

Company No: 00249688

**The Companies Act 2006
COMPANY LIMITED BY SHARES**

RESOLUTIONS

of

RENOLD PUBLIC LIMITED COMPANY ("COMPANY")

Passed 8 May 2019

AT a General Meeting of the Company, duly convened and held at Manchester International Office Centre, Styal Road, Wythenshawe, Manchester M22 5WB on 8 May 2019 the following resolutions were duly passed as special resolutions.

SPECIAL RESOLUTIONS

1. **THAT**, the articles of association of the Company be amended by replacing articles 125 to 128 with new articles 125 to 128 as set out at Appendix 1 to this Resolution.
2. **THAT**, subject to and conditional on the passing of Resolution 1, the Directors of the Company be and are hereby authorised to (i) cancel the admission of the Ordinary Shares of 5 pence each in the capital of the Company (Ordinary Shares) to the premium segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange plc's Main Market for listed securities (ii) apply for the admission of the Ordinary Shares to trading on the Alternative Investment Market of the London Stock Exchange (iii) cancel the admission of the 6% cumulative preference stock of £1.00 each in the share capital of the Company (Preference Stock) to the standard segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange plc's Main Market for listed securities and (iv) apply for the admission of the Preference Stock to trading on the Alternative Investment Market of the London Stock Exchange.



Andrew Batchelor, Company Secretary

APPENDIX 1

125. **GENERAL POWER OF DIRECTORS TO EXERCISE THE COMPANY'S BORROWING POWERS**

Subject to the provisions of Article 126 the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property, assets and uncalled capital or any part thereof, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or its holding company (if any) or any subsidiary of the Company or its holding company or of any third party.

126. **RESTRICTIONS ON BORROWING POWERS OF DIRECTORS**

The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group (which expression in this Article and Article 127 means and includes the Company and all its subsidiaries for the time being) and for the time being owing to persons outside the Group shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to two times the Adjusted Capital and Reserves as hereinafter defined. The certificate of the Auditors for the time being as to the amount of the Adjusted Capital and Reserves at any time shall be conclusive and binding upon all concerned.

127. **MEANING OF MONEYS BORROWED**

For the purposes of Article 126 the expression "moneys borrowed" shall take into account the following provisions:

- 127.1 the expression "moneys borrowed" shall be deemed to include not only borrowings but also the following except insofar as otherwise taken into account:
- 127.1.1 the principal amount of all debentures of any member of the Group which are not for the time being beneficially owned within the Group;
 - 127.1.2 the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;
 - 127.1.3 the nominal amount of any issued or paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by other members of the Group;
 - 127.1.4 the nominal amount of any other issued and paid up share capital and the principal amount of any other debentures or other borrowed moneys (not being shares or debentures which or moneys borrowed the indebtedness in respect of which is for the time being beneficially owned within the Group) the redemption or repayment whereof is guaranteed or wholly or partly secured by any member of the Group;
 - 127.1.5 any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other moneys borrowed falling to be taken into account.
- 127.2 Moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within 6 months after the borrowing thereof shall not during such period (except to the extent so applied) themselves be taken into account;
- 127.3 Any moneys borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by the Export Credits Guarantee Department or other like institution carrying on a similar business shall be deemed not to be moneys borrowed;
- 127.4 moneys borrowed by a partly-owned subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed and owing to a partly-owned subsidiary by another member of the Group shall be

taken into account to the extent of a proportion thereof equal to the minority proportion, for the purposes aforesaid "minority proportion" shall mean the proportion of the issued equity share capital of such partly-owned subsidiary which is not attributable to the Company;

127.5 there shall be deducted in calculating moneys borrowed, short term cash deposits, cash in hand and at bank of the Group;

127.6 moneys borrowed by a company at the time it becomes a subsidiary of the Company shall for a period of six months from the date of its becoming a subsidiary be deemed not to be borrowed moneys;

127.7 borrowed moneys of any member of the Group expressed in or calculated by reference to a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:

127.7.1 at the rate of exchange specified in a forward purchase contract, currency option, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in rates of exchange in respect of repayment of those moneys (a "hedging agreement"); or

127.7.2 if repayment of those moneys has not been covered by a hedging agreement, at the more favourable to the Company of:

127.7.2.1 the rate of exchange used for the conversion of that currency in the relevant balance sheet; or

127.7.2.2 if it would result in a lower figure the middle-market rate of exchange quoted by HSBC Bank plc at the close of business in London on the business day immediately preceding the day on which the calculation falls to be made;

127.8 the Company's "Adjusted Capital and Reserves" will be established by the following calculations:

Add –

127.8.1 the amount paid on the Company's issued share capital (including any shares held as treasury shares); and

127.8.2 the amount standing to the credit of the reserves of the Company (which include any share premium account, capital redemption reserve and any credit balance on the Company's profit and loss account or retained earnings);

using the figures shown on the then latest audited balance sheet.

Then –

127.8.3 deduct any debit balances on profit and loss account or retained earnings at the date of the audited balance sheet (if such a deduction has not already been made on that account);

127.8.4 make any adjustments needed to reflect any changes since the date of the balance sheet to the amount of paid up share capital or reserves; and

127.8.5 exclude the effect on the reserves of the company of any retirement benefit scheme surplus or deficit (net of applicable deferred taxation) which would otherwise be reflected in accordance with any applicable accounting standards.

127.9 The Directors shall be deemed not to be in breach of the provisions of Article 126 by reason of the borrowing restriction being exceeded immediately after and as a result of any new audited consolidated balance sheet being laid before the members in general meeting when immediately prior to such general meeting the borrowing restriction had not been exceeded by reference to the immediately preceding audited consolidated balance sheet but in such circumstances the Directors shall ensure that by not later than six months after the date of such general meeting the Company has sanctioned such excess borrowing by ordinary resolution or the aggregate amount of borrowed moneys remaining outstanding has been reduced to an amount not exceeding the borrowing restriction.

127.10 Notwithstanding any other provision of this Article 127 the Directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and if in consequence the limit imposed by this Article is inadvertently exceeded an amount of borrowings equal to the excess may be disregarded until the expiration of six months after the date on which, by reason of a determination of the Auditors or otherwise, the Directors become aware that the said limit has been inadvertently exceeded as aforesaid.

128. **PROTECTION OF THIRD PARTIES IF RESTRICTIONS ON BORROWING POWERS BREACHED**

No person dealing with the Company or any of its subsidiaries shall by reason of the provisions of Article 126 be concerned to see or inquire whether the limit referred to therein is observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or the security was given express notice that the limit hereby imposed had been or would thereby be exceeded.