



C 78333 / 24

PG p.l.c.

Company Registration Number: C 78333

Registered Office: PG Group Head Offices, PAMA Shopping Village,  
Valletta Road, Mosta MST 9017

**AS**

- 8 NOV 2019

(the "Company")

Extract of the minutes of the Annual General Meeting of the Shareholders of the Company held at the Corinthia Palace Hotel, De Paule Avenue, Balzan, Malta, on 24 October 2019 at 17.00hrs.

#### QUOTE

The shareholders duly approved the following resolutions.

[...]

#### EXTRAORDINARY RESOLUTIONS

Resolution 1 Amendments to the Company's Memorandum and Articles of Association

The shareholders present at the general meeting approved that the memorandum and articles of association of the Company be and are hereby abrogated and replaced *in toto* by the new memorandum and articles of association (a copy of which was made available to shareholders at the registered office of the Company and on the Company's website since the dispatch of the notice convening this meeting), in order to reflect the following amendments, which amendments are explained in detail in the Shareholders' Circular dated 1 October 2019 and circulated together with the notice convening this Annual General Meeting:

- (i) Clause 2 of the Memorandum of Association (Registered Office) shall be amended as follows.

"

*The registered office of the Company is situated at PG Group Head Offices, PAMA Shopping Village, Valletta Road, Mosta MST 9017, Malta, or such other place as the board of directors of the Company may from time to time determine.*

"

- (ii) Clause 5 of the Memorandum of Association (Directors) shall be amended as follows

"

*The administration of the Company shall be vested in a board of directors consisting of a minimum of five (5) and a maximum of seven (7) directors.*

*The current directors of the Company are:-*

**Full Name**

**Address**

Paul Gauci (174454M)

Ta' Clara Farmhouse, Ramla Road,  
Maghtab, Naxxar, Malta

Lawrence Zammit (12456M)

26, The Corner House, Triq il-Bramel,  
Swieqi, Malta



<i>William Spiteri Bailey (20467M)</i>	<i>Primavera, 75, Triq Mikielang Grima, Pembroke, Malta</i>
<i>Claire Gauci (609591M)</i>	<i>Ta' Clara Farmhouse, Ramla Road, Maghtab, Naxxar, Malta</i>
<i>Charles Borg (0140461M)</i>	<i>114, Mater Alba, Triq il-Pont, Santa Maria Estate, Mellieha MLH 2803, Malta</i>
<i>John Zarb (587653M)</i>	<i>26 Taz-Zghira, J Howard Street, San Pawl tat-Targa, Naxxar, Malta</i>
<i>Ramona Piscopo (201178M)</i>	<i>Block 12 Apt 11, Vjal Portomaso, St. Julians, Malta</i>

- ”
- (iii) Clause 6 of the Memorandum of Association (Secretary) shall be amended as follows:
- “
- The Company shall have a secretary. The secretary of the Company is Dr Emma Grech, holder of Identity Card number 610991M, of Ta' Pietru, Triq il-Karmnu, Birzebbugia, Malta*
- ”
- (iv) Clause 8 of the Memorandum of Association (Shareholders) shall be amended as follows:
- “
- | <b><i>Name and Address</i></b>                                      | <b><i>Number &amp; Class of Shares</i></b> |
|---|--|
| <b><i>Shares held by the public on the Malta Stock Exchange</i></b> | <b><i>108,000,000 Ordinary Shares</i></b>  |
- ”
- (v) The term “Approved Candidates” contained in article 2 of the Articles of Association (Interpretation) shall be amended as follows:
- “
- |                                   |  |
|-----------------------------------|--|
| <b><i>Approved Candidates</i></b> | <b><i>means a candidate who is declared by the Nominations Committee as fit and proper to occupy the office of Director and whose nomination is an Approved Nomination provided that the definition of Approved Candidates shall not include the Chief Executive Officer of the Company;</i></b> |
|-----------------------------------|--|
- ”

- (vi) Article 14 of the Company's Articles of Association (Appointment of Directors Other than the Chief Executive Officer) shall be amended as follows:

- (a) Article 14 2.4 of the Articles of Association shall be amended as follows

"  
*All Approved Nominations shall be proposed to the shareholders for election in terms of Article 14.4 (where applicable) and Article 14.5*  
"

- (b) Article 14.4 of the Articles of Association shall be amended as follows:

"  
*Unless a Member or Members holding not less than 10% in nominal value of the shares having voting rights demands that a vote be taken in respect of all or any one or more of the Approved Candidates, in the event that the number of Approved Candidates recommended to shareholders pursuant to the provisions of Article 14.2.4 is equal to or less than the number of vacancies on the Board of directors, no election shall take place and all the candidates approved by the Nominations Committee shall take office as Directors*  
"

- (vii) Article 15 4 of the Articles of Association (Election of Directors) shall be amended as follows

"  
*Such number of Approved Candidates necessary to fill the total number of vacancies on the Board of Directors, who obtain the highest number of votes overall from amongst all Approved Candidates listed on the ballot paper as aforesaid, shall be elected and appointed Directors.*  
"

- (viii) The heading of article 16 of the Articles of Association (The Nomination Committee) shall be amended as follows.

"  
*The Nominations Committee*  
"

- (ix) Article 17 of the Company's Articles of Association (Rotation of Directors) shall be amended as follows:

- (a) Article 17 1 of the Articles of Association shall be amended as follows.

"  
*Subject to the provisions of Article 17 2, the term of office of all Directors appointed pursuant to these Articles, other than the Chief Executive Officer, shall be three (3) years from the date of the annual general meeting at which an appointment was made*  
"

(b) Article 17.2 of the Articles of Association shall be amended as follows:

“

*At the annual general meeting falling on the third (3rd) anniversary of the general meeting referred to in Article 17.1, two (2) Directors, which for the purposes of this Article shall not include the Chief Executive Officer, shall retire from office, but shall be eligible for re-appointment. In every subsequent year, two (2) Directors holding office on the Board of Directors, other than the Chief Executive Officer, shall retire from office, but shall be eligible for re-appointment.*

”

(x) Article 26.2 of the Articles of Association (Accounts) shall be amended as follows:

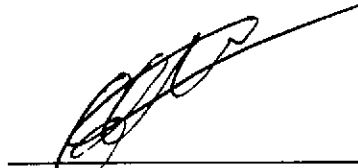
“

*The Directors shall cause an electronic copy of the profit and loss account and balance sheet, together with any Directors' and auditors' report attached thereto, to be made available on its website at the time of issuance of a notice calling an annual general meeting*

[...]

UNQUOTE

A true and faithful extract from the minute book of the Company.

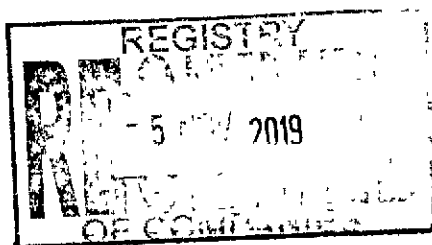


Dr Emma Grech

**Company Secretary**

Date: 4/11/2019

Memorandum and Articles of Association of  
PG p.l.c



**PG p.l.c.**

**Memorandum and Articles of  
Association**

Companies Act  
(Cap 386 of the Laws of Malta)

## MEMORANDUM OF ASSOCIATION

OF

PG p.l.c.

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### 1. NAME AND STATUS

- 1.1 The name of the Company is **PG p.l.c.**
- 1.2 The Company is registered as a public limited liability company.

### 2. REGISTERED OFFICE

The registered office of the Company is situated at PG Group Head Offices, PAMA Shopping Village, Valletta Road, Mosta MST 9017, Malta, or such other place as the board of directors of the Company may from time to time determine.

### 3. OBJECTS

The objects for which the Company is established are:-

- (a) to subscribe for, acquire, hold, manage, administer, dispose of or otherwise deal with, solely for and on behalf of the Company, directly or indirectly, any shares, stock, debentures, debenture stock, bonds, notes, options, interests in or securities of all kinds of any company, corporation, entity, partnership or other body of persons;
- (b) to acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on;
- (c) to hold shares and investment portfolios in corporate bodies engaged in activities similar or ancillary to those performed by the Company;
- (d) to develop, manage or operate any offices, stores or other buildings which may further the Company's interest;
- (e) to own, manage and in any way dispose of trade marks, patents and other intellectual property and property rights,
- (f) to purchase, take by title of lease, or otherwise acquire any immovable or movable property which the Company may deem necessary or convenient for its business;
- (g) to borrow without any limit in connection with the Company's business, and to secure the repayment of such monies borrowed or any other obligation by granting

hypothecary or other forms of security over any movable or immovable property of the Company;

- (h) to sell, lease, hypothec or otherwise dispose of the whole or any part of the property or assets of the Company;
- (i) to lend and advance money or give credit to any person or company and to secure, without any limit, any debt or obligation of any third party, including, if deemed appropriate, by granting hypothecary or other forms of security over the Company's assets;
- (j) to invest the capital and other moneys of the Company in the purchase or subscription of any stocks, shares, debentures, bonds or other securities;
- (k) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments;
- (l) to issue bonds, commercial paper or other instruments creating or acknowledging indebtedness and the sale or offer thereof to the public;
- (m) to undertake the conduct, management, agency or administration on behalf of any other person, body of persons, firm, company or partnership carrying on business of a nature similar or ancillary to the Company's business;
- (n) to enter into any agreement or make any arrangement in connection with the Company's business, with any government department or other authority, corporation, company or person which is in the interest of the Company;
- (o) to promote any other company or companies for the purpose of its or their acquiring all or any property and rights and undertaking any business of this Company and to pay all the expenses of and incidental to such promotion;
- (p) to carry on any other trade or business whatsoever which can be advantageously carried on by the Company in conjunction with or ancillary to any of the above business of the Company, and to carry on any other business within the objects of the Company and which may seem to the Company capable of being conveniently carried on in connection with its business;
- (q) to receive from the investments and assets mentioned in the foregoing paragraphs dividends, capital gains, interests and any other income including income or gains on their disposal, rents, royalties and similar income whether arising in or outside Malta and profits or gains attributable to a permanent establishment (including a branch) whether situated in or outside Malta;
- (r) to do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Company.

It is hereby declared that the objects of the Company shall not be restrictively construed and the widest interpretation shall be given thereto. None of the above-described objects and powers shall be deemed to be subsidiary or ancillary to any other object or power

mentioned therein. The Company shall have full authority to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the Company's objects.

Nothing in the foregoing shall be construed as empowering or enabling the Company to carry out any activity or service which requires a licence or other authorisation under any law in force in Malta without such a licence or other appropriate authorisation from the relevant competent authority and the provisions of article 77(3) of the Companies Act shall apply.

The foregoing objects shall be construed consistently with and subject to the provisions of the Companies Act (Cap 386 of the Laws of Malta).

#### **4. CAPITAL**

- 4.1 The authorised share capital of the Company is forty million Euros (€40,000,000) divided into one hundred sixty million (160,000,000) ordinary shares of a nominal value of €0.25c per share.
- 4.2 The issued share capital of the Company is twenty seven million Euro (€27,000,000) divided into one hundred and eight million (108,000,000) ordinary shares of a nominal value of €0.25c per share.
- 4.3 All ordinary shares in the Company shall rank *pari passu* for all intents and purposes at law.

#### **5 DIRECTORS**

The administration of the Company shall be vested in a board of directors consisting of a minimum of five (5) and a maximum of seven (7) directors.

The current directors of the Company are:-

<b>Full Name</b>	<b>Address</b>
Paul Gauci (174454M)	Ta' Clara Farmhouse, Ramla Road, Maghtab, Naxxar, Malta
Lawrence Zammit (12456M)	26, The Corner House, Triq il-Bramel, Swieqi, Malta
William Spiteri Bailey (20467M)	Primavera, 75, Triq Mikielang Grima, Pembroke, Malta
Claire Gauci (609591M)	Ta' Clara Farmhouse, Ramla Road, Maghtab, Naxxar, Malta
Charles Borg (0140461M)	114, Mater Alba, Triq il-Pont, Santa Maria Estate, Mellieha MLH 2803, Malta



John Zarb (587653M)

26 Taz-Zghira, J Howard Street,  
San Pawl tat-Targa, Naxxar, Malta

Ramona Piscopo (201178M)

Block 12 Apt 11, Vjal Portomaso,  
St. Julians, Malta

## **6 SECRETARY**

The Company shall have a secretary. The secretary of the Company is Dr Emma Grech, holder of Identity Card number 610991M, of Ta' Pietru, Triq il-Karmnu, Birzebbugia, Malta.

## **7 LEGAL AND JUDICIAL REPRESENTATION OF THE COMPANY**

7.1 Any two (2) directors shall jointly have the legal and judicial representation of the Company: provided that without prejudice to the aforesaid the board may from time to time additionally appoint a person or persons to appear for and on behalf of the Company in particular transactions or circumstances.

7.2 Without prejudice to the provisions of the preceding article 7.1, the directors shall have the power to appoint any person to be the attorney of the Company for such purposes and with such powers (including the judicial and/or legal representation of the Company), authorities and discretions (not exceeding those vested in them) and for such periods and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may deem fit, and may also authorise any such attorney to delegate all or any of his powers, authorities and discretions vested in him.

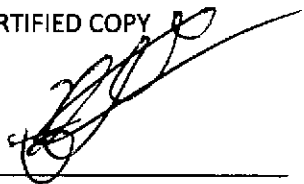
## **8 SHAREHOLDERS**

**Name and Address**

**Number & Class of Shares**

**Shares held by the public on the Malta Stock Exchange** 108,000,000 Ordinary Shares

CERTIFIED COPY



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Dr Emma Grech  
I.D. card number: 610991M  
**Company Secretary**

## **ARTICLES OF ASSOCIATION OF PG P.L.C.**

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### **1 PRELIMINARY**

The following regulations shall be the sole Articles of Association of the Company, and Part I of the First Schedule of the Act shall not apply to the Company.

### **2 INTERPRETATION**

In the Company's Memorandum of Association and in the Articles the following terms shall have the meanings given to them hereunder unless the context requires otherwise:

<b>Act</b>	the Companies act (Chapter 386 of the Laws of Malta);
<b>Approved Candidates</b>	means a candidate who is declared by the Nominations Committee as fit and proper to occupy the office of Director and whose nomination is an Approved Nomination provided that the definition of Approved Candidates shall not include the Chief Executive Officer of the Company;
<b>Approved Nominations</b>	means nominations of individuals for candidates to be appointed as Directors which have been duly approved by the Nominations Committee in accordance with the process set out in these articles as meeting the requirements of applicable law, regulation and the Company's policies for the appointment of such individual to the office of Director;
<b>Articles</b>	means these Articles of Association as currently applicable or as may from time to time be in force;
<b>CSD</b>	means the central securities depository of the Malta Stock Exchange established pursuant to article 24 of the Financial Markets Act, Chapter 345 of the Laws of Malta, and situated at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta;
<b>Company</b>	means this company; and the word "company" includes any commercial partnership;
<b>Debt Securities</b>	means debentures, including, debenture stock, loan stock, bonds and other instruments creating or otherwise acknowledging indebtedness, but excluding such instruments that are issued as debt securities but have an option or right to be converted into the share capital of the Company;

Directors	means the Directors of the Company from time to time;
Employees	an employee of the Company or any of its Subsidiaries;
Equity Securities	means shares in the Company of whatever class or rights to subscribe for, or to convert securities into shares of whatever class in the Company;
Exchange	means the Malta Stock Exchange p.l.c. as the regulated market in terms of the Financial Markets Act (Chapter 345 of the Laws of Malta);
Listed Shares	means shares of the Company admitted to listing and trading on the Exchange or other market that allows trading in shares on which the shares of the Company may from time to time be admitted to trading;
Listing Authority	means the Listing Authority defined in terms of the Financial Markets Act (Chapter 345 of the Laws of Malta);
Listing Rules	means the rules promulgated by the Listing Authority as may be in force from time to time;
Malta	has the same meaning as assigned to it by article 124 of the Constitution of Malta;
Nominations Committee	means the committee consisting of Directors as provided in Article 16 of these Articles;
Office	means the registered Office of the Company;
Person	means any person whether natural or juridical and whether, corporate, or un-incorporate, that may according to law be the subject of rights and obligations;
Record Date	<p>shall be the date falling thirty (30) days immediately preceding the date set for the general meeting to which it relates. A Person shall be entitled to:</p> <ol style="list-style-type: none"><li>i. receive notice of, participate in and attend at the general meeting;</li><li>ii. be paid dividends and/or other benefits declared by the general meeting; and</li><li>iii. appoint directors or vote at the election of Directors pursuant to the provision of these Articles,</li></ol> <p>in all cases, if such Person is entered as a Member on the register of Members on the Record Date, and any change to an entry on the said register after the Record Date shall be disregarded in determining the right of any Person in respect of (i) to (iii) above;</p>
Shareholder or Member	means a member of the Company whose name is registered in the register of members;

**Statutes** means the Act and every other statute, regulation or other law for the time being in force insofar as the same applies to the Company;

**Subsidiary/ies** has the meaning assigned to it in article 2 of the Act.

### **3 SHARE CAPITAL AND RIGHTS**

3.1 Without prejudice to any special rights previously conferred on the holders of any of the existing Equity Securities or class thereof, any Equity Securities in the Company may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors may from time to time determine, as hereinafter provided, as long as any such issue of Equity Securities falls within the authorised share capital of the Company.

3.2 (a) Subject to the provisions of the Act and any relevant resolution of the Company, all Equity Securities from time to time un-issued shall be at the disposal of the Directors and they may offer, allot, grant options over or otherwise dispose of them to such Persons, at such times and on such terms as they think proper.

(b) Pursuant to and in accordance with the Act, the Directors shall be generally authorised to exercise during the prescribed period (as hereinafter defined) all the powers of the Company to allot relevant Equity Securities up to an aggregate nominal amount equal to the prescribed amount (as hereinafter defined).

(c) Pursuant to and within the terms of the said authority and in accordance with the Act, the Directors shall be empowered during the prescribed period to allot wholly for cash Equity Securities not exceeding in nominal amount the limit stated in sub-paragraph 3.2 (d) below.

(d) The aggregate nominal amount of Equity Securities allotted wholly for cash during each prescribed period pursuant to the power in this paragraph shall not exceed the authorised share capital of the Company.

(e) The said authority and the said power shall allow the Company before the expiry of a prescribed period to make an offer or agreement which would or might require the allotment of Equity Securities after such expiry and the Directors may, notwithstanding such expiry, allot Equity Securities in pursuance of such offer or agreement.

(f) Unless the Members approve in a general meeting, or as otherwise permitted under the Listing Rules, no Director shall participate in an issue of Equity Securities to employees

3.3 For the purposes of this Article:

**“prescribed period”** means in the first instance the period expiring five years after the date of the adoption of the Articles and shall include any other period (not exceeding five years on any occasion) for which the authority conferred by subparagraph 3.3 above is renewed or extended by ordinary resolution stating the prescribed amount for such period;

**“prescribed amount”** shall, for the first prescribed period be the amount of authorised share capital less the amount of the issued share capital of the Company at that time and for any other prescribed period shall be the amount stated in the relevant ordinary resolution.

3.4 The Directors may if they so deem fit, cause any of the Equity Securities or Debt Securities of the Company, irrespective of their class, whether issued or to be issued pursuant to these Articles, to be listed.

3.5 Subject to the provisions of the Act any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company, before the issue, may by ordinary resolution determine.

3.6 The rights attached to any class of Equity Securities as is currently in existence, or other classes of Equity Securities that may be created in the future, may (unless otherwise provided by the terms of issue of those Equity Securities), whether or not the Company is being wound up, be varied with the consent in writing of the holders of two-thirds (2/3) of the issued Equity Securities of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the Equity Securities of that class. To every such separate general meeting the provisions of the Articles relating to general meetings shall apply.

3.7 Unless otherwise provided in the terms and conditions of issue thereof, all Equity Securities in the Company shall be freely transferable.

3.8 The Company may exercise the power of paying commissions or of making discounts or allowances provided it complies with the requirements of the Act. Such commission/s may be satisfied by the payment of cash or the allotment of Equity Securities, whether partly or fully paid up, or a combination of both.

3.9 In respect of an Equity Security held jointly by several Persons the joint holders may nominate one of them as their representative and his name will be entered in the register of members. Such Person shall for all intents and purposes be deemed, vis-à-vis the Company, to be the registered holder of the Equity Security so held. In the absence of such nomination, and until such nomination is made the Person first named on the register in respect of such Equity Security shall for all intents and purposes be deemed to be the registered holder of the same.

3.10 In respect of a Debt Security held jointly by several Persons the joint holders may nominate one of them as their representative and his name will be entered in the

register of Debt Securities. Such Person shall for all intents and purposes be deemed, vis-à-vis the Company, to be the registered holder of the Debt Security so held. In the absence of such nomination, and until such nomination is made the Person first named on the register in respect of such Debt Security shall for all intents and purposes be deemed to be the registered holder of the same.

**3.11** Subject to the provisions of this Article and unless the Members in General Meeting approve otherwise, the Company, in issuing and allotting new Equity Securities:

- (a) shall not allot any of them on any terms to any Person unless an offer has first been made to each existing Member to allot to him at least on the same terms, a proportion of the new Equity Securities which is as nearly as practicable equal to the proportion in nominal value held by him of the aggregate Equity Securities in issue in the Company immediately prior to the new issue of Equity Securities; and
- (b) shall not allot any Equity Securities to any Person, unless the Members in general meeting otherwise determine, upon the expiration of any offer made to existing Members in terms of Article 3.11(a) or upon a negative or positive reply from all such Members in terms thereof. Any such Equity Securities not subscribed to by the existing Members pursuant to Article 3.11(a) may be offered for subscription to the general public under the same or other conditions which however cannot be more favourable to the public than an offer made under Article 3.11(a);

Provided that the provisions of Article 3.11(a) and 3.11(b) shall not apply to Equity Securities which are issued and allotted to Employees of the Company pursuant to a scheme to be approved by the Members, and accordingly, Equity Securities which are issued and allotted to Employees need not be first offered to existing Members in accordance with Article 3.11 (a);

Provided further that the issue and allotment of Equity Securities to Employees shall require the approval of the Members in general meeting in accordance with the provisions of Article 3.11(a) and 3.11 (b) if, in the aggregate, the Equity Securities so issued and allotted exceeds ten per cent (10%) of the issued share capital at the time of the proposed issue and allotment of Equity Securities to Employees.

**3.12** Any Person shall have the right to assign in favour of third parties his right to accept an offer made to him pursuant to the provisions of Article 3.11, provided that the provisions of this Article 3.12 shall not apply to offers made to Employees. Any assignee of such a right shall for the purposes of this Article be deemed to be an existing Member.

**3.13** Whenever there are preference shares in issue, the holders thereof shall have the same rights as Members in receiving notices, reports, financial statements and in attending General Meetings.

**3.14** Without prejudice to any rights that may be granted to Persons holding preference shares in the relative terms of issue, such Persons shall not, as holders of preference

shares, have the right to attend and vote at General Meetings except on a resolution:

- (a) for the purpose of reducing the capital of the Company; or
- (b) for the purpose of winding up of the Company; or
- (c) for the purpose of any proposal submitted to the meeting which directly affects their rights and privileges; or
- (d) for the purpose of effecting the dividend on preference shares when the dividend on their shares is in arrears for more than six (6) months.

3.15 Unless otherwise provided in the terms of issue of preference shares, on any resolution where, in terms of the provisions of Article 3.14, preference Members are entitled to vote, each preference share shall entitle its holder to one (1) vote.

3.16 The Company may, subject to such restrictions, limitations and conditions contained in the Act, acquire its own Equity Securities.

#### **4 CERTIFICATES**

4.1 With the exception of listed Equity Securities and listed Debt Securities of the Company, every Person whose name is entered as a Member in the register of Members shall be entitled to receive, free of payment, within two (2) months after allotment or lodgement of a transfer duly stamped, or within such other period as the terms and conditions of issue may provide, a certificate for all his Equity Securities in a particular class, or several certificates, each for one or more Equity Securities, upon payment of €12 (twelve euro) for every certificate after the first, or such sum as the Directors shall from time to time determine. Provided that in the event of a Member transferring part of the Equity Securities represented by the same share certificate in his name, a new certificate in respect of the balance thereof shall be issued in his name without payment. In the event of joint holders, the Company shall not be bound to issue more than one certificate, and delivery of one certificate for an Equity Security to any one of the several joint holders thereof shall be sufficient delivery to all. Every certificate shall be signed by the secretary or some other Person nominated by the Directors for the purpose and shall specify and denote the number of Equity Securities and class, if any, to which it relates and the nominal value thereof.

4.2 The provisions of Article 4.1 shall *mutatis mutandis* apply to certificates required to be issued by the Act or other applicable law in connection with other securities, including Debt Securities, issued by the Company.

4.3 In the event that any certificate shall be worn out, defaced, destroyed or lost, it may be renewed on such evidence being produced and such indemnity (if any) being given as the Directors shall require, and in the case of wearing out, or defacement, or change of address of the Member, on delivery of the old share certificate, and in



the case of destruction or loss, on the execution of such indemnity as is considered necessary, if at all by the Directors, and in any case upon the payment of €12 (twelve euro) or such sum as the Directors shall from time to time determine). In case of destruction or loss, the Person to whom such renewed certificate is given shall also bear and pay to the Company all expenses incidental to the investigation by the Company of the evidence of such destruction or loss and to such indemnity.

- 4.4 For listed Debt Securities or listed Equity Securities of the Company, the holder thereof shall be entitled to receive from the CSD of the Exchange a document evidencing his registration as a Member or the holder of Debt Securities of the Company in the number of Equity Securities or Debt Securities held, or such other evidence as may from time be prescribed by or under any applicable rules or regulations.

## **5 CALLS ON EQUITY SECURITIES**

- 5.1 The Directors may from time to time make calls upon the Members in respect of any monies unpaid on their Equity Securities and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall be payable at less than one month from the date fixed for the payment of the last preceding call, and each Member shall (subject to receiving at least fourteen (14) days' notice specifying the time/s and place for payment) pay to the Company at such time/s and place so specified, the amount called on his Equity Securities. A call may be made payable by instalments.
- 5.2 A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be required to be paid by instalments
- 5.3 The joint holders of an Equity Security shall be jointly and severally liable for the payment of calls thereon.
- 5.4 If a sum called in respect of an Equity Security is not paid before or on the date appointed for the payment thereof, the Person from whom the sum called is still due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding the maximum rate allowed by law, as the Directors may from time to time determine. The Directors shall however be at liberty to waive, whether in whole or in part, the payment of such interest.
- 5.5 Any sum which by the terms of issue of an Equity Security becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Equity Security or by way of premium, shall for the purposes of the Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment, all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

- 5.6 The Directors may not differentiate between the holders of Equity Securities of a class in respect of which a call or calls are, or are to be, made as to the amount of calls to be paid and the times of payment.
- 5.7 The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any Equity Securities held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such annual rate, not exceeding the maximum rate allowed by law, as may be agreed upon between the Directors and the Member paying such sum in advance.
- 5.8 The entitlement to receive any dividend and/or the right to exercise any privilege as a Member including the right to vote at general meetings, shall be suspended until the said Member shall have paid all calls for the time being due and payable on every Equity Security held by him, together with interests and expenses, if any.

## **6 TRANSFER AND TRANSMISSION OF EQUITY SECURITIES**

- 6.1 All transfers of listed Equity Securities shall be subject to the rules and regulations of the Exchange from time to time.
- 6.2 An Equity Security other than listed Equity Security shall be transferred by an instrument in writing. The instrument of transfer of any such Equity Security shall be executed by or on behalf of the transferor and the transferee, and the transferor shall be deemed to remain a holder of the Equity Security until the name of the transferee is entered in the register of Members in respect thereof. In no case may a part of an Equity Security constitute the object of a transfer.
- 6.3 The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided that
  - (a) in the case of listed Equity Securities, the suspension and duration thereof shall be subject to the provisions of the Listing Rules regulating suspension of trading;
  - (b) and provided further that in the case of listed Equity Securities, the registration of transfers may not be suspended at any time between the record date and the general meeting to which the record date applies; and
  - (c) in the case of Equity Securities other than listed Equity Securities, such registration shall not be suspended for more than thirty (30) days in any one calendar year.
- 6.4 In the case of the death of a Member, his Equity Securities shall devolve upon his successors by will or by operation of law as the case may be, but nothing herein contained shall release the Person or Persons to whom the Equity Securities shall devolve from any liability in respect of any Equity Security held by him or them or to which he or they are entitled.
- 6.5 Any Person becoming entitled to a listed Equity Security in consequence of the death of a Member shall, upon producing such evidence of his entitlement as the

Exchange may from time to time require, have the right to be registered himself as the holder of the Equity Security

- 6.6 Any Person becoming entitled to an Equity Security other than a listed Equity Security in consequence of the death of a Member shall, upon producing such evidence of his entitlement as the Directors may from time to time require, have the right to be registered himself as the holder of the Equity Security or to make such transfer thereof as the deceased Member would himself have been entitled to make.
- 6.7 In the case of Equity Securities other than listed Equity Securities, if a Person becoming so entitled shall elect to be registered as a Member, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another Person registered he shall evidence his election by executing to that Person a transfer of the Equity Securities. All the provisions relating to the transfer of Equity Securities in the Articles shall be applicable to such transfer. PROVIDED that the Directors may at any time give notice requiring any such Person to elect either to be registered himself or to transfer the Equity Securities, and if the notice is not complied with within ninety (90) days, the Directors may thereafter withhold payments of all dividends, bonuses or other moneys payable in respect of the Equity Securities until the requirements of the notice have been complied with.
- 6.8 Subject to the proviso to Article 6.7, a Person becoming entitled to an Equity Security by reason of the death of the holder thereof shall be entitled to the same dividends and other rights and advantages to which he would be entitled if he were the registered holder of the Equity Security, except that he shall not before being registered as a Member in respect of the Equity Security be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

## **7 FORFEITURE OF EQUITY SECURITIES**

- 7.1 If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any call or part thereof remains unpaid, require payment of so much of the call or instalment as is unpaid, together with any interests which may have accrued, by means of a notice which shall also name a further day (not earlier than the expiration of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before, the time appointed, the Equity Securities in respect of which the call was made will be liable to forfeiture.
- 7.2 If the requirements of such notice as aforesaid are not complied with, any Equity Security in respect of which the notice has been given, may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. The Member shall however retain the right to all dividends declared before the call was made and which have not been paid, as

well as the right to dividends declared after the call but before the date of forfeiture in which latter case however, his right shall only extend proportionately up to the amount actually paid by him. This shall be without prejudice to any subtraction, from such dividend/s due to him, of all sums of money payable by him to the Company on account of calls or otherwise in relation to Equity Securities of the Company as provided in the Articles.

- 7.3 A forfeited Equity Security may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and the Company may receive the consideration, if any, given for the Equity Security on any sale or disposal thereof and may execute a transfer in favour of the Person to whom the Equity Security is sold or disposed of, who shall thereupon be registered as a holder of the Equity Security. At any time before a sale or disposal, the forfeiture may be cancelled on such terms as the Directors may deem fit.

PROVIDED that while forfeited Equity Securities remain with, or under the control of, the Company they shall be subject to the provisions of article 109 of the Act.

- 7.4 A Person who shall have forfeited Equity Securities shall cease to be a Member in respect of the forfeited Equity Securities, but shall, notwithstanding, remain liable to pay to the Company all the moneys which, at the date of the forfeiture were due and payable by him to the Company in respect of the Equity Securities. His liability shall however cease if and when the Company shall have received payment in full of all such moneys in respect of the Equity Securities.

## **8 CONVERSION OF EQUITY SECURITIES INTO STOCK**

- 8.1 The Company may by extraordinary resolution convert any paid-up Equity Securities into stock, and re-convert any stock into paid-up Equity Securities of any denomination, provided that in the case of listed Equity Securities it shall comply with the rules and regulations of the Exchange as in force from time to time in making any such conversion or re-conversion.
- 8.2 The holders of stock may transfer the same, or any part thereof, in the same manner and subject to the same regulations, as and subject to which the Equity Securities from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances permit; and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the Equity Securities from which the stock arose.
- 8.3 The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the Equity Securities from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets upon a winding up) shall be conferred by any amount of stock which would not, if existing in Equity Securities, have conferred that privilege or advantage.

- 8.4 Such of the Articles as are applicable to paid up Equity Securities shall apply to stock, and the terms Equity Security and Member therein shall include "stock" and "stockholder".

## **9 PLEDGING OF EQUITY SECURITIES AND DEBT SECURITIES**

- 9.1 Subject to the provisions of the Act and unless otherwise provided in the applicable terms of issue, any Equity Securities and/or Debt Securities of the Company may be pledged by the registered holder thereof in favour of any Person as security for any obligation.

## **10 REGISTER OF MEMBERS**

- 10.1 Unless otherwise provided for in any law, rule or regulation, the register of Members for listed Equity Securities, or any other register for listed Equity Securities and/or listed Debt Securities, shall be kept at the CSD
- 10.2 The register of Members for Equity Securities other than listed Equity Securities, and any other register to which Article 10.1 does not apply, shall be kept at the Office.
- 10.3 Any register referred to in Articles 10.1 and 10.2 shall be available for inspection in terms of law.

## **11 GENERAL MEETINGS**

- 11.1 Subject to the provisions of the Act the annual general meetings of the Company shall be held at such time and place as the Directors shall appoint.
- 11.2 All general meetings other than annual general meetings shall be called extraordinary general meetings
- 11.3 The Directors may convene an extraordinary general meeting whenever they think fit. If at any time there are not sufficient Directors capable of acting to form a quorum for a meeting of the Directors, any Director, or any two Members of the Company holding at least ten per cent (10%) of the Equity Securities conferring a right to attend and vote at general meetings of the Company, may convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors and shall give notice thereof as provided below. Furthermore, the conduct of the said meeting shall be as provided below.
- 11.4 A general meeting of the Company shall be deemed not to have been duly convened unless at least twenty-one (21) days-notice shall have been given in writing to all Members entitled to receive such notice in terms of these Articles, the law, or the applicable Listing Rules. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it was given, and shall specify the place, the day and the hour of the meeting, and in case of special

business, the general nature of that business, and shall be accompanied by a statement regarding the effect and scope of any proposed resolution in respect of such special business.

- 11.5 The notice period referred to in Article 11.4 shall be reduced to fourteen (14) days provided the following conditions are satisfied:

11.5.1 the general meeting in respect of which notice is given is not an annual general meeting;

11.5.2 the Company offers the facility to holders of Equity Securities to vote by electronic means in accordance with the provisions of 11.11 of these Articles;

11.5.3 a resolution reducing the period of notice to not less than fourteen (14) days has been duly passed by a majority of not less than two-thirds ( $\frac{2}{3}$ ) of the Equity Securities of the Company. Such resolution shall be valid until the following annual general meeting.

- 11.6 Notice of every general meeting shall be given to:

11.6.1 every registered Member except Members who (having no registered address in Malta) have not supplied the Company an address for the giving of notices to them, and

11.6.2 the Directors, and

11.6.3 the auditor or auditors for the time being of the Company.

Without prejudice to the provisions of Article 3.14, no other Persons shall be entitled to receive notice of general meetings.

- 11.7 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting, by any Person entitled to receive notice shall not invalidate the proceedings of a meeting.

- 11.8 All business shall be deemed special that is transacted at an extraordinary general meeting, and also that is transacted at an annual general meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and the auditors, the election of Directors, the appointment of auditors and the fixing of the remuneration of Directors and the auditors.

- 11.9 No business shall be transacted at any general meeting unless a quorum of Members is present, in person or by proxy, at the time when the meeting proceeds to business; save as herein otherwise provided Members holding in the aggregate more than fifty per cent (50%) of the nominal value of the issued Equity Securities entitled to attend and vote at the meeting, shall constitute a quorum.

- 11.10 A Person shall be entitled to receive notice of, participate in, and vote at a general meeting if such Person is entered as a holder of Equity Securities on the register of members on the record date and any change to any entry on the said register after the record date shall be disregarded in determining the right of any Person to attend and vote at the meeting.
- 11.11 The directors may establish systems to:
- 11.11.1 allow Persons entitled to attend and vote at general meetings of the Company to do so by electronic means in accordance with the relevant provisions of the Listing Rules; and
  - 11.11.2 allow for votes on a resolution on a poll to be cast in advance.
- 11.12 Should the directors establish any system referred to in Article 11.11 any references in these Articles to attendance and voting at a general meeting shall apply *mutatis mutandis* to attendance and voting by electronic means or to the casting of votes in advance, as applicable.
- 11.13 The Directors may require proof and may establish systems aimed at confirming the identity and the rights of a Person to attend and cast votes at general meetings: Provided that such proof shall be proportionate to the achievement of the aforesaid objectives.
- 11.14 If within half an hour from the time appointed for the commencement of the meeting, a quorum is not present, the meeting, howsoever called, shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, provided that the first meeting was duly convened in accordance with the Articles, the adjourned meeting is held at least ten (10) days after the final convocation is issued and that no new item is put on the agenda of such adjourned meeting. If at the adjourned meeting a quorum is not yet present within half an hour from the time appointed for the meeting, the Member or Members present shall constitute a quorum
- 11.15 The Chairman of the board of Directors shall preside as Chairman at every general meeting of the Company or, if there is no such Chairman, or if he shall not be present within twenty (20) minutes from the time appointed for the commencement of the meeting, or is unwilling to act, the Directors present shall elect one of their number to be Chairman of the meeting.
- 11.16 At the commencement of any general meeting, whether annual or extraordinary, the Chairman may set the procedure which shall be adopted for the proceedings of that meeting. Such procedure shall be binding on the Members.
- 11.17 If at any meeting no Director is willing to act as Chairman or if no Director is present within thirty (30) minutes after the time appointed for the commencement of the meeting, the Members shall choose one of their number to be Chairman of the meeting.

- 11.18 The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unattended or unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.
- 11.19 At any general meeting a resolution put to the vote shall be determined and decided by a show of hands, unless a poll is demanded before or on the declaration of the result of a show of hands by;
- (i) the Chairman of the meeting; or
  - (ii) by at least ten (10) Members present in person or by proxy; or
  - (iii) any Member or Members present in person or by proxy and representing not less than one-tenth (1/10) of the total voting power of all Members having the right to vote at that meeting; or
  - (iv) a Member or Members present in person or by proxy holding Equity Securities conferring a right to vote at the meeting, being Equity Securities on which an aggregate sum has been paid up equal to not less than one-tenth (1/10) of the total sum paid up on all the Equity Securities conferring that right.

Unless a poll be so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost together with an entry to that effect in the minute book, shall be conclusive evidence of the fact without need for the proof of the number or proportion of the votes recorded in favour of or against such resolution.

PROVIDED that where a resolution requires a particular majority in value, the resolution shall not be deemed to have been passed on a show of hands by the required majority unless there be present at that meeting, whether in person or by proxy, a Member or Members holding in the aggregate at least the required majority as aforesaid.

The demand for a poll may be withdrawn.

- 11.20 Except as provided in Article 11.22, if a poll is duly demanded it shall be taken in such manner as the Chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 11.21 In the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall have a second or casting vote.



- 11.22 A poll demanded on the election of the Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll. No notice need be given of a poll not taken immediately.
- 11.23 Subject to any rights or restrictions for the time being attached to any class or classes of Equity Securities, on a show of hands every Member present in person or by proxy shall have one vote, and on a poll every Member shall have one vote for each Equity Security carrying voting rights of which he is the holder or for which he holds a valid proxy as the case may be.
- 11.24 No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of Equity Securities have been paid.
- 11.25 No objection shall be raised to the qualifications of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
- 11.26 Every Person entered into the register of members kept by the Company shall, subject to the provisions of Article 11.27, be entitled to appoint one Person to act as proxy holder to attend and vote at a general meeting instead of him. The proxy holder shall enjoy the same rights to participate in the general meeting as those to which the Member thus represented would be entitled.
- 11.27 Where a Person whose details are entered into the register of Members is holding shares for and on behalf of third parties, such Member shall be entitled to grant a proxy to each of his clients or to any third party designated by a client. The said Member shall be entitled to cast votes attaching to some of the shares differently from the others.
- 11.28 The instrument appointing a proxy shall be deposited at the Office or at any other place in Malta as may be specified for that purpose in the notice convening the meeting, or by electronic means in accordance with the Listing Rules, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the Person named in the instrument proposes to vote or, in the case of a poll, not less than forty-eight (48) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. The provisions of this Article 11.28 shall apply *mutatis mutandis* to the revocation of the appointment of a proxy.
- 11.29 Any Person acting as a proxy holder may hold a proxy from more than Member without limitation to the number of Members represented. Where a proxy holder holds proxies from several Members, he may cast votes for a certain Member differently from votes cast for another Member.

- 11.30 In the case of voting by a show of hands, a proxy who has been mandated by several Members and instructed to vote by some holders of Equity Security in favour of a resolution and by others against the same resolution shall have one vote for and one vote against the resolution.
- 11.31 A form of instrument of proxy shall be in such form as will allow a Member appointing a proxy to indicate how he would like his proxy to vote in relation to each resolution.
- 11.32 The instrument appointing the proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 11.33 Where a Member specifies in the proxy form how his proxy is to vote, the proxy form itself shall constitute the vote.
- 11.34 An ordinary resolution shall be a resolution which complies with article 135 of the Act, namely a resolution passed by a Member or Members having the right to attend and vote at a general meeting of the Company holding in the aggregate shares entitling the holder or holders therefore to more than fifty per cent (50%) of the voting rights attached to Equity Securities represented and entitled to vote at the meeting.
- 11.35 An extraordinary resolution shall be a resolution which complies with article 135 of the Act, namely a resolution which:
- (i) has been taken at a general meeting of which notice specifying the intention to propose the text of the resolution as an extraordinary resolution and the principal purpose thereof has been duly given, and
  - (ii) has been passed by a Member or Members having the right to attend and vote at the meeting holding in the aggregate not less than seventy-five per cent (75%) in nominal value of the Equity Securities represented and entitled to vote at the meeting and at least fifty one per cent (51%) in nominal value of all the Equity Securities entitled to vote at the meeting:

Provided that, if one of the aforesaid majorities is obtained but not both, another meeting shall be convened within thirty (30) days in accordance with the provisions for the calling of meetings to take a fresh vote on the proposed resolution. At the second meeting the resolution may be passed by a Member or Members having the right to attend and vote at the meeting holding in the aggregate not less than seventy-five per cent (75%) in nominal value of the Equity Securities represented and entitled to vote at the meeting. However, if more than half in nominal value of all the Equity Securities having the right to vote at the meeting is represented at that meeting, a simple majority in nominal value of such Equity Securities so represented shall suffice.

## **12 DIRECTORS - GENERAL**

- 12.1 The administration and management of the Company shall be conducted by the Directors.
- 12.2 All Directors of the Company shall be individuals.
- 12.3 The Board of Directors shall consist of a maximum of seven (7) Directors appointed as specified in Article 14 below, one of whom shall be the Chief Executive Officer appointed in terms of Article 13 below.
- 12.4 Once appointed to office in accordance with the provisions of these Articles, a Director (not being the CEO, who shall be appointed pursuant to the provisions of Article 13) shall hold office for a minimum period of three (3) years and a maximum period of five (5) years, unless he resigns or is earlier removed or is due to retire by rotation in accordance with these Articles.
- 12.5 A Director whose term of office expires shall be eligible for re-appointment.
- 12.6 A Director shall not be required to have a shareholding qualification, but this notwithstanding, a Director who is not a Member shall be entitled to attend and speak at general meetings of the Company, but except as provided for in these Articles he shall not be entitled to vote.
- 12.7 A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract or in any transaction or arrangement (whether or not constituting a contract) with the Company shall declare the nature of his interest at a meeting of the Directors pursuant to the provisions of the Act
- 12.8 A Director shall not vote on any contract or arrangement or any other proposal in which he has a material interest.
- 12.9 Subject to the applicable provisions of the Articles, the Directors may exercise all the powers of the Company to borrow money and to hypothecate or charge its undertaking, property and uncalled capital or any part thereof, and to issue Equity Securities and Debt Securities on such terms, in such manner and for such consideration as they think fit, whether outright or as security for any debt, liability or obligation of the Company or of any third party.
- Provided that the Members in general meeting may, from time to time, restrict and limit the aforesaid powers of the Directors, in such manner as they may deem appropriate.
- 12.10 The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to his widow or dependents and may make contributions to any fund and pay premia for the purchase or provision of any such gratuity, pension or allowance.

PROVIDED that a resolution to this effect has been approved by the shareholders in general meeting.

- 12.11 The Directors shall exercise their powers subject to the Articles, the Act, the rules and regulations of the Listing Authority, the Exchange in force from time to time and to such regulations, not inconsistent with the aforesaid, as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
- 12.12 The Directors shall cause minutes to be kept in books provided for the purpose:
- (i) of all appointments of officers made by the Directors;
  - (ii) of the names of the Directors present at each meeting of the Directors and of any committee of Directors;
  - (iii) of all resolutions and proceedings at all meetings of the Company and of the Directors and of committees of Directors.

### **13 APPOINTMENT OF CHIEF EXECUTIVE OFFICER**

- 13.1 The Directors may from time to time appoint a Chief Executive Officer for such period, and on such terms and conditions, as they deem fit, and subject to any agreement entered into in any particular case, may revoke such appointment. The Chief Executive Officer of the Company shall upon his/her appointment to such executive office, and by virtue of such office, become a director of the Company and shall serve as Director throughout his/her tenure of the executive position.
- 13.2 The Directors may entrust to and confer upon a Chief Executive Officer appointed as set out in Article 13.1 any of the powers exercisable by them, upon such terms and conditions and with such restrictions as they may think fit, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

### **14 APPOINTMENT OF DIRECTORS OTHER THAN THE CHIEF EXECUTIVE OFFICER**

- 14.1 The other Directors of the Company shall be appointed by the shareholders in the annual general meeting of the Company in accordance with the provisions of these Articles
- 14.2 Nominations by Shareholders**
- 14.2.1 Any Member or number of Members, and who in the aggregate hold not less than €250,000 (two hundred fifty thousand Euros) in nominal value of shares having voting rights in the Company shall be entitled to recommend a fit and proper Person for appointment as a Director of the Company to the Nominations Committee, but no Person shall be or become entitled to act or take office as a Director unless approved by the Nominations Committee; and the Nominations

Committee shall be empowered to reject any recommendation made in accordance with these Articles if in its considered opinion the appointment of the Person so recommended as a director could be detrimental to the Company's interests or if such Person is not considered as fit and proper to occupy that position.

- 14.2.2 In addition to the nominations that may be made by Members pursuant to the provisions of Article 14.2.1, the Directors themselves or the Nominations Committee may make recommendations and nominations of fit and proper Persons to the shareholders for the appointment of Directors at the annual general meeting, if in the opinion of the Nominations Committee such Person is required for the Board to have the appropriate level and mix of overall skills, knowledge and experience required for the Directors collectively to undertake their proper functions and duties in accordance with applicable law and regulation.
- 14.2.3 For the purpose of enabling Members to make recommendations in accordance with the provisions of Article 14.2.1, the Company shall grant a period of at least fourteen (14) days to Members to nominate candidates for appointment as Directors. Such notice may be given by the publication of an advertisement in at least two (2) daily newspapers. All such nominations, including the candidate's acceptance to be nominated as director, shall on pain of disqualification be made on the form to be prescribed by the Directors from time to time and shall reach the Office not later than fourteen (14) days after the publication of the said notice (the "Submission Date"); PROVIDED THAT the Submission Date shall not be less than ninety (90) days prior to the date of the meeting appointed for such election. Nominations to be made by the Directors or the Nominations Committee shall also be made by not later than the date established for the closure of nominations to Members pursuant to this Article 14.
- 14.2.4 All Approved Nominations shall be proposed to the shareholders for election in terms of Article 14.4 (where applicable) and Article 14.5.
- 14.3 At an election of directors all Shareholders holding Shares in the Company having voting rights, shall be entitled to vote.
- 14.4 Unless a Member or Members holding not less than 10% in nominal value of the shares having voting rights demands that a vote be taken in respect of all or any one or more of the Approved Candidates, in the event that the number of Approved Candidates recommended to shareholders pursuant to the provisions of Article 14.2.4 is equal to or less than the number of vacancies on the Board of directors, no election shall take place and all the candidates approved by the Nominations Committee shall take office as Directors.
- 14.5 Where the number of Approved Candidates is more than the number of vacancies on the Board of Directors, then an election shall take place in accordance with the provisions of Article 15.

## 15 ELECTION OF DIRECTORS

- 15.1 Whenever in terms of these Articles an election amongst Approved Candidates is necessary, such election shall be conducted in the manner prescribed by these Articles or in such manner as close as practicably possible thereto as the Directors may consider equitable in the circumstances.
- 15.2 The Nominations Committee shall submit to the Board a list of the names of Approved Candidates in alphabetical order according to their surname. The list shall be signed by the Chairman and the Company Secretary for verification purposes.
- 15.3 At the general meeting at which the election of Directors is to take place each Member shall be required to vote on the ballot paper provided by the Company to the Member at that general meeting by putting such number of votes against the name or names of the preferred Approved Candidates as such Member may determine, provided that in aggregate the number of votes cast cannot exceed the number of Equity Securities available for voting in that election held by such Shareholder.
- 15.4 Such number of Approved Candidates necessary to fill the total number of vacancies on the Board of Directors, who obtain the highest number of votes overall from amongst all Approved Candidates listed on the ballot paper as aforesaid, shall be elected and appointed Directors.

## 16 THE NOMINATIONS COMMITTEE

- 16.1 The Board of Directors shall appoint a Nominations Committee (in this Article 16 referred to as the “Committee”) consisting of a minimum of three (3) Directors, with the majority of Directors sitting on the Committee being non-executive directors. The Committee shall be chaired by the Chairman of the Board.
- 16.2 The Members of the Committee shall be appointed from amongst directors who have no direct personal interest in the election or appointment of Directors. Accordingly, it shall be composed of members who:
- 16.2.1 either do not re-submit themselves for re-appointment at the forthcoming election; and/or
  - 16.2.2 who are by virtue of the provisions of Article 17 on the Rotation of Directors not to remain in office.
- 16.3 The Board of Directors shall set out the terms of reference of the Committee and shall keep the same under review from time to time.
- 16.4 The Committee shall have all such powers, authorities as may be necessary or desirable for the Committee to be able to undertake its role and function as set out in the terms of reference of the Committee from time to time, including the power

to engage consultants to assist and advise it on the proper performance of its role and function in accordance with these Articles and applicable law.

- 16.5 In the exercise of its functions the Committee shall ensure that appointments to the board are made on merit and against objective criteria; and that Persons whose candidacy is approved and recommended to Shareholders are in a position to dedicate sufficient time and resources to the job.
- 16.6 The Committee should strive to achieve consensus on the recommendations it makes to Shareholders, however where such consensus cannot be achieved, decisions shall be made by a majority vote. In the event that a member or members of the Committee dissent(s) with the majority view on any particular matter, that member or member(s) (as the case may be) shall be entitled to make a dissenting report to the board setting out the reasons as to why they dissent from the majority opinion expressed in the Committee's recommendations. In such circumstances the Board shall be empowered to reverse a majority decision of the Committee.
- 16.7 No member of the Committee shall be present while his nomination as a director of the Company is discussed at a meeting of such Committee.
- 16.8 The Committee shall periodically assess the skills, knowledge and experience of individual directors necessary for the board to have the appropriate level of skill, competence and experience that would endow the board with the requisite collective knowledge and skill necessary for the proper functioning of the Company and its oversight by the Board of Directors, and shall report and make its recommendations on this to the board. If in the opinion of the Committee the then current compliment of the board provides the Board with the appropriate skills, knowledge and experience and that there would be no value for the Company to change the then current composition of the Board, the Committee may determine that any retiring directors pursuant to the provisions Article 17 shall be eligible for re-appointment to their office.
- 16.9 The Committee shall, without prejudice to its own role of identifying appropriate Persons who are fit and proper to occupy the office of director of the Company, to periodically assess the structure, size, composition and performance of the Board. The Committee shall, from time to time, make recommendations to the Board for approval policies and procedures to ensure that they meet the requirements that the Nominations Committee may consider appropriate for the proper and effective oversight of the Company's business.
- 16.10 The Committee shall when it considers it appropriate so to do with a view to seek individual directors of the right calibre, skill and knowledge required at the board, issue a request for Persons with the right qualifications, skills, knowledge and experience to express their interest in acting as non-executive directors on the board. Any expressions of interest so received shall be evaluated by the Committee in accordance with the provisions of these articles.

## **17 ROTATION OF DIRECTORS**

- 17.1 Subject to the provisions of Article 17.2, the term of office of all Directors appointed pursuant to these Articles, other than the Chief Executive Officer, shall be three (3) years from the date of the annual general meeting at which an appointment was made
- 17.2 At the annual general meeting falling on the third (3<sup>rd</sup>) anniversary of the general meeting referred to in Article 17.1, two (2) Directors, which for the purposes of this Article shall not include the Chief Executive Officer, shall retire from office, but shall be eligible for re-appointment. In every subsequent year, two (2) Directors holding office on the Board of Directors, other than the Chief Executive Officer, shall retire from office, but shall be eligible for re-appointment.
- 17.3 The Directors to retire first shall be those who have been longest in office, including by virtue of re-election, since their last election, but as between Persons who became Directors on the same day or in the event that the duration in office cannot be properly determined those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 17.4 A retiring Director shall, subject to the provisions of these Articles, be eligible for re-election.
- 17.5 At the general meeting at which a Director retires in the manner aforesaid, the Company may fill the vacated office by electing a Person thereto from amongst candidates approved by the Nomination Committee.

## **18 APPOINTMENT OF THE CHAIRMAN**

- 18.1 The Chairman shall be appointed by the Directors from amongst their number.

## **19 REMOVAL OF DIRECTORS AND VACATION OF OFFICE**

- 19.1 Any Director may be removed at any time by the ordinary resolution of the Members in accordance with the Act, or in accordance with any other applicable Law.
- 19.2 Without prejudice to anything contained in the Articles the office of a Director shall 'ipso facto' be vacated:
- 19.2.1 if, by notice in writing to the Company, he resigns from the office of Director; or
- 19.2.2 if he absents himself from the meetings of the Directors for a continuous period of three (3) calendar months without leave of absence from the Directors and the Directors pass a resolution that he has, by reason of such absence, vacated office; or



- 19.2.3 if he violates any of the undertakings made by such director to the company in the applicable contract of service, any form pursuant to which such director shall have submitted his application to become a director, or the declaration of secrecy required of him under these Articles and the Directors pass a resolution that he has so violated the declaration of secrecy; or
  - 19.2.4 if he is prohibited by applicable law from being a Director; or
  - 19.2.5 if he is removed by ordinary resolution from office pursuant to, or otherwise ceases to be a Director by virtue of, the Act; or
  - 19.2.6 should he become of unsound mind, is convicted of any crime punishable with imprisonment, or is declared bankrupt during his term of office.
- 19.3 Any vacancy among the Directors may be filled by the co-option of another Person to the office of director, made by the board of Directors on the recommendation of the Nomination Committee.
- 19.4 Any vacancy among the Directors filled by virtue of a co-option as aforesaid, shall be valid until the next annual general meeting, when the director so appointed shall be one of the non-executive directors subject to Rotation in accordance with the provisions of Article 17.
- 19.5 In the event that at any time and for any reason the number of Directors falls below the minimum number established by the Memorandum of Association, notwithstanding the provisions regulating the quorum, the remaining Directors may continue to act notwithstanding any vacancy in their body, PROVIDED they shall with all convenient speed, and under no circumstances later than three months from the date upon which the number of Directors has fallen below the minimum, convene a general meeting for the sole purpose of appointing/electing the Directors.

## **20 ALTERNATE DIRECTORS**

- 20.1 A Director may by letter addressed to the Chairman appoint an alternate Director to act instead of him at meetings of the Directors, and may at any time by letter addressed to the Chairman remove such alternate Director. An existing Director may be appointed as an alternate to another Director in which case his rights as alternate, including the right to vote, shall be additional to his rights as Director
- 20.2 The alternate Director must be a serving Director.

## **21 COMMITTEES OF DIRECTORS**

- 21.1 The Directors may delegate any such powers, authorities and discretions to committees or working groups, composed of persons of their body or other persons appointed by them, to deal with any matter which the Directors may deem fit. In

appointing such committees and/or working groups the Directors may give specific or general terms of reference as they deem fit to enable that committee or working group attain the aims for which it has been duly constituted. The Directors may fix the remuneration of members appointed to act on such committees and working groups.

## **22 REMUNERATION OF DIRECTORS**

- 22.1 The aggregate emoluments of all Directors shall from time to time be determined by the Company in general meeting, and any notice convening the general meeting during which an increase in the maximum limit of such aggregate emoluments shall be proposed, shall contain a reference to such fact.
- 22.2 Any remuneration paid to any Director by virtue of his holding a permanent salaried office with the Company shall not be deemed to form part of such Director's emoluments.
- 22.3 The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of Directors or other committee appointed under Article 21.1 above, or general meetings of the Company or in connection with the business of the Company.
- 22.4 If any Director, being willing, shall be called upon to sit on any committee or working group of the Company or to perform other services related to the operations of the Company but which fall outside the scope of the ordinary duties of a Director, the Company may remunerate, as determined by the Directors, such Director, in addition to or in substitution of his remuneration as Director, PROVIDED that any such payment falls within the limit of aggregate emoluments of Directors established by the general meeting.

## **23 PROCEEDINGS OF DIRECTORS' MEETINGS**

- 23.1 The Directors shall meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. The Chairman may at any time summon a meeting of the Directors. The Secretary shall, on the written requisition of not less than two (2) Directors, summon a meeting of the Directors.
- 23.2 No business shall be transacted at any meeting of the Directors unless a quorum of Directors is present, in person or through alternates, at the time when the meeting proceeds to business; save as herein otherwise provided, the quorum shall be four (4) Directors. If within half an hour from the time appointed for the commencement of the meeting, a quorum is not present, the meeting, howsoever called, shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors present may determine (such Directors constituting a quorum for such purpose only) and if at the adjourned

meeting a quorum is not yet present within half an hour from the time appointed for the meeting, two Directors shall constitute a quorum

- 23.3 Notice of every meeting of the board of Directors shall be given to all Directors of the Company and, save as hereinafter provided, shall in no case be of less than three (3) days. Notice of meetings of Directors to any Director for the time being absent from Malta shall be given at his address in Malta (or last known address) and at his address abroad (provided that such Director has duly informed the Company of such latter address.) Such notice shall not be required if (i) it is waived by a decision of all Directors entitled to receive notice of and vote at a meeting of the Directors; (ii) a meeting is called by the Chairman as a matter of urgency, provided that the Chairman shall have noted the urgency of the meeting in the notice and the general nature of the urgent business to be discussed. A Director may give his consent to the waiver of notice in (i) by way of fax, telex, e-mail or other means of readable communication.
- 23.4 If at any time the Chairman is not present within thirty (30) minutes after the time appointed for a meeting of the Directors, the Directors may choose one of their number to chair the meeting.
- 23.5 The board of Directors shall have power to transact all business of whatever nature not expressly reserved by the Memorandum of Association of the Company or by the Articles to be exercised by the Company in general meeting or by any provision contained in any law from the time being in force
- 23.6 A resolution in writing signed by all the Directors for the time being entitled to receive notice of and to attend and vote at a meeting of the Directors shall be valid and effectual as if it had been passed at a meeting of the Directors duly convened and held.
- 23.7 Any resolution as is mentioned in Article 23.6 may consist of several documents in the like form each signed by one or more of the Directors.

## **24 SECRETARY**

- 24.1 Without prejudice to the provisions of the Act regulating the appointment and functions of the secretary of the Company, the appointment or replacement of the secretary and the conditions of holding office shall be determined by the Directors. The secretary shall be responsible for keeping:
- the minute book of general meetings of the Company;
  - the minute book of meetings of the board of Directors;
  - the register of Members;
  - the register of Debt Securities; and
  - such other registers and records as the secretary may be required to keep by the board of Directors.

The secretary shall apply his/her best endeavours to:

- ensure that proper notices are given of all meetings; and
- ensure that all returns and other documents of the Company are prepared and delivered in accordance with the requirements of the Act.

## **25 DIVIDENDS & RESERVES**

- 25.1 The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.
- 25.2 The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company.
- 25.3 No dividend shall be paid otherwise than out of the profits of the Company available for distribution.
- 25.4 Without prejudice to the relevant provisions of the Act, the Directors may, before recommending any dividend, set aside out of the profits of the Company available for distribution any such sum as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly 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 (other than Equity Securities of the Company) as the Directors may from time to time think fit. The Directors may also, without placing the same to reserve, carry forward any profits which they think prudent not to divide.
- 25.5 Subject to any rights of Persons, if any, entitled to Equity Securities with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Equity Securities in respect whereof the dividend is paid but no amount paid or credited as paid on the Equity Securities in advance of calls shall be treated for the purpose of this regulation as paid on the Equity Securities. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Equity Securities during any portion or portions of the period in respect of which the dividend is paid; but if any Equity Security is issued on terms providing that it shall rank for dividend as from a particular date, such Equity Security shall rank for dividend accordingly.
- 25.6 The Directors may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the Equity Securities of the Company
- 25.7 The Company shall pay any dividend or other moneys payable in respect of an Equity Security by electronic means directly to a bank account held with any bank in Malta, held or designated by the Person entitled to receive such payment or to make such designation. Where an Equity Security is held jointly by more than one Person, the first named joint member appearing on the Register of Members shall

be deemed to be the Person entitled to receive the payment and to designate a bank account for payment.

Where the Company is not duly notified in writing of a designated bank account for the payment of any dividend or other moneys payable in respect of an Equity Security, it shall be entitled to retain any payment of any dividend or other moneys payable in respect of an Equity Security until it is duly notified with a designated bank account where any such dividend or other moneys payable in respect of an Equity Security are to be transferred.

In the case of an Equity Security held by joint holders, any one of such holders may give an effective and valid receipt for all dividends or other moneys payable in respect of an Equity Security and payments on account of dividends or other moneys payable in respect of an Equity Security. The payment of dividend or other moneys payable in respect of an Equity Security to any account designated by one of the joint holders shall be deemed to be a good discharge to the Company.

Every such payment shall be effected at the risk of the Person entitled to the dividend or other moneys payable in respect of an Equity Security and shall be deemed a good discharge to the Company. The Company is not responsible for amounts lost or delayed in the course of making the payment as aforesaid

25.8 No dividend shall bear interest against the Company.

25.9 Any amount paid up in advance of calls on any Equity Security may carry interest but will not entitle the holder of the Equity Security to participate in respect of such amount in any dividend.

## **26 ACCOUNTS**

26.1 The Directors shall from time to time determine whether and to what extent, time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors. No Member (not being a Director) shall have any right of inspecting any account, or book or document except as conferred by law or authorised by the Directors.

26.2 The Directors shall cause an electronic copy of the profit and loss account and balance sheet, together with any Directors' and auditors' report attached thereto, to be made available on its website at the time of issuance of a notice calling an annual general meeting.

## **27 CAPITALISATION OF PROFITS**

27.1 Without prejudice to the relevant provisions of the Act, the Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or

otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any Equity Securities held by such Members respectively or paying up in full unissued Equity Securities or Debt Securities of the Company to be allotted, distributed and credited as fully paid up to and amongst such Members in the proportion aforesaid, and the Directors shall give effect to such resolution;

PROVIDED that for the purposes of this Article 27 a share premium account and a capital redemption reserve fund may only be applied in the paying up of Equity Securities to be issued to Members as fully paid up Equity Securities;

PROVIDED FURTHER that the Directors may in giving effect to such resolution make such provision by payment in cash or otherwise as they deem fit.

## **28 NOTICE**

- 28.1 A notice may be given by the Company to any Member either personally or by sending it by pre-paid mail to his registered address in Malta, or if he has no such registered address in Malta, to the address, if any, supplied by him to the Company to receive notice thereat. Where a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying and mailing a letter containing the notice, and to have been effected at the expiration of twenty-four (24) hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.
- 28.2 A notice may be given to the joint holders of an Equity Security by giving the notice to the holder of such Equity Security first named in the register of Members.
- 28.3 Notwithstanding the provisions of Article 28.1, the Company may publish any notice required to be sent either on its website or on the website of the Exchange on which the Equity Securities are listed, provided that having sent a notice by mail at the address specified in Article 28.1 requesting the consent from the holder of Equity Securities to the publication of the notices on such website the holder of Equity Securities has given his consent to receive notice by such means (the "Consenting Member"). From the date of receipt of such consent by the Company any notices required to be sent to the Consenting Member may be sent by publishing the same on the said websites without the need of sending notices by pre-paid mail.
- 28.4 Any notice required to be given by the Company to the Members or any of them, and not expressly provided for by the Articles, shall be sufficiently given if given by advertisement.
- 28.5 Any notice required to be or which may be given by advertisement need be advertised not more than once in two (2) daily newspapers, one in the Maltese language and one in the English language.

28.6 If postal services in Malta shall be curtailed or suspended so that the Company is unable to give effective notice by post of a general meeting, notice may be given by advertisement as provided in the preceding paragraph and shall be deemed to have been given on the day of publication therein mentioned. In such event the Company shall as soon as practicable (and, if able to do so, prior to the date of the general meeting) send notice by post to all the Members entitled to receive notice.

28.7 The signature to any notice to be given by the Company may be written or printed.

## **29 SECRECY**

29.1 Without prejudice to the provisions of the Professional Secrecy Act, Cap. 377, every Director, secretary, auditor and employee of the Company shall observe strict secrecy with regard to all dealings, transactions and other matters of a confidential nature of and concerning the Company and with regard to all transactions of the Company with its customers, the state of their accounts and matters relating thereto, except when required or authorised to disclose particulars thereof by the Directors, the Person to whom such matters relate, or by law and except in so far as may be necessary in order to comply with any of the provisions of the Articles; and every Director, secretary, auditor or employee shall sign an undertaking to the above effect in such form as the Directors may from time to time prescribe.

## **30 WINDING-UP**

30.1 All holders of ordinary shares shall rank "*pari passu*" upon any distribution of assets in a winding up. The holders of preference shares of the Company shall at all times rank prior to the holders of ordinary shares upon any distribution of assets in a winding up. As between the holders of different issues of preference shares they shall rank in accordance with the relative terms

30.2 Unless the Members in general meeting approve otherwise, upon the voluntary liquidation of the Company, no commission or fee shall be paid to a liquidator. Any amount which the Directors propose to pay to a liquidator shall be notified to all Members at least seven (7) days prior to the meeting at which it is to be considered

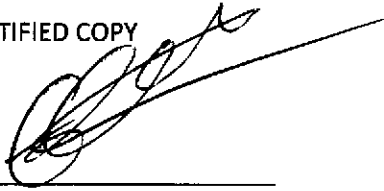
## **31 INDEMNITY**

31.1 Every Director, CEO, agent or secretary, and in general each officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings related to the Company's business or affairs, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted.

## **32 GENERAL**

32.1 In the event that any of the Company's Equity Securities or Debt Securities are listed, no deletion, amendment or addition to any of the Articles shall have effect unless prior written approval has been sought and obtained from the Listing Authority for such deletion, amendment or addition.

CERTIFIED COPY



Dr Emma Grech  
I.D. card number: 610991M  
**Company Secretary**