonably satisfactory to the Company for any lost share certificate) for the Preference Shares being converted (together with such other evidence (if any) as the Company may reasonably require to prove good title to such Preference Shares) to the Company at its registered office for the time being.

6.7 On the Conversion Date, the relevant Preference Shares shall unless redeemed prior to Conversion (without any further authority that is contained in these Articles) stand converted into Ordinary Shares on the basis of the Conversion Formula and the Ordinary Shares resulting from the conversion shall rank pari passu in all respects with the existing issued Ordinary Shares in the capital of the Company.

- 6.8 On the Conversion Date, the Company shall enter the holder of the converted Preference Shares on the register of the Ordinary Shareholders of the Company as the holder of the relevant number of Ordinary Shares arising on conversion of the relevant Preference Shares and, subject to Article 6.3, the Company shall within five (5) Business Days of the Conversion Date, deliver a definitive share certificate for the relevant number of Ordinary Shares to such Preference Shareholder.
- 6.9 If any consolidation or sub-division or reduction of capital or return of capital or dividends or other reconstruction or adjustment relating to the share capital of the Company and any other amalgamation or reconstruction affecting the share capital of the Company (**Reorganisation**) shall take place prior to any Conversion, the Conversion Formula shall be adjusted accordingly to take into account the effect of the Reorganisation.

## 7. Redemption of the Preference Shares

- 7.1 Subject to Articles 7.2 and 7.3 and subject to the provisions of the Companies Act, the Company shall have the right to redeem all or part of the Preference Shares at the Redemption Price in accordance with section 176 of the Companies Act (**Redemption**). The Company shall give 30 Business Days' written notice (**Redemption Notice**) to the Preference Shareholders of its intention to carry out a Redemption.
- 7.2 If a Redemption Notice is served:
- (a) during the five years following 8 September 2016, such Redemption shall not result in the Strategic Investor's shareholding in the Company falling below the Strategic Investor Core Holding; and
  - (b) after the fifth anniversary of 8 September 2016 and such Redemption would result in the Strategic Investor's holding of Preference Shares falling below 70,000,000 Preference Shares, the Company shall redeem all of the Strategic Investor's Preference Shares.
- 7.3 The right of the Company to redeem Preference Shares pursuant to Article 7.1 shall be subject to the right of the Preference Shareholders to convert the Preference Shares that are the subject of a Redemption Notice. If a Conversion Notice is not served during the 30 Business Days following receipt of a Redemption Notice (**Conversion Period**) then the Company may proceed with the Redemption within 120 days of the earlier of (i) the expiry of the Conversion Period; and (ii) receipt of written confirmation from the relevant Preference Shareholders that they do not intend to serve a Conversion Notice. If there is no Redemption within such 120 day period, then the Preference Shareholders shall be entitled to convert their Preference Shares in accordance with these Articles.
- 7.4 On the Redemption Date, the Company shall pay the Redemption Price on each of the Preference Shares redeemed. At the same time, it shall pay any arrears or accruals of the Preference Share Dividend due on the Redemption Date. The Preference Share Dividends on

the redeemed shares shall stop accruing from the date on which the Redemption Price is paid.

- 7.5 On any Redemption Date the Company shall pay to each registered Preference Shareholder the Redemption Price, following which the redeemed Preference Shares shall be deemed to be cancelled pursuant to Section 180 (1) of the Companies Act and each holder of a redeemed Preference Share shall surrender to the Company the certificate for the Preference Shares that are redeemed (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost share certificate) for cancellation by the Company. If any certificate (or indemnity) so surrendered includes any Preference Shares that are not redeemed at that time, the Company shall issue a new share certificate for the balance of the Preference Shares which have not been redeemed. If there is more than one Preference Shareholder, any redemption shall be made among such holders pro rata (as nearly as possible) to their respective holdings.
- 7.6 The Company shall not redeem more than such number of Preference Shares as it is lawfully able to redeem. If there is more than one Preference Shareholder, the Preference Shares shall be redeemed in proportion to each Preference Shareholder's holding of Preference Shares.

## **8. Redeemable shares**

Subject to the provisions of the Companies Act, these Articles and to any special rights for the time being attached to any existing shares, any share may be issued which is, or at the option of the Company or of the holder of such share is liable, to be redeemed on such terms and conditions and in such manner as these Articles may provide or the Directors may determine.

### **8A. Share repurchases**

- 8A.1 Notwithstanding anything contained in these Articles, the Board may, when and if they deem fit, repurchase any of the Company's own shares of any class (including redeemable shares) at any price (whether above or below the nominal value of the shares) and upon such terms and conditions, and subject to such approvals, as may be permitted by the law.
- 8A.2 Any shares to be so repurchased by the Company in accordance with this Article may be selected by the Board in any manner whatsoever permitted by the law.
- 8A.3 Every such repurchase by the Company of shares in the Company shall be authorised by such resolution or resolutions of the Company as may be required by the Companies Act and the Regulations.

## **9. Commission and brokerage**

The Company may not pay commission exceeding 10 per cent of the price at which the securities are issued to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any securities in the Company.

## **10. Certificated and uncertificated shares**

10.1 Notwithstanding anything in these Articles to the contrary, any shares may be issued, held, registered, converted to, transferred or otherwise dealt with in certificated or in uncertificated form and converted from uncertificated form to certificated form in accordance with the Regulations and practices instituted by the Operator of the relevant system. The provisions of these Articles shall not apply to any uncertificated shares to the extent that such provisions are inconsistent with:

- a) the holding of shares in uncertificated form;
- b) the transfer of title to shares by means of the relevant system; or
- c) any provision of the Regulations.

10.2 Without prejudice to the generality and effectiveness of the foregoing:

- a) references in these Articles to a requirement on any person to execute or deliver an instrument of transfer or certificate or other document shall, in the case of uncertificated shares, be treated as references to a requirement to comply with any relevant requirements of the relevant system and any relevant arrangements or regulations which the Board may make from time to time pursuant to Article 10.2d);
- b) the Company shall enter on the Register the number of shares which are held by each member in uncertificated form and in certificated form and shall, in the case of uncertificated shares, maintain the Register in each case as is required by the Regulations and the relevant system and, unless the Board otherwise determines, holdings of the same holder or joint holders of shares in certificated form and in uncertificated form shall be treated as separate holdings but where such holdings are in the same form, they shall be treated as a single holding;
- c) a class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which applies only in respect of certificated shares or uncertificated shares;
- d) the Board may make such arrangements or regulations (if any) as it may from time to time in its absolute discretion think fit in relation to the evidencing and transfer of uncertificated shares and otherwise for the purpose of implementing and/or supplementing the provisions of these Articles in relation to uncertificated shares and



the Regulations and the facilities and requirements of the relevant system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in these Articles;

- e) the Board may utilise the relevant system to the fullest extent available from time to time in the exercise of the Company's powers or functions under the Companies Act or these Articles or otherwise in effecting any actions; and
- f) the Board may resolve that a class of shares is to become a Participating Security and may at any time determine that a class of shares shall cease to be a Participating Security.

10.3 Where any class of shares is a Participating Security and the Company is entitled under any provisions of the Companies Act or the rules made and practices instituted by the Operator of any relevant system or under these Articles to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any shares which are held in uncertificated form, such entitlement (to the extent permitted by the Regulations and the rules made and practices instituted by the Operator of the relevant system and subject to the arrangements and regulations referred to in Article 10.2d)) shall include the right to:

- a) request or require the deletion of any computer-based entries in the relevant system relating to the holding of such shares in uncertificated form; and/or
- b) require any holder of any uncertificated shares which are the subject of any exercise by the Company of any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated shares into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such shares, or direct the holder to take such steps (by instructions given by means of the relevant system or otherwise) as may be necessary to dispose of, sell or transfer such shares; and/or
- c) appoint any person to take such other steps (by instructions given by means of the relevant system or otherwise) in the name of the holder of such shares as may be required to effect a transfer of such shares and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated shares concerned; and/or
- d) transfer any uncertificated shares which are the subject of any exercise by the Company of any such entitlement by entering the name of the transferee in the Register in respect of that share as a transferred share; and/or
- e) otherwise rectify or change the Register in respect of that share in such manner as may be appropriate; and
- f) take such other action as may be necessary to enable those shares to be registered in the name of the person to whom the shares have been disposed of, sold or transferred or as directed by him.

- 10.4 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the Regulations and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumptions. In particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the Register shall be construed so as to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

## **SHARE CERTIFICATES**

### **11. Right to certificates**

- 11.1 On becoming the holder of any share in certificated form, every person (except a recognised person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled, without charge, to have issued within two months after allotment or lodgement of a transfer (unless the terms of issue of the shares provide otherwise) one certificate for all of the shares of that class registered in his name. Such certificate shall specify the number and class of the shares in respect of which it is issued and the amount or respective amounts paid up thereon and shall be issued as provided in Article 129 (Application of Seal).
- 11.2 The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named on the Register shall be sufficient delivery to all joint holders.
- 11.3 Where a member (other than a recognised person) has transferred part only of the shares comprised in a certificate, he shall be entitled without charge to a certificate for the balance of such shares. Where a member receives more shares of any class, he shall be entitled without charge to a certificate for the extra shares of that class.
- 11.4 No certificate representing shares of more than one class or in respect of shares held by a recognised person shall be issued.
- 11.5 This Article 11 does not apply to uncertificated shares.

### **12. Replacement certificates**

- 12.1 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge on surrender of the original certificates for cancellation.

- 12.2 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu thereof two or more share certificates representing such shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request.
- 12.3 Share certificates may be renewed or replaced on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out of pocket expenses, including those incurred by the Company in investigating such evidence and preparing such indemnity and security, as the Board may decide, and on surrender of the original certificate (where it is defaced, damaged or worn out), but without any further charge.
- 12.4 In the case of shares held jointly by several persons, any such request as is mentioned in this Article 12 may be made by any one of the joint holders.
- 12.5 This Article 12 does not apply to uncertificated shares.

## **LIEN ON SHARES**

### **13. Lien on shares not fully paid**

The Company shall have a first and paramount lien on each of its shares which is not fully paid, for all amounts payable to the Company (whether presently or not) in respect of that share to the extent and in the circumstances permitted by the Companies Act. The Board may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

### **14. Enforcement of lien by sale**

The Board may sell all or any of the shares subject to any lien at such time or times and in such manner as it may determine. However, no sale shall be made until such time as any money in respect of which such lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until notice in writing shall have been served on the holder or the person (if any) entitled by transmission to the shares, demanding the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell if default in payment, fulfilment or discharge shall continue for 14 clear days after service of such notice. For giving effect to any such sale, the Board may authorise some person to execute an instrument of transfer of the shares sold in the name and on behalf of the holder or the person (if any) entitled by transmission in favour of the purchaser or as the purchaser may direct. The purchaser shall not be bound to see to the application of any purchase consideration nor shall his title to the shares be affected by any act, omission, irregularity or invalidity relating to or connected with the proceedings in reference to the sale.

## **15. Application of proceeds of sale**

The net proceeds of any sale of shares subject to any lien, after payment of the expenses of sale, shall be applied in or towards satisfaction of so much of the amount due to the Company or of the liability or engagement (as the case may be) as is presently payable or is liable to be presently fulfilled or discharged. The balance (if any) shall (on surrender to the Company for cancellation of the certificate for the shares sold, and subject to a like lien for any money not presently payable or any liability or engagement not liable to be presently fulfilled or discharged as existed on the shares before the sale) be paid (without interest) to the holder or the person (if any) entitled by transmission to the shares so sold.

## **CALLS ON SHARES**

### **16. Calls**

Subject to the terms of allotment of shares, the Board may from time to time make calls on the members in respect of any money unpaid on the shares of any class held by them respectively (whether in respect of nominal value or premium) and not payable on a date fixed by or in accordance with the terms of issue. A call may be required to be paid by instalments. Each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made and whether or not by instalments) be liable to pay the amount of every call so made on him as required by the notice. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed or (as the case may require) any person to whom power has been delegated pursuant to these Articles serves notice of exercise of such power. A call may, before receipt by the Company of any sum due thereunder, be either revoked or postponed in whole or part as regards all or any such members as the Board may determine. A person on whom a call is made shall remain liable notwithstanding the subsequent transfer of the shares in respect of which the call was made.

### **17. Liability of joint holders**

The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect thereof.

### **18. Interest on calls**

If the whole of the sum payable in respect of any call is not paid on or before the day appointed for payment, the person from whom it is due and payable shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment, together with interest on the unpaid amount from the day appointed for payment thereof to the day of payment (both days inclusive) at the rate fixed by the terms of the allotment of the share or in the notice of the call or, if no rate is so fixed, at 15 per cent per annum (or

such lower rate as the Board may determine). The Board may waive payment of such costs, charges, expenses or interest in whole or in part.

**19. Rights of member when call unpaid**

Unless the Board otherwise determines, no member shall be entitled to receive any dividend or to be present and vote at a general meeting or at any separate general meeting of the holders of any class of shares either in person or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other right or privilege as a member in respect of a share held by him unless and until he shall have paid all calls for the time being due and payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) payable by such member to the Company.

**20. Sums due on allotment treated as calls**

Any sum payable in respect of a share on allotment or at any fixed date, whether in respect of the nominal value of the share or by way of premium or as an instalment of a call, shall for the purposes of these Articles be deemed to be a call duly made. If it is not paid, the provisions of these Articles shall apply as if such amount had become due and payable by virtue of a call.

**21. Power to differentiate**

The Board may make arrangements on the allotment or issue of shares for a difference as between the allottees or holders of such shares in the amount and time of payment of calls.

**22. Payment in advance of calls**

The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish pro tanto the liability on the shares in respect of which it is made. The Company may pay interest on the money paid in advance, or so much of it as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, at such rate as the Board may decide. The Board may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of its intention to do so, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

## **FORFEITURE OF SHARES**

### **23. Notice if call not paid**

If any member fails to pay the whole of any call or any instalment of any call on or before the day appointed for payment, the Board may at any time serve a notice in writing on such member or on any person entitled to the shares by transmission, requiring payment, on a date not less than 14 clear days from the date of the notice, of the amount unpaid and any interest which may have accrued thereon and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited.

### **24. Forfeiture for non-compliance**

If the notice referred to in Article 23 is not complied with, any share in respect of which it was given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect which shall state the date of forfeiture. Such forfeiture shall include all dividends declared or other money payable in respect of the forfeited shares and not paid before the forfeiture.

### **25. Notice after forfeiture**

When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share or the person entitled to such share by transmission (as the case may be). An entry of such notice having been given and of the forfeiture with the date thereof shall forthwith be made in the Register in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry as aforesaid.

### **26. Forfeiture may be annulled**

The Board may, at any time before any share so forfeited has been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture, on the terms that payment shall be made of all calls and interest due thereon and all expenses incurred in respect of the share and on such further terms (if any) as the Board shall see fit.

### **27. Surrender**

The Board may accept a surrender of any share liable to be forfeited. In such case, references in these Articles to forfeiture shall include surrender.

## **28. Disposal of forfeited shares**

Every share which is forfeited shall on forfeiture become the property of the Company. Subject to the provisions of the Companies Act, any forfeited share may be sold, re-allotted or otherwise disposed of, either to the person who was the holder before forfeiture or otherwise entitled to the share, or to any other person, on such terms and in such manner as the Board shall determine. The Board may, for the purposes of the disposal, authorise some person to transfer the share in question and may enter the name of the transferee in respect of the transferred share in the Register, notwithstanding the absence of any share certificate being lodged in respect of the share and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by (as the case may be) the holder (if any) of, or the person entitled by transmission to, the share. The Company may receive the consideration (if any) given for the share on its disposal.

## **29. Effect of forfeiture**

A shareholder whose shares have been forfeited shall cease to be a member in respect of the shares forfeited and shall, in the case of a holder of certificated shares, surrender to the Company for cancellation the certificate for such shares. He shall nevertheless be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon at 15 per cent per annum (or such lower rate as the Board may determine) from the date of the forfeiture to the date of payment (both dates inclusive), in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) claims, demands and liabilities which the Company might have enforced in respect of the shares at the time of forfeiture, without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

## **30. Extinction of claims**

The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the holder if any whose share is forfeited or the person entitled by transmission to the forfeited share (as the case may be) and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Companies Act given or imposed in the case of past members.

## **31. Evidence of forfeiture**

A statutory declaration by a Director or the Secretary that a share has been forfeited in pursuance of these Articles, and stating the date on which it was forfeited, shall, as against all persons claiming to be entitled to that share, be conclusive evidence of the facts therein stated. The declaration, together with the receipt by the Company for the consideration (if any) given for the share on the sale or disposition thereof and a certificate for the share delivered to the person to whom the same is sold or disposed of, shall (subject if necessary

to the execution of an instrument of transfer) constitute a good title to the share. Subject to the execution of any necessary transfer, such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of any purchase consideration, nor shall his title to the share be affected by any act, omission, irregularity or invalidity relating to or connected with the proceedings in reference to the forfeiture or disposal of the share. Such person shall not (except by express agreement with the Company) become entitled to any dividend which might have accrued on the share before the completion of the sale or disposition thereof.

## **DISCLOSURE OF INTERESTS**

### **32. Obligation to disclose interests in voting rights attaching to shares and remedies for failure to disclose such interests**

- 32.1 Each holder of shares of the Company shall be under an obligation to make certain notifications in accordance with the provisions of this Article.
- 32.2 If at any time the Company shall have a class of stock admitted to trading on the AIM market operated by the London Stock Exchange, the provisions of Chapter 5 of the Disclosure and Transparency Rules (as amended from time to time) (**DTR 5**) of the UK Financial Conduct Authority Handbook (**the FCA Handbook**) shall be deemed to be incorporated by reference into these Articles and accordingly the vote holder and issuer notification rules set out in DTR 5 shall apply to the Company and each holder of shares of the Company. Notwithstanding the time limits for disclosure set out in DTR 5, the Company is required by Rule 17 of the AIM Rules for Companies to announce via a Regulatory Information Service, all the information contained in any vote holder notification "without delay".
- 32.3 For the purposes of the incorporation by reference of DTR 5 into these Articles and the application of DTR 5 to the Company and each holder of shares of the Company, the Company shall (for the purposes of this Article 32 only) be deemed to be an "issuer", as such term is defined in DTR 5 (and not, for the avoidance of doubt, a "non-UK issuer", as such term is defined in DTR 5).
- 32.4 For the purposes of this Article 32 only, defined terms in DTR 5 shall bear the meaning set out in DTR 5, and if the meaning of a defined term is not set out in DTR 5, the defined term shall bear the meaning set out in the Glossary to the FCA Handbook (in such case, read as the definition applicable to DTR 5).
- 32.5 If the Company determines that a holder of shares of the Company (a Defaulting Holder) has not complied with the provisions of DTR 5 as set forth above with respect to some or all of such shares held by such holder (Default Shares), the Company shall have the right by delivery of notice to the Defaulting Holder (a Default Notice) to:



- a) suspend the right of such Defaulting Holder to vote the Default Shares in person or by representative or by proxy at any general meeting of the Company or at any separate meeting of the holders of any class of shares of the Company. Such a suspension shall have effect from the date on which the Default Notice is delivered by the Company to the Defaulting Holder until a date that is not more than seven days after the Company has determined in its sole discretion that the Defaulting Holder has cured the non-compliance with the provisions of DTR 5; provided, however, that the Company may at any time by subsequent written notice cancel or suspend the operation of a Default Notice; and/or
- b) to (i) withhold, without any obligation to pay interest thereon, any dividend or other amount payable with respect to the Default Shares with such amount to be payable only after the Default Notice ceases to have effect with respect to the Default Shares, (ii) render ineffective any election to receive shares of the Company instead of cash in respect of any dividend or part thereof, or (iii) prohibit transfer of any shares of the Company held by the Defaulting Holder except with the consent of the Company or if the Defaulting Holder can provide satisfactory evidence to the Company to the effect that, after due inquiry, such stockholder has determined that the shares to be transferred are not Default Shares.

## **UNTRACED MEMBERS**

### **33. Power of sale**

- 33.1 The Company shall be entitled to sell at the best price reasonably obtainable any share of a member, or any share to which a person is entitled by transmission, if and provided that:
- a) during the period of 12 years immediately prior to the date of the publication of the advertisements referred to in Article 33.1b) (or, if published on different dates, the earlier or earliest thereof) (the relevant period), the Company has paid at least three cash dividends (whether interim or final) on the share and no cash dividend payable on the share has either been claimed or cashed;
  - b) on or after expiry of the relevant period, the Company has given notice of its intention to sell such share by advertisements in three newspapers and one in the Zambian statutory Government Gazette notice of its intention to sell the shares, the said advertisements, if not published on the same day, shall have been published within 30 days of each other; and
  - c) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates, the later or latest thereof) and prior to the exercise of the power of sale, the Company has not received any communication in respect of such share from the member or person entitled by transmission.

- 33.2 To give effect to any sale of shares pursuant to this Article, the Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the Register, notwithstanding the absence of any share certificate being lodged in respect thereof, and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of any purchase consideration, nor shall his title to the shares be affected by any act, omission, irregularity or invalidity relating to or connected with the proceedings in reference to the sale.
- 33.3 If, during the relevant period referred to in Article 33.1 or during any period ending on the date when all the requirements of Articles 33.1a) to 33.1c) have been satisfied, any additional shares have been issued in respect of those held at the beginning of, or previously so issued during, any such period and all the requirements of Articles 33.1 b) to 33.1c) have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares.

#### **34. Application of proceeds of sale**

The net proceeds of sale shall belong to the Company which shall account to the member or other person entitled to such share for an amount equal to such net proceeds by carrying all money in respect thereof to a separate account. The Company shall be deemed to be a debtor to, and not a trustee for, such member or other person in respect of such money. Money carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may from time to time think fit. No interest shall be payable to such member or other person in respect of such money and the Company shall not be required to account for any interest earned thereon.

### **TRANSFER OF SHARES**

#### **35. Form of transfer**

- 35.1 Subject to the requirements of the LuSE with respect to the Central Securities Depository, every instrument of transfer shall be left at the transfer office of the Company at which it is presented for registration accompanied by the certificate of the securities to be transferred and/or such other evidence as the Company may require to prove the title of the transferor or his rights to transfer the securities. All authorities to sign transfer instruments granted by members for the purpose of transferring securities which may be lodged, produced or exhibited with or to the Company and the grantor of such authorities shall as between the Company and the grantor of such authorities be taken and deemed to continue and remain in full force and effect and the Company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the Company's transfer offices at which the authority was lodged, produced or exhibited. Even after the giving and lodging of such notices the Company shall be entitled

to give effect to any instruments signed under the authority to sign and certified by any officer of the Company as being in order before the giving and lodging of such notice.

- 35.2 The Company shall not register a transfer of shares unless a proper instrument of transfer has been delivered to the Company; the right to the shares has been transmitted by operation of law. Transfers may be lodged with the Company by either the transfer or transferee.
- 35.3 A member may transfer all or any of his shares by instrument in writing in any usual or common form which the Directors shall approve.
- 35.4 An instrument of transfer shall be executed by or on behalf of both the transferor and the transferee.
- 35.5 The instrument of transfer shall be left for registration at the registered office of the Company, together with such fee (if any) as the directors require, accompanied by the certificate of the shares to which it relates and such other information as the directors properly require to show the right of the transferor to make the transfer, and thereupon the Company shall subject to the powers vested in the directors by these regulations, register the transferee as a shareholder.

## **36. Right to refuse registration**

- 36.1 The Board may, in its absolute discretion but subject to the Companies Act, refuse to register any transfer of a share (or renunciation of a renounceable letter of allotment) unless:
  - 36.2 it is in respect of a share which is fully paid up;
  - 36.3 it is in respect of only one class of shares;
  - 36.4 it is in favour of a single transferee or not more than four joint transferees;
  - 36.5 it is duly stamped (if so required); and
  - 36.6 it is delivered for registration to the Office or such other place as the Board may from time to time determine, accompanied (except in the case of (i) a transfer by a recognised person where a certificate has not been issued, (ii) a transfer of an uncertificated share or (iii) a renunciation) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so, provided that the Board shall not refuse to register a transfer or renunciation of a partly paid share on the grounds that it is partly paid in circumstances where such refusal would prevent dealings in such share from taking place on an open and proper basis on the market on which such share is admitted to trading.

36.7 Without prejudice to Article 36.1, the Board may refuse to register a transfer of an uncertificated share in such other circumstances as may be permitted or required by the Regulations and the relevant system.

### **37. Notice of and reasons for refusal**

37.1 If the Board refuses to register a transfer of a share it shall, as soon as practicable and in any event within 7 days of passing the resolution refusing to register the transfer, send notice of the refusal to the transferee. At the same time as it sends the transferee notice of the refusal to register a transfer, the Board will provide the transferee with its reasons for the refusal. Any instrument of transfer which the Board refuses to register shall (except in the case of suspected or actual fraud) be returned to the person depositing it.

37.2 The first sentence of Article 37.1 applies to uncertificated shares as if the reference to the date on which the transfer was lodged with the Company were a reference to the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the facilities and requirements of the relevant system. The second and third sentences of Article 37.1 do not apply to uncertificated shares.

### **38. Fees on registration**

No fee shall be charged for registration of a transfer or on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, notice or other instrument relating to or affecting the title to any shares.

### **39. Other powers in relation to transfers**

Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person or from authorising any person to transfer that share in accordance with any procedures implemented pursuant to Article 14 (Enforcement of lien by sale).

## **TRANSMISSION OF SHARES**

### **40. On death**

If a member dies, the survivors or survivor, where he was a joint holder, and his executors or administrators, where he was a sole or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his shares. Nothing in these Articles shall release the estate of a deceased member from any liability in respect of any share which has been solely or jointly held by him.

## **41. Election of person entitled by transmission**

- 41.1 Any person becoming entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, may, on such evidence as to his title being produced as the Board may require, elect either to become registered as a member or to have some person nominated by him registered as a member. If he elects to become registered himself, he shall give notice to the Company to that effect. If he elects to have some other person registered, he shall execute an instrument of transfer of such share to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of transfer executed by the member and his death, bankruptcy or other event as aforesaid had not occurred. Where the entitlement of a person to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the Board, the Board shall within two months after such proof cause the entitlement of that person to be noted in the Register.
- 41.2 For the purposes referred to in Article 41.1, a person entitled by transmission to a share in uncertificated form who elects to have some other person registered shall either:
- a) procure that instructions are given by means of the relevant system to effect the transfer of such uncertificated share to that person; or
  - b) change the uncertificated share into certificated form and execute an instrument of transfer of that certificated share in favour of that person.

## **42. Rights on transmission**

Where a person becomes entitled to a share in consequence of the death or bankruptcy of any member, or of any other event giving rise to a transmission of such entitlement by operation of law, the rights of the holder in relation to such share shall cease. However, the person so entitled may give a good discharge for any dividends and other money payable in respect of it and shall have the same rights to which he would be entitled if he were the holder of the share, except that he shall not, before he is registered as the holder of the share, be entitled in respect of it to receive notice of, or to attend or vote at, any meeting of the Company or at any separate meeting of the holders of any class of shares. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within 60 days, the Board may thereafter withhold payment of all dividends and other money payable in respect of such share until the requirements of the notice have been complied with.

## ALTERATION OF SHARE CAPITAL

### 43. Alteration of capital

- 43.1 The Company may by special resolution alter its share capital by doing any of the following:
- a) increasing its share capital by new shares of such an amount as it thinks expedient;
  - b) consolidating and dividing all or any of its share capital into shares of a larger amount than its existing shares;
  - c) converting all or any of its paid up shares into stock, and re-converting that stock into paid up shares of any denomination;
  - d) subdividing its shares, or any of them, into shares of smaller amounts than is stated in the certificate of share capital;
  - e) cancelling shares which, at the date of the passing of the resolution, have not been allotted to any person, and diminishing the amount of its share capital by the amount of the shares so cancelled.
- 43.1 The Company may, by special resolution, reduce its share capital, any capital redemption reserve fund or any share premium account.

### 44. Fractions

- 44.1 Whenever as the result of any consolidation, division or sub-division or redenomination of shares any holders would become entitled to fractions of a share, the Board may, on behalf of those holders:
- a) sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Companies Act, the Company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £3 or such other sum as the Board may from time to time determine, may be retained for the benefit of the Company); or
  - b) the Board may issue to such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation); and the amount required to pay up such shares shall be appropriated at the Board's discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up the share. In relation to such a capitalisation the Board may exercise

all the powers conferred on it by Article 142 (Capitalisation of reserves) without an ordinary resolution of the Company.

- 44.2 Subject to the provisions of the Companies Act, the Board may treat shares of a holder in certificated form and in uncertificated form as separate holdings in giving effect to sub-divisions and/or consolidations and may cause any shares arising on sub-division or consolidation and representing fractional entitlements to be entered in the Register as shares in certificated form where this is desirable to facilitate the sale thereof.
- 44.3 For the purposes of any sale of consolidated shares pursuant to Article 44.1, the Board may authorise a person to execute an instrument of transfer of the shares to, or in accordance with, the directions of the purchaser, and the transferee shall not be bound to see to the application of any purchase consideration, nor shall his title to the shares be affected by any act, omission, irregularity or invalidity relating to or connected with the proceedings in reference to the sale. In respect of uncertificated shares, the Board may authorise some person to transfer and/or require the holder to transfer the relevant shares in accordance with the facilities and requirements of the relevant system.

## **VARIATION OF CLASS RIGHTS**

### **45. Variation**

Subject to the Companies Act, the following shall be deemed to be a variation of class rights:

- a) the abrogation of any rights attached to a class of shares; and
- b) reducing the proportion of the dividends or other distributions payable at any time to the holders of the existing shares of a class.

### **46. Sanction to variation**

If at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any shares (whether or not the Company may be or is about to be wound up) may from time to time be varied or abrogated in such manner (if any) as may be provided in these Articles by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held in accordance with the Companies Act.

#### **47. Class meetings**

All the provisions in these Articles as to general meetings shall, with any necessary modifications, apply equally to every meeting of the holders of any class of shares. The Board may convene a meeting of the holders of any class of shares whenever it thinks fit and whether or not the business to be transacted involves a variation or abrogation of class rights. The quorum at every such meeting shall be not less than two persons present (in person or by proxy) holding at least one-third of the nominal amount paid up on the issued shares of the relevant class (excluding any shares of that class held as treasury shares) provided that a person present by proxy is treated as holding only the shares in respect of which the proxy is authorised to exercise voting rights. Every holder of shares of the class (other than a holder of treasury shares), present in person or by proxy, may demand a poll. If at any adjourned meeting of such holders a quorum is not present, one person holding shares of the relevant class (whatever the number of shares held by him but excluding any shares of that class held as treasury shares) who is present in person or by proxy shall be a quorum.

#### **48. Deemed variation**

Subject to the terms of issue of or rights attached to any shares, the rights for the time being attached to any shares shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by the reduction of the capital paid up on such shares or by the purchase or redemption by the Company of its own shares or the sale of any shares held as treasury shares in accordance with the provisions of the Companies Act and these Articles.

### **MEETINGS OF MEMBERS**

#### **49. Annual general meetings**

The Company shall hold, within three months after the end of each financial year of the Company, a meeting to be called the annual general meeting of the Company.

#### **50. Convening of general meeting other than annual general meeting**

- 50.1 The Board may convene a general meeting, other than an annual general meeting, whenever it thinks fit. If there are within Zambia insufficient members of the Board to convene such a general meeting, any Director may call such a general meeting. A director may, whenever he thinks, fit, convene a general meeting. All general meetings other than annual general meetings shall be called extraordinary general meetings. If no director is present within Zambia, any two members may convene a general meeting in the same manner, or as nearly as possible, as that in which such meetings may be convened by a



director. A general meeting shall be held in Zambia unless all the members entitled to vote at that meeting agree in writing to a meeting at a place outside Zambia.

50.2 At any general meeting convened on a members' requisition or by the requisitionists no business shall be transacted except that stated by the requisition or proposed by the Board.

## **51. Notice of general meetings**

51.1 Notice of a general meeting shall specify the place, the day and the hour of meeting and, except as provided by Article 51.4d), shall state the general nature of the business to be transacted at the meeting.

51.2 A general meeting shall be convened by such notice as may be required by law from time to time (which as at the date of these Articles requires 21 days in the case of an annual general meeting; 21 days in the case of a meeting at which a special resolution is proposed and 14 days in any other case and not more than 50 days before the meeting is to be held).

51.3 Subject to the provisions of the Companies Act, and notwithstanding that it is convened by shorter notice than that specified in this Article 51, a meeting shall be deemed to have been duly convened if it is so agreed:

- a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
- b) in the case of any other general meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

51.4 The notice of any general meeting shall include such statements as are required by the Companies Act and shall in any event specify:

- a) whether the meeting is convened as an annual general meeting or any other general meeting;
- b) the place, the day and the time of the meeting;
- c) the general nature of the business to be transacted at the meeting. It shall not be necessary for a notice of an annual general meeting to state that the business to be transacted at that meeting includes the declaring of a dividend, the consideration of annual accounts and the reports of the directors and auditors, the election of directors in the place of those retiring or the appointment and fixing of the remuneration of the auditors.
- d) if the meeting is convened to consider a special resolution, the text of the resolution and the intention to propose the resolution as such; and

- e) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or (provided each proxy is appointed to exercise the rights attached to a different share held by the member) more proxies to attend and to speak and vote instead of him and that a proxy need not also be a member.

51.5 The notice shall be given to the members (other than any who, under the provisions of these Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors and to the Auditors and to any other person who may be entitled to receive it.

## **52. Omission to send notice or non-receipt of notice**

The accidental omission to give or send notice of any meeting or, in cases where it is intended that it be given or sent out with the notice, any other document relating to the meeting including an appointment of proxy to, or the non-receipt of either by, any person entitled to receive the same shall not invalidate the proceedings at that meeting.

## **53. Postponement of general meetings**

If the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a meeting on the date or at the time or place specified in the notice calling the meeting, it may postpone the meeting to another date, time and/or place. The Board shall take reasonable steps to ensure that notice of the date, time and place of the postponed meeting is provided to any member trying to attend the meeting at the original time and place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall, if practicable, also be placed in at least two national newspapers in Zambia. No business shall be transacted at any postponed meeting other than business which might properly have been transacted at the meeting had it not been postponed. Notice of the business to be transacted at such postponed meeting shall not be required. If a meeting is postponed in accordance with this Article, the appointment of a proxy will be valid if it is delivered and received as required by these Articles not less than 48 hours before the time appointed for holding the postponed meeting. The Board may also postpone any meeting which has been rearranged under this Article. When calculating the 48 hour period mentioned in this Article, the Directors can decide not to take account of any part of a day that is not a working day.

## **PROCEEDINGS AT GENERAL MEETINGS**

### **54. Quorum**

54.1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided in these Articles, two persons entitled to attend and to vote on the business to be transacted who, between them, hold or represent twenty per cent of the issued shares, each being a member so

entitled or a proxy for a member so entitled or a duly authorised representative of a corporation which is a member so entitled, shall be a quorum.

- 54.2 In calculating whether a quorum is present for the purposes of Article 54.1, if two or more persons are appointed as proxies for the same member or two or more persons are appointed as corporate representatives of the same corporate member, only one of such proxies or only one of such corporate representatives shall be counted.

## **55. If quorum not present**

If a quorum is not present within half an hour after the time appointed for the meeting:

- a) where the meeting was convened upon the requisition of members-the meeting shall be dissolved; or
- b) in any other case:
  1. the meeting shall stand adjourned to such day, and at such time and place, as the Board determine or, if no determination is made by the Board, to the same day in the next week at the same time and place; and
  2. if a quorum is not present at the adjourned meeting within half an hour after the time appointed for the meeting:
    - I. two members who, between them, hold or represent twenty per cent of the shares shall constitute a quorum; or
    - II. the meeting shall be dissolved, if two members are not present.

## **56. Chairman**

The Chairman (if any) of the Board shall preside as Chairman at every general meeting of the Company. If there is no Chairman or if at any meeting he is not present within five minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, the Deputy Chairman (if any) of the Board shall (if present and willing to act) preside as Chairman at such meeting. If neither the Chairman nor the Deputy Chairman is present and willing to act, the Directors present shall choose one of their number to act or, if there is only one Director present, he shall preside as Chairman if willing to act. If no Director is present and willing to act, the members present (in person or by proxy) and entitled to vote on the business to be transacted shall choose one of their number to preside as Chairman of the meeting.

## **57. Entitlement to attend and speak**

Each Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of

shares of the Company. The Chairman may invite any person to attend and speak at any general meeting where he considers this will assist in the deliberations of the meeting.

## **58. Power to adjourn**

The Chairman may, with the consent of a meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and from place to place as the meeting shall determine. However, without prejudice to any other power which he may have under these Articles or at common law, the Chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting (whether or not it has commenced or a quorum is present) from time to time and from place to place, or for an indefinite period, if he is of the opinion that it has become necessary to do so in order to secure the proper and orderly conduct of the meeting or to give all persons entitled to do so a reasonable opportunity of attending, speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of.

## **59. Notice of adjourned meeting**

Whenever a meeting is adjourned for 30 days or more or indefinitely, at least seven clear days' notice, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting.

## **60. Business of adjourned meeting**

No business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

## **61. Accommodation of members and security arrangements**

61.1 The Board may, for the purpose of controlling the level of attendance and ensuring the safety of those attending at any place specified for the holding of a general meeting, from time to time make such arrangements as the Board shall in its absolute discretion consider to be appropriate and may from time to time vary any such arrangements in place or make new arrangements therefor. The entitlement of any member or proxy to attend a general meeting at such place shall be subject to any such arrangements as may be for the time being approved by the Board. In the case of any meeting to which such arrangements apply the Board may, when specifying the place of the meeting:

- a) direct that the meeting shall be held at a place specified in the notice at which the Chairman of the meeting shall preside (the Principal Place); and
- b) make arrangements for simultaneous attendance and participation at satellite meeting places or by way of any other electronic means by members otherwise entitled to attend the

general meeting but excluded from the Principal Place under the provisions of this Article, or who wish to attend at satellite meeting places or other places at which persons are participating via electronic means provided that persons attending at the Principal Place and at satellite meeting places or other places at which persons are participating via electronic means shall be able to see, hear and be seen and heard by, persons attending at the Principal Place and at such other places, by any means. Such arrangements for simultaneous attendance at any of such other places may include arrangements for controlling the level of attendance in any manner at any of such other places (as stated above), provided that they shall operate so that any members and proxies excluded from attending at the Principal Place are able to attend at one of the satellite meeting places or other places at which persons are participating via electronic means. For the purposes of all other provisions of these Articles any such meeting shall be treated as taking place and being held at the Principal Place.

- 61.2 The Board may direct that any person wishing to attend any meeting should provide evidence of identity and submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances. The Board shall be entitled in its absolute discretion to refuse entry to, or eject from, any meeting any person who fails to provide such evidence of identity or to submit to such searches or to otherwise comply with such security arrangements or restrictions.

## **62. Orderly conduct**

The Chairman shall take such action or give such directions as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting. The Chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall his determination as to whether any matter is of such a nature.

## **VOTING AND POLLS**

### **63. Method of voting**

- 63.1 At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is duly demanded. Subject to the provisions of the Companies Act a poll may be demanded on any question other than the election of the chairperson of the meeting or the adjournment of the meeting by:
- a) three members present in person or by proxy representing not less than 5 per cent of the total voting rights of all the members having the right to vote on the resolution or question, where there are more than eight members present; or

- b) one-third of the members present with the right to vote on the resolution or question, where the members present are eight or less.

63.2 At general meetings, resolutions shall be put to the vote by the Chairman and there shall be no requirement for the resolution to be proposed or seconded by any person.

#### **64. Chairman's declaration conclusive on show of hands**

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the Chairman of the meeting that a resolution on a show of hands has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded for or against such resolution.

#### **65. Objection to or error in voting**

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting or poll at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. Any vote which is not disallowed at such a meeting or poll shall be valid for all purposes. The decision of the Chairman on such matters shall be final and conclusive.

#### **66. Procedure on a poll**

66.1 A poll duly demanded on any question of adjournment shall be taken forthwith. A poll duly demanded on any other matter shall be taken in such manner (including the use of ballot or voting papers or electronic means, or any combination thereof) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman shall direct. The Chairman may appoint scrutineers who need not be members. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given, specifying the time and place at which the poll is to be taken. The result of the poll shall be deemed to be the resolution passed on the day of the meeting at which the poll was demanded.

66.2 The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business, other than the question on which a poll has been demanded. If a poll is demanded before the declaration of the result on a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

- 66.3 The demand for a poll may be withdrawn at any time before the poll is taken, but only with the consent of the Chairman of the meeting. A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 66.4 On a poll votes may be given in person or by proxy. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

## **67. Votes of members**

Subject to the provisions of the Companies Act to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights pursuant to these Articles, at any general meeting, every member who is present in person shall, on a show of hands, have one vote and every member present in person shall, on a poll, have one vote for each share of which he is the holder.

## **68. Votes of joint holders**

If two or more persons are joint holders of a share, then in voting on any question, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of the holders stand in the Register.

## **69. Votes of member suffering incapacity**

- 69.1 Where, in Zambia or elsewhere, a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Board may, in its absolute discretion, on or subject to the production of such evidence of the appointment as the Board may require, permit such receiver or other person to vote in person or by proxy on behalf of such member at any general meeting.
- 69.2 Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the Office, or deposited or received at such other place or address as is specified in accordance with these Articles for the deposit or receipt of appointments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable. When calculating the 48 hour period mentioned in this Article, the Directors can decide not to take account of any part of a day that is not a working day.

## PROXIES AND CORPORATE REPRESENTATIVES

### 70. Voting by proxy

- 70.1 Any person (whether a member of the Company or not) may be appointed to act as a proxy and more than one proxy may be appointed provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member.
- 70.2 Every proxy who has been appointed by one or more members entitled to vote on the resolution shall, on a show of hands, have one vote unless Article 70.3 applies.
- 70.3 Every proxy who has been appointed by more than one member entitled to vote on the resolution shall, on a show of hands, have two votes, one vote for and one against the resolution if:
- a) one or more of the members instructed him to vote for and one or more of the members instructed him to vote against the resolution; or
  - b) one or more of the members instructed him to vote for the resolution and one or more of the members gave him discretion as to how to vote and he exercises his discretion by voting against the resolution; or
  - c) one or more of the members instructed him to vote against the resolution and one or more of the members gave him discretion as to how to vote and he exercises his discretion by voting for the resolution.
- 70.4 Subject to Article 70.1, every proxy who has been appointed by a member entitled to vote on the resolution shall, on a poll, have one vote for each share held by that member (or, where a proxy has been appointed to exercise the rights attached to some only of the shares held by that member, one vote, on a poll, for each such share).
- 70.5 The appointment of a proxy shall not preclude a member from attending and voting in person on a show of hands or on a poll on any matters in respect of which the proxy is appointed. In the event that and to the extent that a member personally votes his shares, his proxy shall not be entitled to vote and any vote cast by a proxy in such circumstances shall be ignored.
- 70.6 When two or more valid but differing appointments of proxy are received in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly received (regardless of its date or of the date of its execution or submission) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly received, none of them shall be treated as valid in respect of that share.



## **71. Form of proxy**

- 71.1 The appointment of a proxy shall, subject to the provisions of the Companies Act:
- a) be in writing, in any common form or in such other form as the Board may approve, and (i) if in writing but not in electronic form, made under the hand of the appointor or of his attorney duly authorised in writing; or, if the appointor is a corporation, under its common seal or under the hand of some officer or attorney or other person duly authorised in that behalf; or (ii) if in writing in electronic form, submitted by or on behalf of the appointor and authenticated;
  - b) be deemed (subject to any contrary direction contained in it) to confer authority on the proxy to exercise all or any rights of his appointor to demand or join in demanding a poll and to speak at any meeting and to vote (whether on a show of hands or on a poll) on any resolution or amendment of a resolution put to the meeting in respect of which the proxy is given, as the proxy thinks fit;
  - c) unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates; and
  - d) where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any of such meetings.
- 71.2 The Board may allow a proxy for a holder of any shares in uncertificated form to be appointed by electronic communication in the form of an uncertificated proxy instruction. The Board may also allow any supplement to the uncertificated proxy instruction or any amendment or revocation of any uncertificated proxy instruction to be made by a further uncertificated proxy instruction.
- 71.3 The Board may decide what method should be used to determine at what time the instruction or notification is treated as being received by the Company. The Board may treat any notification purporting or expressed to be sent on behalf of a holder of a share in uncertificated form as sufficient evidence of the authority of the person sending the instruction to send it on behalf of that holder.
- 71.4 For the purposes of this Article 71, an uncertificated proxy instruction is a properly authenticated dematerialised instruction, and/or other instruction or notification, if sent through a relevant system to a participant in that system chosen by the Board to act for the Company. The uncertificated proxy instruction may be in any form and subject to any terms and conditions that the Board deems appropriate, but always subject to the facilities and requirements of the relevant system.

## **72. Deposit or receipt of proxy**

72.1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is authenticated, or a copy of such authority certified notarially or in some other way approved by the Board, shall:

- a) in the case of an appointment not in electronic form (including any such power of attorney or other authority) be deposited at the Office, or at such other place (within Zambia) as is specified in the notice convening the meeting or in any notice of any adjourned meeting or in any appointment of proxy sent out by the Company in relation to the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
- b) in the case of an appointment in electronic form (including any such power of attorney or other authority), where an address has been specified for the purpose of receiving documents or information in electronic form:
  - a. in the notice convening the meeting; or
  - b. in any instrument of proxy sent out by the Company in relation to the meeting; or
  - c. in any invitation in electronic form to appoint a proxy issued by the Company in relation to the meeting,

be received at such address not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- c) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll; or
- d) in the case of a poll not taken forthwith but taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman of the meeting or any Director, the Secretary or some other person authorised for the purpose by the Company.

72.2 When calculating the periods mentioned in this article, the Directors can decide not to take account of any part of a day that is not a working day.

72.3 An appointment of proxy shall not be invalid by reason only that a member has not complied with the requirements of this clause 72.

## **73. Maximum validity of proxy and revocation of proxy**

73.1 No appointment of proxy shall be valid after the expiry of 12 months from the date named in it as the date of its execution or the date of its submission, except at an adjourned

meeting or on a poll demanded at a meeting or an adjourned meeting, in cases where the meeting was originally convened within 12 months from such date.

73.2 A vote given, or demand for a poll made, by a proxy shall be valid notwithstanding the death or mental disorder of the principal or the revocation of the appointment of proxy, or of the authority under which the appointment of proxy was executed, or the transfer of the share in respect of which the appointment of proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office, or at such other place or address as has been appointed for the deposit or receipt of appointments of proxy:

- a) in the case of a meeting or adjourned meeting, at least 48 hours before the commencement of the meeting or adjourned meeting;
- b) in the case of a poll taken more than 48 hours after it was demanded, at least 24 hours before the taking of the poll; and
- c) in the case of a poll not taken forthwith but taken not more than 48 hours after it was demanded, at the meeting at which the poll was demanded.

73.3 When calculating the 48 hour period mentioned in this Article, the Directors can decide not to take account of any part of a day that is not a working day.

## **74. Corporate representatives**

A corporation (whether or not a company within the meaning of the Companies Act) which is a member may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any separate meeting of the holders of any class of shares. A Director, the Secretary, or some person authorised for the purpose by the Secretary, may require any representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to such Director, Secretary or other person before permitting him to exercise his powers.

## **75. Validity of votes by proxies and corporate representatives**

75.1 A vote given by a proxy or by a corporate representative shall be valid for all purposes notwithstanding that the proxy or corporate representative has failed to vote in accordance with the instructions of the member by whom the proxy or corporate representative was appointed and the Company shall be under no obligation to check any vote so given is in accordance with any such instructions.

75.2 Any objection to the qualification of any person voting at a general meeting or to the counting of, or failure to count, any vote must be made at the meeting or at the time any poll is taken (if not taken at the meeting or adjourned meeting) at which the vote objected to is tendered. Any objection made in due time shall be referred to the Chairman whose

decision shall be final and conclusive. If a vote is not disallowed by the Chairman it is valid for all purposes.

75.3 The Company may require reasonable evidence of the identity of any proxy appointed by a member and of the member himself.

75.4 Where the appointment of a proxy is expressed to have been or purports to have been executed by a duly authorised person or on behalf of a member:

- a) the Company may treat the appointment as sufficient evidence of that person's authority to execute the appointment of proxy on behalf of that member; and
- b) the member shall, if requested by or on behalf of the Company, send or procure the sending of any authority under which the appointment of proxy has been executed, or a certified copy of any such authority, to such address and by such time as is required for the submission of appointments of proxy under Article 72 and, if the request is not complied with in any respect, the appointment of proxy may be treated as invalid.

## **APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

### **76. Number of Directors**

76.1 Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall be not more than 12 or less than 5 (provided that the majority of directors are non-executive directors).

76.2 At least half of the directors of the Company shall be resident in Zambia, including:

- a. the managing director (provided the Company has a managing director at any time); and
- b. at least one executive director (provided the Company has any executive directors at any time).

### **77. Power of Company to appoint Directors**

Subject to the provisions of these Articles, the Company may by ordinary resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.

### **78. Power of Board to appoint Directors**

Without prejudice to the power of the Company in general meeting under these Articles to appoint any person to be a Director, the Board shall have power at any time to appoint any person who is willing to act to be a Director, either to fill a vacancy or as an addition to the

existing Board, but the total number of Directors shall not exceed any maximum number fixed by or in accordance with these Articles.

## **79. Appointment of executive Directors**

79.1 Subject to the provisions of the Companies Act and to Articles 79.2 and 79.3, the Board, or any committee authorised by the Board, may from time to time appoint one or more Directors to hold any employment or executive office (including that of Chief Executive or Managing Director) for such term and subject to such other conditions as the Board, or any committee authorised by the Board, thinks fit in accordance with Article 98. The Board, or any committee authorised by the Board, may revoke or terminate any such appointment without prejudice to any claim for damages for breach of any contract between the Director and the Company.

79.2 The Strategic Investor shall have the right from time to time to appoint (and may, by notice in writing delivered to or, if in electronic form, received by the Secretary at the Office, or in any other manner approved by the Board, appoint):

- (a) two non-executive directors to the Board (each a **Strategic Investor Director**) for so long as the Strategic Investor holds 10 per cent or more of the voting rights of the Company; and
- (b) one Strategic Investor Director for so long as the Strategic Investor holds between 3 per cent and less than 10 per cent of the voting rights of the Company,

and in each case, to remove from office any person so appointed and to appoint another person in his place, and the Company shall procure that each Strategic Investor Director is formally appointed or removed from the Board as notified by the Strategic Investor. The Strategic Investor shall also be entitled to require that the Strategic Investor Director(s) be appointed as a director of each Group Company and be appointed to (a) any committee or sub-committee of or established by the Board (or any committee thereof) and (b) any committee or sub-committee of or established by the board of any Group Company.

79.3 Any person (not being an Affiliate of the Strategic Investor) who has acquired from the Strategic Investor or its Affiliates 120,000,000, Shares or more, (**Assignee**), shall, for so long as they hold 30 per cent of the voting rights of the Company be entitled to appoint two non-executive directors to the Board (**Third Party Director**) and to remove from office any person so appointed and to appoint another person in his place and the Company shall procure that each Third Party Director is formally appointed or removed from the Board as notified by the Assignee.

## **80. Eligibility of new Directors**

- 80.1 No person shall be appointed or re-appointed a Director at any general meeting unless:
- a. the person is retiring as a Director (whether by rotation or otherwise);

- b. the person has been nominated by the Board for appointment or re-appointment at that general meeting; or
- c. in any other case;
  - i. a member or members who, under the Companies Act are entitled to require the Company to give to members notice of a resolution to be moved at a meeting, have given the Company notice in writing signed by such member or members stating their intention to nominate the person for appointment or re-appointment; and
  - ii. the person nominated has given the Company notice in writing signed by that person stating his or her consent to the nomination.

80.2 Subject to Article 80.3, a notice required under Article 80.1(c)(i) is only valid if it is delivered to the Office not less than 14 nor more than 42 clear days before the date appointed for the meeting.

80.3 Article 80.2 does not apply to notices given by members pursuant to any right under the Companies Act to give notices if and to the extent that Article 80.2 is inconsistent with such right.

## **81. Retirement at annual general meetings**

81.1 At each annual general meeting of the Company, one-third of the non-executive Directors not including Directors appointed pursuant to Article 78 (Power of Board to appoint Directors) or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office by rotation.

81.2 With the exception of any Strategic Investor Director (who is appointed pursuant to Article 79 and shall not be subject to retirement by rotation, or at the first annual general meeting following his appointment), any Director appointed pursuant to Article 78 (Power of Board to appoint Directors) shall retire at the first annual general meeting of the Company following his appointment. Such retiring Director shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting.

81.3 At each annual general meeting, any Director who was elected or last re-elected at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation.

81.4 If the number of Directors retiring pursuant to Article 81.3 is less than the minimum number of Directors who are required by these Articles to retire by rotation, additional Directors up to that number shall retire. The Directors to retire under this Article 81.4 shall, first, be those Directors who are subject to rotation but who wish to retire and not offer themselves for re-election and, secondly, those Directors who have been Directors longest since their appointment or last re-appointment. If there are Directors who were appointed or last re-appointed on the same date, the Director to retire shall, in default of agreement between

them, 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 start of business on the date of the notice convening the annual general meeting notwithstanding any change in the number or identity of the Directors after that time but before the close of the meeting.

## **82. Position of retiring Director**

A Director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-elected and a director who is re-elected will be treated as continuing in office without a break. If he is not re-elected or deemed to have been re-elected, a Director shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting. No person will be appointed in the place of a Strategic Investor Director unless that person has been nominated by the Strategic Investor for election as a Strategic Investor Director. If no such person is elected as a Strategic Investor Director at the meeting, such Strategic Investor will appoint a replacement Strategic Investor Director in accordance with to Article 79.2.

## **83. Deemed re-election**

At any general meeting at which a Director retires under any provision of these Articles, the Company may by ordinary resolution fill the vacancy by re-electing the retiring Director or some other person who is eligible for appointment and willing to act as a Director. If the Company does not do so, the retiring Director shall (if willing) be deemed to have been re-elected except in the following circumstances:

- 83.1 it is expressly resolved not to fill the vacancy; or
- 83.2 a resolution for the re-election of the Director is put to the meeting and lost.

## **84. Removal by ordinary resolution**

- 84.1 In addition to any power of removal conferred by the Companies Act, the Company may by ordinary resolution remove any Director before the expiration of his period of office, but without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company, and may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a Director in his place. Any person so appointed shall be treated, for the purposes of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the person in whose place he is appointed was last appointed or re-appointed a Director.
- 84.2 Provided that a member shall not less than twenty-eight days before the meeting at which the resolution for removal of a director is to be passed, give the company secretary notice of intention to move a resolution to remove a director.

- 84.3 The company secretary shall on receipt of the notice referred to in Article 84.2 above, send a copy of the notice to the director concerned and the director shall be entitled to:
- a. be heard at the meeting;
  - b. submit a written statement to the company regarding the notice for their removal from office; and
  - c. require that the written statement made in accordance with 84.3 (b), be read at the meeting.

## **85. Vacation of office by Director**

Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these Articles, the office of a Director shall be vacated if:

- 85.1 he resigns by notice in writing delivered to, or, if in electronic form, received by, the Secretary at the Office or tendered at a Board meeting;
- 85.2 he ceases to be a Director by virtue of any provision of the Companies Act, is removed from office pursuant to these Articles or the Companies Act, or becomes prohibited by law from being a Director;
- 85.3 he becomes bankrupt, has an interim receiving order made against him, makes any arrangement or compounds with his creditors generally or applies to the court for an interim order in connection with a voluntary arrangement or enters into any analogous or similar procedure in any jurisdiction;
- 85.4 by reason of his mental health a court makes an order which wholly or partly prevents him from personally exercising any powers or rights he would otherwise have;
- 85.5 he is being treated by a registered medical practitioner who gives a written opinion to the Company stating that the Director has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 85.6 both he and his alternate Director appointed pursuant to the provisions of these Articles (if any) are absent without the permission of the Board, from Board meetings for six consecutive months or, if during a shorter period, for six consecutive Board meetings and the Board recommends to the members that he be removed; or
- 85.7 he is removed from office in accordance with Article 84.

## **86. Resolution as to vacancy conclusive**

A resolution of the Board declaring a Director to have vacated office under the terms of Article 85 shall be conclusive as to the fact and grounds of vacation stated in the resolution.



## **ALTERNATE DIRECTORS**

### **87. Appointments**

- 87.1 Each Director (other than an alternate Director) may, by notice in writing delivered to or, if in electronic form, received by the Secretary at the Office, or in any other manner approved by the Board, appoint any other Director or any person approved for that purpose by the Board and willing to act, to be his alternate.
- 87.2 No appointment of an alternate Director who is not already a Director shall be effective until his consent to act as a Director in the form prescribed by or required pursuant to the Companies Act has been received at the Office.
- 87.3 An alternate Director shall not be counted in reckoning any maximum or minimum number of Directors prescribed by these Articles.
- 87.4 An alternate director may not hold shares in the Company.
- 87.5 A person shall not be appointed as an alternate director by more than one director.
- 87.6 An alternate Director shall, in addition to any restrictions which may apply to him personally, be subject to the same restrictions as his appointor.

### **88. Participation in Board meetings**

Every alternate Director shall (subject to his giving to the Company a postal address within Zambia or an electronic address, at which notices may be served on him) be entitled to receive notice of all meetings of the Board and all committees of the Board of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor (except as regards power to appoint an alternate). A Director acting as alternate Director shall have a separate vote at Board meetings for the Director for whom he acts as alternate Director (and who is not present) in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

### **89. Alternate Director responsible for own acts**

Every person acting as an alternate Director shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be the agent of the Director appointing him.

## **90. Interests of alternate Director**

The provisions of Articles 119-126 (inclusive) (Directors' Interests) shall apply to an alternate Director to the same extent as if he was a Director and for the purposes of those provisions an alternate Director shall be deemed to have an interest which conflicts, or possibly may conflict, with the interest of the Company if either he or his appointor has such an interest. The provisions of Articles 148 and 149 (Indemnity) shall also apply to an alternate Director to the same extent as if he was a Director. An alternate Director shall not be entitled to receive from the Company any fees in his capacity as an alternate Director, except only such part (if any) of the fees payable to his appointor as his appointor may by notice in writing to the Company direct. Subject to this Article, the Company shall pay to an alternate Director such expenses as might properly have been paid to him if he had been a Director.

## **91. Revocation of appointment**

An alternate Director shall cease to be an alternate Director:

- 91.1 if his appointor revokes his appointment; or
- 91.2 if his appointor ceases for any reason to be a Director, provided that if any Director retires but is re-appointed or deemed to be re-appointed at the same meeting, any valid appointment of an alternate Director which was in force immediately before his retirement shall remain in force; or
- 91.3 if any event happens in relation to him which, if he were a Director otherwise appointed, would cause him to vacate office; or
- 91.4 if he resigns his office by notice in writing to the Company.

## **DIRECTORS' REMUNERATION, EXPENSES AND PENSIONS**

### **92. Directors' fees**

- 92.1 The Directors (other than alternate Directors and other than any Director who for the time being is appointed to hold any employment or executive office in accordance with these Articles) shall be entitled to receive by way of fees for their services as Directors such sum as the Board, or any committee authorised by the Board, may from time to time recommend (not exceeding any sum as the Company in general meeting by ordinary resolution shall from time to time determine). Such sum (unless otherwise directed by the resolution of the Company by which it is voted) shall be divided among the Directors in such proportions and in such manner as the Board, or any committee authorised by the Board, may determine or, in default of such determination, equally (except that in such event any Director holding office for less than the whole of the relevant period in respect of which the fees are paid shall only rank in such division in proportion to the time during such period for

which he holds office). Any fees payable pursuant to this Article shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provisions of these Articles or otherwise and shall accrue from day to day.

### **93. Expenses**

- 93.1 Unless otherwise determined by the Board acting in accordance with the Company's policies, each Director shall not be paid any travelling, hotel and other expenses incurred by him in or about the performance of his duties as Director, including any expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company.

### **94. Additional remuneration**

If by arrangement with the Board, or any committee authorised by the Board, any Director shall perform or render any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board, or any committee authorised by the Board, may from time to time determine.

### **95. Remuneration of executive Directors**

The remuneration of the executive directors shall be proposed by the Board of directors and approved by the members by ordinary resolution.

The Board may delegate the function in this clause 95 to an authorised committee.

### **96. Pensions and other benefits**

Subject to the Companies Act, the Board, or any committee authorised by the Board, may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for, or to institute and maintain any institution, association, society, club, trust, other establishment or profit-sharing, share incentive, share purchase or employees' share scheme calculated to advance the interests of the Company or to benefit, any person who is or has at any time been a Director or employee of the Company (or of any company which is (a) a holding company or a subsidiary undertaking of the Company or (b) allied to or associated with the Company or with any such holding company or subsidiary undertaking or (c) a predecessor in business of the Company or of any such holding company or subsidiary undertaking), and any member of his family (including a spouse or former spouse) and any person who is or was dependent on him. For such purpose the Board may establish, maintain, subscribe and contribute to any scheme, institution, association, club, trust or fund and pay premiums and, subject to the provisions of the Companies Act, lend money or make payments to, guarantee or give an indemnity in respect of, or give any financial or other assistance in connection with, any

of such matters. The Board may procure any of such matters to be done by the Company either alone or in conjunction with any other person. Any Director or former Director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this Article and shall not be obliged to account for it to the Company.

## **POWERS AND DUTIES OF THE BOARD**

### **97. Powers of the Board**

- 97.1 Subject to the provisions of the Companies Act and these Articles, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company, whether relating to the management of the business or not. No alteration of these Articles and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in these Articles as to any specific power of the Board shall not be deemed to limit the general powers given by this Article.
- 97.2 The Board shall at all times be required to exercise its powers and duties in accordance with the fiduciary duties as provided for under Part VII of the Companies Act (as amended from time to time).

### **98. Powers of Directors if less than minimum number**

- 98.1 If the number of Directors is less than the minimum for the time being prescribed by these Articles, the remaining Director or Directors shall act only for the purposes of appointing an additional Director or Directors to make up such minimum or of convening a general meeting of the Company for the purpose of making such appointment. If there is no Director able or willing to act, any two members may summon a general meeting for the purpose of appointing Directors. Subject to the provisions of these Articles, any additional Director so appointed shall hold office only until the dissolution of the first annual general meeting of the Company following his appointment unless he is re-elected during such meeting.

### **99. Powers of executive Directors**

The Board may from time to time delegate or entrust to and confer on any Director holding executive office (including a Chief Executive or Managing Director) such of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit, and the Board may from time to time revoke, withdraw, alter or vary all or any of such powers.

## **100. Delegation to committees**

- 100.1 The Board may delegate to any committee appointed by the Board (consisting of one or more Directors and (if thought fit) one or more other persons) any of its powers, authorities and discretions (including, without prejudice to the generality of the foregoing, all powers, authorities and discretions the exercise of which involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) for such time, on such terms and subject to such conditions as it thinks fit.
- 100.2 Any such committee shall, unless the Board otherwise resolves, have power to sub-delegate to sub-committees any of the powers, authorities or discretions delegated to it.
- 100.3 A majority of the members of any committee or sub-committee shall be Directors and no resolution of a committee or sub-committee shall be effective unless a majority of those present and voting on the resolution when it is passed are Directors or alternate Directors.
- 100.4 The Board may confer any of its powers, authorities and discretions either collaterally with, or to the exclusion of and in substitution for, all or any of the powers, authorities and discretions of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers, authorities and discretions and discharge any such committee or sub-committee in whole or in part. Insofar as any power, authority or discretion is so delegated, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee or sub-committee.
- 100.5 The meetings and proceedings of any such committee or sub-committee consisting of more than one person shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Board, so far as the same are not superseded by any regulations made by the Board under this Article 100.

## **101. Delegation to individual Directors**

The Board may entrust to and confer upon a Director any of its powers, authorities and discretions (with power to sub-delegate) upon such terms (subject to the Companies Act) and subject to such conditions and with such restrictions as it may decide and either collaterally with, or to the exclusion of and in substitution for, its own powers, authorities and discretions. The Board may from time to time revoke or vary any of such powers, authorities and discretions but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

## **102. Local management**

The Board may establish any local or divisional boards or agencies for managing any of the affairs of the Company in any specified locality, either in Zambia or elsewhere, and may appoint any persons to be members of such local or divisional board, or any managers or agents, and may fix their remuneration. The Board may delegate to any local or divisional

board, manager or agent so appointed any of its powers, authorities and discretions (with power to sub-delegate) and may authorise the members for the time being of any such local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies; and any such appointment or delegation may be made for such time, on such terms and subject to such conditions as the Board may think fit. The Board may confer such powers, authorities and discretions either collaterally with, or to the exclusion of and in substitution for, all or any of the powers, authorities and discretions of the Board in that respect and may from time to time revoke, withdraw, alter or vary all or any of such powers, authorities and discretions. Subject to any terms and conditions expressly imposed by the Board, the proceedings of any local or divisional board or agency with two or more members shall be governed by such of these Articles as regulate the proceedings of the Board, so far as they are capable of applying.

### **103. Power of attorney**

The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the Company and may delegate to any such person or persons any of its powers, authorities and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including as to remuneration) and subject to such conditions as it thinks fit. The Board may confer such powers, authorities and discretions either collaterally with, or to the exclusion of and in substitution for, all or any of the powers, authorities and discretions of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such power, authorities and discretions.

### **104. Powers of delegation**

The power to delegate contained in Articles 100.4, 101, 102 and 103 shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

### **105. Associate directors**

The Board may appoint any person (not being a Director) to any office or employment having a designation or title including the word “director” or attach to any existing office or employment with the Company such designation or title and may terminate any such appointment or the use of such designation or title. The inclusion of the word “director” in the designation or title of any such office or employment shall not imply that such person is, or is deemed to be, or is empowered in any respect to act as, a Director for any of the purposes of the Companies Act or these Articles.

### **106. Exercise of voting power**

The Board may exercise or cause to be exercised the voting power conferred by the shares in any other company held or owned by the Company, or any power of appointment to be

exercised by the Company, in such manner in all respects as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of any Director as a director or other officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

**107. Provision for employees**

The Board may exercise any power conferred on the Company by the Companies Act to make provision for the benefit of persons (including, subject to the Companies Act, Directors, former Directors or shadow Directors) employed or formerly employed by the Company or any of its subsidiary undertakings (or any member of his family or any person who is dependent on him) in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary undertaking.

**108. Overseas registers**

Subject to the provisions of the Companies Act, the Board may exercise the powers conferred on the Company with regard to the keeping of an overseas branch, local or other register and may make and vary such regulations as it thinks fit respecting the keeping of any such register.

**109. Borrowing powers**

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, to create and issue debenture and other loan stock, debentures, bonds and other securities, in each case whether secured or unsecured and whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

**PROCEEDINGS OF DIRECTORS AND COMMITTEES**

**110. Board meetings**

Subject to the provisions of these Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.

**111. Notice of Board meetings**

One Director may, and the Secretary at the request of a Director shall, summon a Board meeting at any time on not less than 14 Business Days' written notice of such meeting, provided that a Board meeting may be convened on shorter notice in the case of an emergency or if the business of the Company would otherwise be prejudiced. Notice of

Board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address (or any other address given by him to the Company for that purpose). A Director may waive the requirement that notice be given to him of any Board meeting, either prospectively or retrospectively. A Director who does not supply the Company with the information necessary to ensure that he receives notice of a meeting before it takes place is deemed to have waived his entitlement to notice of such meeting.

## **112. Quorum**

The quorum necessary for the transaction of business may be determined by the Board (with the agreement of the Strategic Investor) or as determined and agreed between the Company and the Strategic Investor and, until otherwise determined and agreed, shall be two persons, each being a Director or an alternate Director. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the Board. Subject to these Articles, any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

## **113. Chairman of Board**

The Board may appoint one or more of its body as Chairman or Joint Chairman and one or more of its body as Deputy Chairman of its meetings and may determine the period for which he is or they are to hold office and may at any time remove him or them from office. If no such Chairman or Deputy Chairman is elected, or if at any meeting neither a Chairman nor a Deputy Chairman is present within five minutes of the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of the meeting. In the event there are two or more Joint Chairmen or, in the absence of a Chairman, two or more Deputy Chairmen present, the Joint Chairman or Deputy Chairman to act as Chairman of the meeting shall be decided by those Directors present. Any Chairman or Deputy Chairman may also hold executive office under the Company. No Chairman shall be replaced or appointed without the prior written consent of the Strategic Investor.

## **114. Voting and the Chairman's casting vote**

Questions arising at any meeting of the Board shall be determined by a majority of votes. In the case of an equality of votes the Chairman of that meeting shall have a second or casting vote.

## **115. Electronic participation in meetings**

- 115.1 Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board by means of conference telephone or any other form of



communications equipment, (provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting), by a series of telephone calls from the Chairman of the meeting or by exchange of communication in electronic form addressed to the Chairman of the meeting.

115.2 A person so participating by being present or being in telephone communication with or by exchanging communication in electronic form with those in the meeting or with the Chairman of the meeting shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairman of the meeting is.

115.3 A resolution passed at any meeting held in the above manner, and authenticated by the Chairman of the meeting or the Secretary, shall be as valid and effectual as if it had been passed at a meeting of the Board (or committee, as the case may be) duly convened and held.

## **116. Resolution in writing**

116.1 A resolution in writing signed by (subject as otherwise mentioned in Article 116.2) all the Directors for the time being entitled to receive notice of a Board meeting (or all the members of a committee of the Board for the time entitled to receive notice of such committee meeting), shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Board (or committee, as the case may be).

116.2 Such a resolution:

- a. need not be signed by a Director who is prohibited by these Articles from voting thereon or whose vote would not have counted on the resolution, or by his alternate;
- b. must be signed by sufficient Directors to form a quorum at a Board meeting (or committee meeting);
- c. may consist of several documents in the same form each signed by one or more of the Directors or members of the relevant committee;
- d. need not be signed by an alternate Director if it is signed by the Director who appointed him; and
- e. if signed by an alternate Director, need not also be signed by his appointor.

## **117. Minutes of proceedings**

117.1 The Board shall cause minutes to be made in books kept for the purpose of recording:

- a. all appointments of officers and committees made by the Board; and
- b. the names of Directors present at every meeting of the Board, of a committee of the Board, of the Company or of the holders of any class of shares or debentures of the Company, and all orders, resolutions and proceedings of such meetings.

117.2 Any such minutes, if purporting to be authenticated by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting or the Secretary, shall be prima facie evidence of the matters stated in such minutes without any further proof.

117.3 Any such minutes shall be retained for at least 10 years from the date of the appointment or meeting and shall be kept available for inspection in accordance with the Companies Act.

## **118. Validity of proceedings**

All acts done by a meeting of the Board, or of a committee of the Board, or by any person acting as a Director, alternate Director or member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any person acting as aforesaid, or that such person was disqualified from holding office or had ceased to hold office or were or was not entitled to vote on the matter in question, be as valid as if such person had been duly appointed, and was duly qualified and had continued to be a Director, alternate Director or member of a committee and entitled to vote.

## **DIRECTORS' INTERESTS**

### **119. Power of the Board to authorise conflicts of interest**

119.1 The Board may authorise any matter (as defined in Article 119.2) proposed to it in accordance with these Articles which would, if not so authorised, involve a breach by a Director of his duty to avoid conflicts of interest under the Companies Act.

119.2 A matter means any matter which relates to a situation (a relevant situation) in which a Director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company (including the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it, but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest).

119.3 Any such authorisation will be effective only if:

- a. any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and

- b. the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

119.4 Where authorisation is given under Article 119.1:

- a. the Board may (whether at the time of the giving of the authorisation or subsequently) make such authorisation subject to any limits or conditions it expressly imposes but otherwise it shall be given to the fullest extent permitted; and
- b. the Board may vary or terminate such authorisation at any time.

119.5 Subject to Article 119.6, a Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he has a duty of confidentiality to another person. In particular, the Director shall not be in breach of the general duties he owes to the Company under the Companies Act because he fails:

- a. to disclose any such information to the Board or to any Director or other officer or employee of the Company; and/or
- b. to use or apply any such information in performing his duties as a Director of the Company.

119.6 To the extent that the relationship between a Director and a person to whom he owes a duty of confidentiality gives rise to a conflict of interest or possible conflict of interest, Article 119.5 applies only if the existence of that relationship has been authorised by the Board pursuant to this Article or if Article 119 applies to the relationship.

119.7 Where the existence of a Director's relationship with another person is authorised by the Board pursuant to this Article (and subject to any limits or conditions imposed pursuant to Article 119.4(a) or Article 120 applies to the relationship and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company under the Companies Act because he:

- a. absents himself from meetings of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- b. makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or makes arrangements for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists.

119.8 The provisions of Articles 119.5, 119.6 and 119.7 are without prejudice to any equitable principle or rule of law which may excuse the Director from:

- a. disclosing information in circumstances where disclosure would otherwise be required under these Articles; or
- b. attending meetings or discussions or receiving documents and information as referred to in Article 117.1(a) or 117.1(b), in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

## **120. Interests not requiring Board authorisation**

120.1 Provided that Article 120.2 is complied with, a Director, notwithstanding his office:

- a. may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;
- b. may hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange, either in addition to or in lieu of any remuneration provided for by any other Article;
- c. may be a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
- d. shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction or arrangement or from any interest in any body corporate, no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty under the Companies Act or under the law not to accept benefits from third parties.

120.2 Subject to Articles 120.3 and 120.4, a Director shall declare the nature and extent of any interest permitted under this Article at a meeting of the Directors, or, in the case of a transaction or arrangement with the Company, in the manner set out in the Companies Act.

120.3 A Director need not declare an interest in the case of a transaction or arrangement with the Company:

- e. if, or to the extent that, the other Directors are already aware of the interest (and for this purpose the other Directors will be treated as aware of anything of which they ought reasonably to be aware); or

- f. if, or to the extent that, it concerns the terms of his service contract that have been or are to be considered by a meeting of the Directors or by a committee of the Directors appointed for the purpose under these Articles.

120.4 A Director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer or employee of any body corporate in which the Company is interested.

## **121. Interested Director not to vote or count for quorum**

121.1 A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any transaction or arrangement in which he has an interest which is to his knowledge a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply if Article 121.2 applies.

121.2 Provided that the matter has been authorised pursuant to Article 119 or comes within Article 120, the Director may vote (and be counted in the quorum) in respect of any resolution concerning one of more of the following matters:

- a. any transaction or arrangement in which he is interested by means of an interest in shares, debentures or other securities or otherwise in or through the Company;
- b. the giving of any guarantee, security or indemnity in respect of money lent to, or obligations incurred by him or any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
- c. the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- d. the giving of any other indemnity where all other Directors are also being offered indemnities on substantially the same terms;
- e. any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is, or may be, entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- f. any proposal concerning any other body corporate in which he does not to his knowledge have an interest in one per cent or more of the issued share capital of any class of such body corporate (calculated exclusive of any shares of that class in that company held as treasury shares) nor to his knowledge hold one per cent or more of the voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (within the meaning of the Disclosure and Transparency Rules) in such body corporate;

- g. any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
- h. any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors;
- i. any proposal concerning the funding of expenditure for the purposes referred to in Article 148 (Indemnity) or doing anything to enable such Director or Directors to avoid incurring such expenditure; or
- j. any transaction or arrangement in respect of which his interest, or the interest of Directors generally, has been authorised by ordinary resolution.

## **122. Director's interest in own appointment**

- 122.1 A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 122.2 Subject to these Articles, the Board may cause the voting rights conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit (including the exercise of voting rights in favour of any resolution appointing the Directors or any of them as directors or officers of the other company or in favour of the payment of remuneration to the directors or officers of the other company), and a Director may vote on and be counted in the quorum in relation to any of these matters.

## **123. Chairman's ruling conclusive on Director's interest**

If any question arises at any meeting as to the materiality of a Director's interest (other than the Chairman's interest) or the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum for the purposes of Article 121, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned (so far as it is known to him) has not been fairly disclosed to the Board.

## **124. Directors' resolution conclusive on Chairman's interest**

If any question arises at any meeting as to the materiality of the Chairman's interest or the entitlement of the Chairman to vote or be counted in a quorum for the purposes of Article 121, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman), whose majority vote shall be final and conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the Board.

## **125. Relaxation of provisions**

Subject to the provisions of the Companies Act, the Company may by special resolution suspend or relax the provisions of Articles 119 to 124, either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of these Articles.

## **126. Definitions**

For the purpose only of Articles 119 to 125:

a **conflict of interest** includes (without limitation) a conflict of interest and duty and a conflict of duties

an **interest** means a direct or an indirect interest (including, without limitation, an interest of a connected person as defined in the Companies Act) and interested shall be construed accordingly

an **interest, transaction or arrangement of which a Director is aware** includes an interest, transaction or arrangement of which that Director ought reasonably to be aware

a **transaction or arrangement** includes a proposed transaction or arrangement.

## **AUTHENTICATION OF DOCUMENTS**

### **127. Power to authenticate documents**

Any Director, the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having their custody shall be deemed to be a person appointed by the

Board for this purpose. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

## **SEALS**

### **128. Safe custody**

The Board shall provide for the safe custody of the Seal and of any other seal of the Company.

### **129. Application of Seal**

129.1 The Seal shall be used only by the authority of a resolution of the Board or of a committee of the Board authorised by the Board to give such authority. The Board may determine whether any instrument to which the Seal is affixed shall be signed and, if it is to be signed, who shall sign it and by what means. The Board may also determine, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical or other means. Unless otherwise so determined:

- a. share certificates and, subject to the provisions of any instrument constituting the same, certificates issued under the Seal in respect of any debentures or other securities need not be signed and any signature may be affixed to or printed on any such certificate by any means approved by the Board; and
- b. every other instrument to which the Seal is affixed shall be signed by one Director and by the Secretary or by two Directors or by one Director in the presence of a witness who attests his signature or by such other persons as the Board or a committee of the Board shall appoint for that purpose (and, if the Secretary is a limited company, such company may nominate any person to act on its behalf).

129.2 A seal may be kept in electronic form in accordance with the Electronic Communications and Transactions Act, 2009.

## **THE SECRETARY**

### **130. The Secretary**

130.1 Subject to the provisions of the Companies Act, the Board shall appoint a Secretary or Joint Secretaries and shall have power to appoint one or more persons to be an Assistant or



Deputy Secretary at such remuneration and on such terms and conditions as it thinks fit and any such person so appointed may be removed by the Board.

- 130.2 Any provision of the Companies Act or of 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 place of, the Secretary.
- 130.3 If Joint Secretaries are appointed, any provision of the Companies Act or of these Articles requiring or authorising a thing to be done by the Secretary shall be satisfied if done by one of the Joint Secretaries.

## **DIVIDENDS AND OTHER PAYMENTS**

### **131. Declaration of dividends**

- 131.1 Subject to the provisions of the Companies Act and of these Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board. The Preference Share Dividend shall, following a resolution of the Directors declaring the Preference Share Dividend, become a debt due from and immediately payable by the Company to the Preference Shareholder.
- 131.2 Notwithstanding the foregoing, the Board may only authorise the distribution of dividends if satisfied that the Company shall immediately after the distribution of the dividend satisfy the solvency test as set out in the provisions of the Companies Act.
- 131.3 For purposes of this Article 131, a solvency test shall mean solvency test means a test to determine that the Company is able to pay its debts as they become due in the normal course of business; and the value of the Company's assets is greater than the value of its liabilities, including contingent liabilities.
- 131.4 The Directors who vote in favour of a distribution of dividends shall sign a declaration stating that in their opinion the Company shall immediately after the distribution satisfy the solvency and specifying the grounds for that opinion.
- 131.5 If after a distribution of dividends is authorised but prior to its distribution, the Board ceases to be satisfied that the Company shall immediately after the distribution is made, satisfy the solvency test, a distribution made by the Company shall be considered not to have been authorised.

### **132. Interim dividends**

Subject to the provisions of the Companies Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be

justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividend as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrear. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

### **133. Entitlement to dividends**

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid but no amount paid up on a share in advance of the date on which a call is payable shall be treated for the purposes of this Article as paid up on the share. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.

### **134. Calls or debts may be deducted from dividends**

The Board may deduct from any dividend or other money payable to any person on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to the shares of the Company.

### **135. Distribution in specie**

The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks fit. In particular, the Board may:

- a) fix the value for distribution of such assets or any part thereof and determine that cash payments may be made to any members on the footing of the value so fixed, in order to adjust the rights of members; and
- b) vest any such assets in trustees on trust for the persons entitled to the dividend.

### **136. Dividends not to bear interest**

Unless otherwise provided by the rights attached to the share, no dividend or other money payable by the Company on or in respect of a share shall bear interest as against the Company.

## **137. Method of payment**

- 137.1 The Company may pay any dividend, interest or other sum payable in respect of a share by direct debit, bank transfer, cheque, dividend warrant, money order or any other method (including by electronic media) as the Board may consider appropriate, save that the Company shall pay the Preference Share Dividend to such bank accounts as Preference Shareholders may notify to the Company in writing from time to time. In respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may also pay any such dividend, interest or other money by means of the relevant system concerned (subject always to the facilities and requirements of that relevant system).
- 137.2 Every such cheque, warrant or order may be sent by post or other delivery service (or by such other means offered by the Company as the member or persons entitled to it may agree in writing) to the registered address (or in the case of a Depositary, subject to the approval of the Board, such persons and addresses as the Depositary may require) of the member or person entitled to it (or, if two or more persons are holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the member or otherwise by operation of law, to the registered address of such of those persons as is first named in the Register) or to such person and such address as such member or person or persons may direct in writing. In respect of shares in uncertificated form, every such payment made by such other method as is referred to in Article 137.1 shall be made in such manner as may be consistent with the facilities and requirements of the relevant system concerned. Without prejudice to the generality of the foregoing, in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holders or, if permitted by the Company, of such person as the holder or joint holders may in writing direct.
- 137.3 Every cheque, warrant, order or other form of payment is sent at the risk of the person entitled to the money represented by it, and shall be made payable to the person or persons entitled, or to such other person as the person or persons entitled may direct in writing. Payment of the cheque, warrant, order or other form of payment (including, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system concerned) shall be a good discharge to the Company. If any such cheque, warrant, order or other form of payment shall be, or shall be alleged to have been, lost, stolen or destroyed, the Board may, at the request of the person entitled thereto, issue a replacement cheque or warrant or order or make payment in some other form, subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Board may think fit.
- 137.4 Any joint holder or other person jointly entitled to a share may give an effective receipt for any dividend or other money payable in respect of such share.

- 137.5 The Board may, at its discretion, make provisions to enable a Depositary and/or any member as the Board shall from time to time determine to receive any duly declared dividend in a currency other than sterling. For the purposes of the calculation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of the amount of the dividend shall be such rate, and the payment thereof shall be on such terms and conditions, as the Board may in its absolute discretion determine.

### **138. Uncashed dividends**

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the Company to the person entitled thereto are returned to the Company or left uncashed on two consecutive occasions or, following one occasion, reasonable enquiries have failed to establish any new address to be used for the purpose, the Company shall not be obliged to send any dividends or other money payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

### **139. Unclaimed dividends**

- 139.1 All dividends, interest or other sums payable and unclaimed shall be deposited in a separate special dividends payment account in the name of the Company until claimed.
- 139.2 If a dividend remains unclaimed, a member can claim from the Company within fifteen years from the date on which the dividend became payable.
- 139.3 Any dividend that remains unclaimed after fifteen years of the date on which the dividend became payable shall be transferred to the Securities and Exchange Commission.

### **140. Payment of scrip dividends**

- 140.1 The Board may, with the prior authority of an ordinary resolution of the Company and subject to the provisions set out in this Article 140 and to such terms and conditions as the Board may determine, offer to any holders of shares (excluding any member holding shares as treasury shares) the right to elect to receive shares, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution.
- 140.2 The resolution may specify a particular dividend (whether or not already declared), or may specify all or any dividends declared within one or more specified periods provided that any period so specified shall not end later than the fifth anniversary of the date of the meeting at which the said resolution is passed.
- 140.3 Subject as provided in this Article 140.3, the entitlement of each holder of shares to new 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 to which such holder is entitled. For this purpose "relevant value" shall be calculated by

reference to the average of the middle market quotations for the shares on the LuSE, as derived from the Daily Official List, for the day on which the shares are first quoted “ex” the relevant dividend and the four subsequent dealing days, or in such other manner as the Board may determine on such basis as it considers to be fair and reasonable. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount. The relevant value of the entitlement of a holder of shares to new shares may be greater than the cash amount (disregarding any tax credit) provided that before such an “enhanced” scrip dividend is offered it has been approved in advance by a special resolution of the Company.

- 140.4 No fractions of a share shall be allotted. The Board may make such provisions as it thinks fit for any fractional entitlements, including provisions whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained, and in each case accumulated, on behalf of any member and such accruals or retentions are applied to the allotment by way of bonus to, or cash subscription on behalf of, such member of fully paid shares and/or provisions whereby cash payments may be made to members in respect of their fractional entitlements.
- 140.5 The Board shall, after determining the basis of allotment, notify the holders of shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order to be effective save that, in the case of any holder of shares who has previously made, and has not revoked, an earlier election to receive shares in lieu of all future dividends, the Board shall instead send him a reminder that such election has been made, indicating how that election may be revoked in time for the next dividend proposed to be paid.
- 140.6 The Board may exclude from any offer any holders of shares or any shares held by a Depositary where the Board considers that the making of the offer to them or in respect of such shares would or might involve the contravention of the laws of or the requirements of any regulatory body or stock exchange or other authority in any territory or that for any other reason the offer should not be made to them or in respect of such shares.
- 140.7 The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable in cash on shares in respect of which an election has been duly made (the elected Shares) and instead additional shares shall be allotted to the holders of the elected Shares on the basis of allotment determined as aforesaid. For such purpose the Board may capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or of any of the profits which could otherwise have been applied in paying dividends in cash, as the Board may determine, a sum equal to the aggregate nominal amount of the additional shares to be allotted on that basis and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected Shares on that basis. A Board resolution capitalising any part of such reserve or fund or profits shall have the same effect as if such capitalisation had been declared by ordinary resolution of the Company in accordance with Article 142 (Capitalisation of reserves) and in relation to any

such capitalisation the Board may exercise all the powers conferred on the Board by Article 142 without need of such ordinary resolution.

- 140.8 The additional shares so allotted shall rank *pari passu* in all respects with each other and with the fully paid shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date.
- 140.9 The Board may terminate, suspend or amend any offer of the right to elect to receive shares in lieu of any cash dividend at any time and generally may implement any scrip dividend scheme on such terms and conditions as the Board may from time to time determine and take such other action as the Board may deem necessary or desirable from time to time in respect of any such scheme.
- 140.10 The Board may establish or vary from time to time a procedure for election mandates in respect of future rights of election and may determine that every duly effected election in respect of any shares shall be binding on every successor in title to the holder thereof until the election mandate is revoked following that procedure.

## **141. Reserves**

The Board may, before recommending any dividend (whether preferential or otherwise), carry to reserve out of the profits of the Company such sums as it thinks fit. All sums standing to reserve may be applied from time to time, at the discretion of the Board, for any purpose to which the profits of the Company may properly be applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Board thinks fit. The Board may divide the reserve into such special funds as it thinks fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as it thinks fit. Any sum which the Board may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to distribute.

## **142. Capitalisation of reserves**

The Board may, with the authority of an ordinary resolution of the Company:

- 142.1 subject as provided in this Article, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the Company which is available for distribution or standing to the credit of share premium account or capital redemption reserve or other undistributable reserve;

- 142.2 appropriate the sum resolved to be capitalised to the holders of shares in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full new shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those holders of shares or as they may direct, in those proportions, or partly in one way and partly in the other, provided that:
- a. the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up new shares to be allotted to holders of shares credited as fully paid; and
  - b. where the amount capitalised is applied in paying up in full new shares, the Company will also be entitled to participate in the relevant distribution in relation to any shares held by it as treasury shares and the proportionate entitlement of the members to the distribution will be calculated accordingly; and
  - c. in accordance with Article 6.5, the Company shall maintain sufficient distributable reserves or share premium account to enable a Conversion; and sufficient authorised share capital to issue the Ordinary Shares pursuant to a Conversion.
- 142.3 resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- 142.4 make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit thereof to the Company rather than to the holders of the shares concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;
- 142.5 authorise any person to enter into, on behalf of all the holders of the shares concerned, an agreement with the Company providing for either:
- a. the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or
  - b. the payment up by the Company on behalf of such holders by the application thereto of their respective proportions of the reserves or profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares,
- in which event any agreement made under such authority shall be effective and binding on all such holders; and

142.6 generally do all acts and things required to give effect to such resolution.

### **143. Record dates**

143.1 Notwithstanding any other provision of these Articles, but without prejudice to the rights attached to any shares and subject always to the Regulations, the Company or the Board may by resolution specify any date (the record date) as the date at the close of business (or such other time as the Board may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular and such record date may be on or at any time before the date on which the same is paid, made, given or served or (in the case of any dividend, distribution, interest, allotment or issue) at any time after the same is recommended, resolved, declared or announced but without prejudice to the rights of transferors and transferees of any such shares or other securities in respect of the same. No change in the register of such holders after the record date shall invalidate the same.

143.2 For the purposes of determining which persons are entitled to attend or vote at a general meeting and how many votes such person may cast, the Company shall specify in the notice convening the meeting a time, being not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the register in order to have the right to attend or vote at the meeting.

143.3 When calculating the 48 hour period mentioned in this Article, no account shall be taken of any part of a day that is not a working day.

## **ACCOUNTS**

### **144. Inspection of records**

The Company shall, at its registered office, make its accounting records and other documents available for inspection to the directors, secretary and auditors of the Company, at all reasonable times, without charge.

### **145. Accounts to be sent to members**

A copy of the Company's Annual Accounts and Reports shall, not later than the date on which the Company gives notice of the annual general meeting before which they are to be laid, be delivered or sent to every member and holder of debentures of the Company and to the Auditors and to every other person who is entitled to receive notice of general meetings. However, this Article shall not require a copy of those documents to be sent to any person who under the provisions of these Articles is not entitled to receive notices from the Company or for whom the Company does not have a current address or to more than one of the joint holders of any shares or debentures.



## NOTICES

### 146. Service of notices etc

- 146.1 Notwithstanding anything to the contrary in these Articles, any notice, document or information to be given, sent, issued, deposited, served, delivered or lodged (or the equivalent where it is sent in electronic form) to or by any person pursuant to these Articles (other than a notice calling a meeting of the Directors) shall be in writing and any such notice or document shall be deemed given, sent, issued, deposited, served, delivered or lodged (or the equivalent where it is sent in electronic form) to an address for the time being notified for that purpose to the person giving the notice.
- 146.2 Any notice, document (including, without limitation, a share certificate) or information may be supplied by the Company to a member either personally or by sending it by post or other delivery service in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by any other means authorised in writing by the member concerned or, subject to and in accordance with the Companies Act, by sending it in electronic form to an address for the time being notified to the Company by the member. In the case of a member registered on an overseas branch register any such notice or document may be posted either in Zambia or in the territory in which such branch register is maintained.
- 146.3 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the Register in respect of the joint holding. Notice so given shall be sufficient notice to all the joint holders. Anything agreed or specified by the first-named joint holder in respect of a joint holding shall be binding on all joint holders.
- 146.4 Where a member (or, in the case of joint holders, the person first named in the Register) has a registered address outside the Zambia but has notified the Company of an address within the Zambia at which notices or other documents may be given to him or, subject to and in accordance with the provisions of the Companies Act, of an address to which notices or documents may be sent in electronic form, he shall be entitled to have notices or documents given or sent to him at that address, but otherwise no such member shall be entitled to receive any notice or document from the Company.
- 146.5 Where a document or information is sent or supplied to the Company by a person on behalf of another, the Company may require reasonable evidence of the authority of the former to act on behalf of the latter.
- 146.6 An electronic communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.
- 146.7 If on at least two consecutive occasions the Company has attempted to send notices or documents in electronic form to an address for the time being notified to the Company by a member for that purpose and the Company is aware that there has been a failure of delivery of such notice or document, then the Company shall thereafter send notices or

documents through the post to such member at his registered address or his address for the service of notices by post, in which case the provisions of Article 146.8 shall apply.

146.8 If on three consecutive occasions notices or other documents (other than any documents to which Article 137 (Method of payment) applies) have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within Zambia for the service of notices or, subject to and in accordance with the provisions of the Companies Act, an address to which notices may be sent in electronic form.

#### **147. Service of notice in case of death or bankruptcy, etc**

The Company may send or supply any notice or document on the person entitled to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law, by sending or delivering it in any manner authorised by these Articles for the giving of a notice or document to a member, addressed to that person by name, or by the title of the representative of the deceased or of the trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within Zambia to which notices may be sent by electronic means supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, any notice, document or other communication sent or supplied to any member pursuant to these Articles in any manner in which it might have been sent or supplied if the death, bankruptcy or other event had not occurred shall, notwithstanding that the member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law has occurred and whether or not the Company has notice of the death, bankruptcy or other event, be deemed to have been properly served or delivered in respect of any share registered in the name of that member as sole or joint holder.

### **INDEMNITY**

#### **148. Indemnity**

Every officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as officer, auditor or agent in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in relation to any such proceedings in which relief is under the Act granted to him by the court.

#### **149. Power to insure**

Subject to the provisions of the Companies Act, the Board may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any

time a Director or officer or employee of the Company or of an associated company or of any company in which the Company has an interest whether direct or indirect (excluding the Auditors or the auditors of an associated company or of a company in which the Company has an interest however direct or indirect) or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of the Company or of any such other company or subsidiary undertaking is or has been interested indemnifying such person against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or omitted to have been done, or alleged to have been done or omitted to have been done, as a Director, officer, employee or trustee.

## **150. Winding up**

- 150.1 If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the members in kind the whole or any part of the property of the Company and may for that purpose set such value as he considers fair upon any property to be so divided and may determine how the division is to be carried out as between the members or different classes of members.
- 150.2 The liquidator may, with the sanction of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no member is compelled to accept any shares or other securities in respect of which there is any liability.

**END**

**This is certified to be a true and complete copy of the amended Articles of Association of Zambef Products PLC adopted by Special Resolution at an Extraordinary General Meeting of the members duly convened and held on the .....2019 pursuant to Section 27 of the Companies Act No.10 of 2017 and these replace and substitute the Articles of Association previously adopted.**

**Jacob Mwanza  
Company Chairman**

**Danny Museteka  
Company Secretary**

**Signature.....**

**Signature.....**

**Dated the ..... day of ..... 2019**

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**WITNESS to the above signatures:**

Name: .....

Address: .....

Designation: .....

Signature: .....

Dated: ..... day of ..... 2019