

28<sup>th</sup> June, 2024

Company No, C. 4/2009  
THE COMPANIES ACT (ACT NO. 17 OF 2015)

**PUBLIC COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
OF  
TRANS-CENTURY PLC**

(Incorporated on 13<sup>th</sup> May 1997)

Drawn by:  
**MATHENGE & MUCHEMI**  
Advocates  
P.O. Box 45957 Nairobi  
Kenya

Revised in May 2015 by:  
**KAPLAN & STRATTON**  
Advocates  
P.O. Box 40111  
00100-Nairobi  
Kenya

Further Amended Version (2019 and 2021) Drawn By: -  
**Mboya Wangong'u & Waiyaki**  
Advocates  
Lex Chambers  
Maji Mazuri Road  
Off James Gichuru Road  
Lavington  
P.O. Box 74041 - 00200  
Nairobi

**mboya wangong'u & waiyaki**

Further Amended Version in 2024 Drawn By: -  
**The Legal Department-TransCentury PLC**  
Lavington 48, Apple Cross Road  
Off James Gichuru Road  
P. O Box 42334-00100  
Nairobi

AK

THE COMPANIES ACT (ACT NO. 17 OF 2015)  
PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

TRANS-CENTURY PLC

EXCLUSION OF OTHER REGULATIONS

1. The model articles prescribed in the Third Schedule to the Companies (General) Regulations, 2015, are hereby excluded in their entirety and shall not apply to the Company.

INTERPRETATION

2. In these Articles, if not inconsistent with the subject or context:
  - (a) "**Act**" shall mean the Companies Act, No. 17 of 2015 as amended from time to time;
  - (b) "**Articles**" shall mean these Articles of Association as now framed or as from time to time altered by special resolution;
  - (c) "**Affiliate**" means, in respect of any person, any person which directly or indirectly Controls, is Controlled by, or is under common Control with, the first-mentioned person;
  - (d) "**Board**" shall mean the Board of Directors for the time being of the Company, or the Directors present at a duly convened meeting of the Directors, or any duly authorised committee of the Board, at which a quorum is present;
  - (e) "**Company**" shall mean Trans-Century Plc;
  - (f) "**Control**" means, from time to time, the power to direct the management and policies of the controlled person, including:
    - i. in the case of a body corporate, the right to exercise more than fifty per cent (50%) of the votes exercisable at any meeting of that body corporate or the right to appoint more than half of its directors;
    - ii. in the case of a partnership or limited partnership, the right to exercise more than fifty percent (50%) of the votes exercisable at any meeting of partners of that partnership or limited partnership (and, in the case of a limited partnership, control of each of its general partners); and

- iii. in the case of any other person the right to exercise a majority of the voting rights or otherwise to control that person;
- iv. whether by virtue of provisions contained in its memorandum or articles of association or, as the case may be, certificate of incorporation or by-laws, statutes or other constitutional documents or any contract, arrangement or understanding with any other persons.

and "Controlled", "is Controlled by" and "is under common Control with" shall be construed accordingly;

- (g) "**debenture**" shall include debenture stock;
- (h) "**Director**" means a director for the time being of the Company and shall include an alternate director;
- (i) "**Investor**" means Kuramo Africa Opportunity Kenyan Vehicle Ltd;
- (j) "**Investor Director**" means a Director appointed by the Investor and "Investor Directors" shall be construed accordingly;
- (k) "**Kenya**" shall mean the Republic of Kenya;
- (l) "**Major Shareholders**" means Standard Chartered Nominees AC KE 156 15, Anne Pearl Karimi Gachui, Peter Tiras Kanyago, Gath Properties Limited, Robin Munyua Kimotho, Michael Gitau Waweru, Standard Chartered Nominees AC KE 12424, Stephen Njoroge Waruhiu, Gitau Zephaniah Mbugua, Joseph Mbui Maqari as amended from time to time and "Major Shareholder" means any one of them;
- (m) "**member**" shall mean a shareholder in the Company;
- (n) "**month**" shall mean a calendar month;
- (o) "**paid-up**" shall mean paid up or credited as paid-up;
- (p) "**Register**" shall mean the register of members of the Company;
- (q) "**Reserved Matters**" means the following matters:
  - i. Authorizing senior management and/or their Affiliates and/or related persons or entities to form or engage in a competing business;



- ii. Purchase or disposal (whether by way of sale or otherwise) of significant assets for amounts in excess of 10% of the Company's total assets;
- iii. Selection, compensation and removal of the chief executive officer/managing director and the chief financial officer;
- iv. Commencing or settling any lawsuit, action, dispute or other proceeding or otherwise assume any liability with a value in excess of 5% of the Company's total assets or agreeing to the provision of any equitable relief by a company or waiving of material rights;
- v. Issuance or redemption of significant debt (including guarantees) or granting of security interests in significant assets for amounts in excess of 10% of the Company's total assets;
- vi. Entering into or amending any material term of (i) any employment agreement or arrangement with any Senior Employee (ii) the compensation (including salary, bonus, deferred compensation or otherwise) or benefits of any Senior Employee, (iii) any employee share purchase or similar equity-based plans, (iv) any benefit, severance or other similar plan or (v) any annual bonus plan or any management equity plan;
- vii. Approving risk policies, employment policies, compliance policies, insurance policies, and performance objectives including guidelines on salary and equity incentive programs for senior management of the Company;
- viii. The sale, licensing, or transferring any company's patents, copyrights, trademarks or other intellectual property other than in the ordinary course of its business;
- ix. Extension or guarantee of any debt or financial obligation exceeding US\$500,000;
- x. Provision of any loans to any director, officer or employee or Affiliate exceeding US\$10,000;
- xi. Purchase of any real property;
- xii. Entering into, amending in any material respect, waiving or terminating any related-party transactions;

- xiii. Changing accounting methods or policies, or appointing and/or reappointing an auditor;
  - xiv. Establishing committees of Board, such as, but not limited to, investment committee, audit committee, compliance committee, corporate social responsibility committee;
  - xv. Any transaction exceeding US\$200,000 not provided for in the Company's annual budget;
  - xvi. Recommendation of a dividend;
  - xvii. Approval of a dividend policy and any amendments to it; and
  - xviii. Approval of the business plan of the Company and amendments to it
  - xix. Issue of further shares or quasi-equity instruments,  
  
and "Reserved Matter" means any of them.
- (r) "**seal**" shall mean the common seal of the Company;
- (s) "**Secretary**" shall include a temporary or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;
- (t) "**Senior Employees**" refers to employees earning more than US\$75,000 per annum and "Senior Employee" shall be construed accordingly;
- (u) "**shares**" shall mean any shares (howsoever denominated or classified) in the share capital of the Company from time to time;
- (v) "**Shillings**" and "**Shs.**" shall mean Kenya shillings, the lawful currency of the Republic of Kenya;
- (w) "**Special Resolution**" shall have the meaning ascribed to it under Part XIII (*Resolutions and Meetings*) of the Act;
- (x) "**Statutes**" shall mean the Act and every other statute or subordinate legislation for the time being in force concerning companies and affecting the Company, including every amendment or re-enactment (with or without amendment) thereof for the time being in force;
- (y) "**US\$**" means the currency from time to time of the United States of America;



- (z) the expression "in writing" or "written" shall include words written, printed, lithographed or represented or reproduced in any other mode in a visible and non-transitory form;
  - (aa) words signifying the singular number only shall include the plural number and vice versa;
  - (bb) words signifying the masculine gender only shall include the feminine gender;
  - (cc) words importing persons shall include corporations;
  - (dd) reference to any section or provision of any Statute, unless the context otherwise requires, includes any corresponding or substituted section or provision of any amending, consolidating or replacement Statute;
  - (ee) reference to an Article by number is to the particular Article of these Articles;
  - (ff) The provisions of these Articles are subject to and may be superseded by the terms of any agreement that may be entered into between the Company and the members from time to time.
3. Subject to Article 2, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

#### BUSINESS

- 4. Save as limited by applicable laws or these Articles, the business of the Company is unrestricted.
- 5. The registered office of the Company shall be at such place in Kenya as the Board shall from time to time appoint.
- 6. No part of the funds of the Company shall be employed in the subscription or in loans upon the security of the Company's shares or those of its holding company (if any) and the Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with any purchase or subscription by any person of or for shares in the Company or in its holding company (if any) provided that nothing in this Article shall prohibit transactions permitted under the Act. For purposes of this Article 6, the phrase "**financial assistance**" shall have the meaning assigned to it under the Act.
- 7. The Company may exercise the powers of paying commissions conferred by section 331 of the Act, provided that the rate per cent or the amount of the commission paid

or agreed to be paid and the number of shares for which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by that section and that such commission shall not exceed ten per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

### SHARE CAPITAL AND VARIATION OF RIGHTS

8. The share capital of the Company comprises ordinary shares with a par value of cents fifty (Kshs 0.5) each.
9. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share 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 Company by ordinary resolution determines, or if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine.
10. Subject to the provisions of Part XX (Redeemable Shares) of the Act, any preference shares may, with the sanction of a special resolution, be issued upon the terms that they are, or are liable, to be redeemed at the option of the Company on the terms and in the manner as the Company may by special resolution determine before the issue of the shares. Provided that, the Company may not issue redeemable shares if there are no issued shares of the Company that are not redeemable.
11. Without prejudice to Article 10, the Directors may determine the terms, conditions and manner of redemption of shares before the issue of the shares.
12. Any redeemable shares of the Company shall be redeemed only if they are fully paid-up.
13. Redemption of any redeemable shares of the Company shall be financed only through:
  - (a) Distributable profits of the Company; or
  - (b) The proceeds of a fresh issue of shares made for the purpose of financing the redemption.
14. If at any time, the share capital is divided into different classes of shares, any of the rights for the time being attached to any share or class of shares may, subject to the provisions of the Act and notwithstanding that the Company may be or is about to be in liquidation, be altered, abrogated or varied in such manner (if any) as may be provided in such rights, or, in the absence of any such provision, either with the



consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class duly convened and held in accordance with Article 15 (but not otherwise).

15. To every such separate general meeting of the holders of any class of shares, the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, so far as applicable apply, subject to the following provisions, namely:

(a) the necessary quorum at any such meeting, other than an adjourned meeting, shall be not less half the members holding shares of that class present in person or by proxy. If at any adjourned meeting of such holders such quorum as aforesaid is not present, those of such holders who are present shall be a quorum;

(b) any holder of shares of the class present in person or by proxy may demand a poll;

(c) every holder of the class in question present in person or by proxy shall be entitled on a poll to one vote for every share of that class held by him.

16. The rights or privileges attached to any shares shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be altered, abrogated or varied by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by the reduction of capital paid up on such shares.

#### ALLOTMENT OF SHARES

17. Subject to the provisions of the Statutes and of these Articles and specifically Article 18, the shares in the capital of the Company shall be at the disposal of the Board which may allot, grant options over, offer or otherwise deal with or dispose of them to such persons, for such consideration, on such terms and conditions and at such times as it may determine provided that no shares shall be issued at a discount.

18. Unless otherwise determined by special resolution of the Company in general meeting pursuant to Article 19, and except in the case of the issue of shares pursuant to any rights previously conferred by or in accordance with these Articles or in relation to shares to be issued by the Company in accordance with any scheme for the time being in force or to be established for the purchase or subscription by employees of the Company under an employee share ownership or share option scheme and/or trust, whenever the Board proposes to issue any shares it shall offer them in the first instance to existing members in a rights issue made in proportion as nearly as may be to the number of existing shares held by them, but subject to such exclusions or Other arrangements as the Board considers to be necessary or expedient in relation to fractional entitlements or legal, regulatory or practical



problems under laws or regulations of an overseas territory or the requirements of a regulatory body or securities exchange. Such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time (as prescribed by the Statutes but in any event of not less than twenty-one days) within which the offer, if not accepted, will be deemed to be declined and, after the expiration of that time (if the offer is not accepted) or on the earlier receipt of an intimation from the member to whom the offer is made that he declines to accept the shares offered, the Board may allot or otherwise dispose of those shares to such persons and upon such terms as may be decided by it. The Board may likewise so dispose of any shares which, by reason of the ratio which the number of shares offered bears to the total number of existing issued shares, cannot in the opinion of the Board be conveniently offered under this Article.

19. The special resolution referred to in Article 18 may generally authorise the Directors to allot shares up to an aggregate nominal amount specified in the resolution on specified terms and/or for a specified period otherwise than in connection with a rights issue to members. Such authorisation may include the power to allot shares for cash or in exchange for non-cash consideration or other assets to be acquired by the Company or any of its subsidiaries. The Directors may, during any such period prescribed by such special resolution, make offers or agreements which require or might require shares to be allotted after the prescribed period expires and they may allot shares in accordance with the offers or agreements as if the prescribed period had not expired.

#### TRUSTS NOT RECOGNISED

20. Except as required by law or pursuant to the provisions of these Articles, no person shall be recognised by the Company as holding any share upon any trust and (except only by these Articles or by law otherwise provided or under a court of competent jurisdiction) the Company shall not be bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other rights in respect of any share except only as an absolute right to the entirety thereof in the registered holder.

#### CERTIFICATES

21. Subject to the Statutes, every person whose name is entered as a member in the Register of shall be entitled, without payment, to one certificate for all his shares of each class and, when part only of the shares comprised in a certificate is sold or transferred, to a new certificate for the remainder of the shares so comprised. If a member shall require additional certificates he shall pay such sum as the Board may from time to time determine having regard to prevailing market conditions and regulatory requirements for each additional certificate. Every certificate shall be issued within sixty (60) days after allotment or lodgment of the instrument of transfer or within such other period as the conditions of issue shall provide, shall be under the seal and shall specify the share or shares to which it relates and the amount paid



up thereon. In the case of shares held jointly by up to four (4) persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

22. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, as the Board may from time to time determine having regard to prevailing market conditions and regulatory requirements and, in the case of loss or destruction, on such terms, if any, as to evidence and indemnity and payment of the reasonable expenses of the Company of investigating such evidence, as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.
23. The provisions of Articles 21 and 22 shall not apply with regard to any shares of the Company that have been immobilised or dematerialized in accordance with the Central Depositories Act, 2000.

#### **CENTRAL DEPOSITORIES ACT, 2000**

24. The provisions of the Central Depositories Act, 2000 (the "CD Act") as amended or modified from time to time shall apply to the Company to the extent that any securities (as such term is defined in section 2(1) of the CD Act) of the Company are in part or in whole immobilised or dematerialised or are required by the regulations or rules issued under the CD Act to be immobilised or dematerialised in part or in whole, as the case may be. Any provisions of these Articles that are inconsistent with the CD act or any rules or regulations issued or made pursuant thereto shall be deemed to be modified to the extent of such inconsistencies in their application to such securities. For the purposes of these Articles, immobilisation and dematerialisation shall be construed in the same way as they are construed in the CD Act.
25. Where any securities of the Company are forfeited pursuant to these Articles after being immobilised or dematerialised, the Company shall be entitled to transfer such securities to a securities account designate by the Board for this purpose.
26. Whenever the shares of the Company are or are to be listed on a securities exchange outside Kenya the provisions of any legislation or regulation then in force in such country, in relation to the immobilisation or dematerialisation of securities or to the procedures for dealings in such securities or for their immobilisation or dematerialisation, shall apply to the Company except in so far as the same may be inconsistent with these Articles or with the provisions of the Statutes.

#### **PURCHASE OF OWN SHARES**

27. Subject to and in accordance with the provisions of the Act and the Statutes and without prejudice to any relevant special rights attached to any class of shares of the



Company, the Company may purchase any of its own shares of any class at any price (whether at par value or above par value) in accordance with Part XVI of the Act.

28. Any shares so purchased may be cancelled or held by the Company as treasury shares in accordance with the Act.

### LIEN

29. The Company shall have a first and paramount lien on every share (other than a fully paid share) registered in the name of a member, whether solely or jointly with others, for all monies, whether presently payable or not, due by such member or his estate, either alone or jointly with any other person, to the Company. The Board may at any time waive any lien which has arisen and may declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.
30. The Company may sell, in such manner as the Board may determine, any share on which the Company has a lien but no sale shall be made unless a sum in respect of which the lien exists is presently payable nor before the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default, has been given to the holder of the share or to the person entitled by reason of his death or bankruptcy to the share.
31. To give effect to any such sale, the Board may authorise any person to execute an instrument of transfer of the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.
32. The net proceeds of any such sale, after payment of the costs thereof, shall be applied in or towards payment or satisfaction of such part of the amount in respect of which the lien exists as is presently payable and any residue shall (subject to a like lien for sums not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale.

### CALLS ON SHARES

33. Subject to the terms of allotment of shares, the Board may, from time to time, make calls upon the members as it thinks fit in respect of any monies unpaid on their shares (whether in respect of the nominal value of the shares or by way of premium) and each member shall, subject to the Company giving to him at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company at the time or times and place so specified, the amount called on his shares. A person on whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. A call may be revoked or postponed as the Board may determine.



34. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
35. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
36. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment together with interest on the unpaid amount from the day appointed for payment thereof to the time of actual payment at a rate determined by the Board from time to time having regard to prevailing market conditions and regulatory requirements. The Board may in its discretion waive payment of such costs, charges, expenses or interest wholly or in part.
37. Any sum which, by the terms of issue of a share, becomes payable on allotment or on any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, it becomes payable. In the case of non-cash payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become due and payable by virtue of a call duly made and notified.
38. The Board may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
39. The Board may, if it thinks fit, receive from any member willing to advance it, all or any part of the monies uncalled and unpaid on any shares (whether in respect of the nominal value of the shares or the premium) held by him and may pay on all or any of the monies so advanced (until the same would, but for such advance, become presently payable) interest at a rate determined by the Board from time to time having regard to prevailing market conditions and the Statutes, and as may be agreed upon between the Board and the member paying such sum in advance.

#### TRANSFER OF SHARES

40. Subject to the Statutes and any trading and settlement rules of any securities exchange on which the shares of the Company are traded or of any settlement and clearing house at which the shares of the Company are cleared and settled, the transfer of any share in the Company shall be in writing in any usual or common form and shall be signed by or on behalf of the transferor and the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer which are registered, shall be retained by the Company, subject to Article 191.



41. Subject to the Statutes, the registration of transfers may be suspended at such time and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year.
42. The Board may, where applicable and subject to Article 43 and the rules of any recognized securities exchange at which the transfer shares are traded, but otherwise in its absolute discretion and without giving any reason, refuse to register a transfer of a share:
- (a) unless it is in respect of a share which is fully paid up;
  - (b) unless it is in favour of a single transferee or provided that where two or more persons are to hold one or more shares in the Company jointly, they shall, for the purpose of this Article, be treated as a single member on which the Company has a lien;
  - (c) subject as required by the Statutes, unless it is accompanied by the certificate for the shares to which it relates (if any certificate has been issued) and/or such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and the due execution of the transfer by him or, if the transfer is executed by some other person on his behalf, the authority of that person to do so;
  - (d) if the transferee is a person who, for any reason, is incapable of entering into a legally binding contract or managing and administering his property and affairs; and
  - (e) unless it is in respect of only one class of share.
43. If the Board refuses to register a transfer it shall, within sixty (60) days after the date on which the instrument of transfer was lodged with the Company, send to the transferee notice of the refusal.

#### TRANSMISSION OF SHARES

44. If a member dies, his survivors or survivor, where he was a joint holder, and his personal representatives where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares provided that nothing herein contained shall release the estate of a deceased member from any liability in respect of any share solely or jointly held by him.
45. Any person who is entitled to a share in consequence of the death or bankruptcy of a member shall, immediately upon such evidence as to his title being produced as may from time to time be required by the Board, be entitled to be registered as a member in place of the deceased or bankrupt member provided that the Board shall have the same right to refuse or suspend registration as it would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.



46. Subject to Article 47, a person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not, before being registered as the holder of the share, be entitled in respect of it to exercise any right conferred by membership in relation to general meetings of the Company. The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and, if the notice is not complied with within three months, the Board may withhold payment of all dividends and other moneys payable in respect of the share until compliance with the notice has been effected.
47. The Company shall be entitled to charge a fee of such amount, not exceeding such sum as the Board may from time to time prescribe having regard to prevailing market conditions and regulatory requirements, on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney or other instrument relating to or affecting the title to any share.

#### FORFEITURE OF SHARES

48. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may, at any time thereafter while any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
49. The notice shall specify a date, not less than fourteen days from the date of service of the notice, on or before which and the place where 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 and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any shares liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender.
50. If the requirements of any such notice are not complied with, any shares in respect of which such notice has been given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Forfeiture shall be deemed to occur at the time of the passing of such resolution by the Board. Unless the Board decides otherwise, no holder of forfeited shares is entitled to receive any dividend or be present or vote (whether in person or by representative or proxy) at any meeting, on a show of hands or on a poll, or to demand a poll or exercise any other privilege as a member. Such forfeiture shall



include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

51. When any shares have been forfeited, notice or the shall forthwith be given to the person who was before forfeiture the holder of the shares or, as the case may be, to the person entitled to the by reason of the death or bankruptcy or the holder but no forfeiture shall be invalidated by any omission or neglect to give such notice as aforesaid. An entry of the forfeiture or surrender shall be made in the Register.
52. Forfeited shares shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of as the Board may think fit but, at any time before a sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board may determine.
53. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for tile shares forfeited. The holder shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were then payable by him to the Company in respect of the shares together with interest thereon, from and including the date of forfeiture to and including the date of payment, at a rate determined by the Board from time to time having regard to prevailing market conditions and the Statutes. The Company may enforce payment without being under any obligation to make allowance for the value of the shares forfeited or for any consideration received on their disposal.
54. At the time of forfeiture all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the holder whose share is forfeited and the Company shall be extinguished, except in respect of those rights and liabilities which are expressly saved by these Articles, or which are given or imposed by the Act on past members.
55. A statutory declaration that the declarant is a Director or the Secretary of the Company and that shares have been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the shares. Such declaration and the receipt of the Company of the consideration, if any, given on the sale, re-allotment or disposition of the shares and the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the shares and the person to whom the shares are sold, re-allotted or otherwise disposed of shall be registered as the holder thereof and shall not be bound to see to the application of the consideration (if any) nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sun-ender, sale, re-allotment or other disposition of the shares. Where a forfeited share is to be transferred to any person for its disposal the Board may appoint some person to execute an instrument of transfer thereof.

### INCREASE OF CAPITAL

56. The Company may from time to time, by ordinary resolution, increase its share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. Any new shares:
- (a) may rank *pari passu* with any existing shares of the Company or may comprise a new class of shares;
  - (b) may be offered at par value or at a premium value; and/or
  - (c) subject to any special terms of issuance of such shares, shall otherwise be subject to all the provisions of these Articles with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

### ALTERATION OF CAPITAL

57. The Company may, from time to time, by ordinary resolution:
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) sub-divide its shares or any of them into shares of smaller amount (subject, nevertheless, to the provisions of Division 1 (*Alteration and Consolidation of Share Capital*) of Part XV (*Reorganisation of Company's Share Capital*) of the Act; and/or
  - (c) cancel any shares which, at the date of the passing of the resolution, have not been issued or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

### REDUCTION OF CAPITAL

58. The Company may from time to time, by special resolution, reduce its share capital, any capital redemption reserve fund or any share premium account in any manner, and with and subject to, any incident authorised, and consent required, by law.
59. Notwithstanding Article 58, the Company shall not reduce its share capital to an amount below the authorised minimum except as permitted under section 417 of the Act.

### ADJUSTMENTS ON CONSOLIDATION

60. Whenever, as a result of a consolidation of shares, any members would become entitled to fractions of shares, the Board may settle any difficulty relating thereto. In particular, the Board may determine which shares are consolidated into each consolidated share and may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable (or at any other price approved



by the Company) to any person. The Board may distribute the net proceeds of sale (subject to the retention by the Company of small amounts the cost of distribution of which would be disproportionate to the amounts involved) in due proportion among those members, and may authorise some person to execute an instrument of transfer of the shares to, or in accordance with, the directions of the purchaser. The transferee is not bound to see to the application of the purchase money nor is his title to the shares affected by any irregularity in, or invalidity of, the proceedings in reference to the sale.

### GENERAL MEETINGS

61.

- (i) The Company shall, in each year, hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it. The annual general meeting for each year shall be held within six (6) months from and including the day following the Company's accounting reference date. Annual and other general meetings shall be held at such times and places as the Board shall appoint. All general meetings, other than annual general meetings, shall be called extraordinary general meetings.
- (ii) Notwithstanding anything contained in these Articles, if the Board calls for a meeting of shareholders or of the Board, the Board may determine that the meeting be held, subject to and in accordance with the Act or any other applicable regulations, entirely by means of telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting (multi-site, virtual or hybrid meeting). In the event such a meeting is to be held, the Board shall, notwithstanding anything contained in these Articles, establish the procedures for the conduct thereof including, without limitation, the procedures for voting by telephonic, electronic or other communications facility. Participation in the multi-site, virtual or hybrid meeting held by telephonic, electronic or other communications facility shall constitute presence of the Members or Directors at the meeting and anything contained in these Articles requiring:
  - a. Members or Directors to be personally present shall be construed as including a virtual, telephonic or electronic presence; and
  - b. Notice of a meeting to include the place of the meeting shall be construed to include the means of the conduct and mechanism for assessing and participating in the meeting if it is a multi-site, virtual or hybrid meeting.

62. The Board may convene an extraordinary general meeting whenever it thinks fit.



63. Extraordinary general meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists as provided by section 277 of the Act. At any meeting convened on such requisition or by such requisitionists, no business shall be transacted except that stated by the requisition or proposed by the Board.

#### **NOTICE OF GENERAL MEETINGS**

64. Every general meeting shall be called by at least twenty-one (21) days' notice in writing (exclusive of the day on which it is served or deemed to be served and of the day for which it is given). The notice shall specify the place, the date and the time of such general meeting and, in case of special business, the nature of that business and shall be given, in the manner hereinafter mentioned or any such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company; provided that a meeting may be called by shorter notice than that specified in this Article if so agreed by the members referred to in and otherwise in accordance with the provisions of section 281 of the Act.
65. Such notice may also be given by publishing a notice in at least two local daily newspapers with national circulation for at least two consecutive days or by publishing it on the Company's official website. Where a notice is published in a daily newspaper, it shall be deemed to be served on the day on which it is first published. Where a notice is published on the Company's official website, it shall be deemed to be served on the day on which it was first made publicly accessible on such website.
66. In every notice calling a meeting there shall appear, with reasonable prominence, a statement that a member entitled to attend and vote thereat is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not be a member.
67. The accidental omission to give notice of a meeting, or (where forms of proxy or other documents are sent out with notices) to send a form of proxy or other document relating to a meeting with a notice, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy or other document by such person shall not invalidate the proceedings at that meeting.
68. Subject to these Articles and the Statutes, if the Board, in its discretion, considers that it is impractical or unreasonable to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting due to an unforeseen event outside the control of the Board or the Company, it may postpone the general meeting to another date, time and place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall be placed in one national newspaper in Kenya and in one national newspaper in any other country where, for the time being, the shares of the Company are listed on a securities exchange. Notice of the business to be transacted at the postponed meeting shall not be required unless it is postponed for thirty (30) days or more.

#### **PROCEEDINGS AT GENERAL MEETINGS**

69. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with



the exception of the declaration of dividends, the consideration of the accounts and balance sheets, and any other documents accompanying or annexed thereto, the reports of the Directors and auditors, the election of Directors, the appointment of auditors, the fixing of the remuneration of the Directors and auditors, appointment of members of the Company's board audit committee, and receipt of directors' remuneration report.

70. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided by these Articles, ten (10) members present in person or by proxy or, in the case of a corporation, represented in accordance with Article 98 and entitled to vote at the meeting shall be a quorum, provided that one member holding the proxy of one or more other members or one person holding the proxies of two or more members shall not constitute a quorum.
71. If within thirty (30) minutes after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week, at the same time and place and if, at such adjourned meeting, a quorum is not present within thirty (30) minutes after the time appointed for the meeting, any three members who are personally present shall be a quorum and may transact the business for which the meeting was called.
72. The chairman, if any, or in his absence, the deputy-chairman, if any, of the Board shall preside at every general meeting. If there is no such chairman or deputy-chairman or if, at any meeting, neither is present within fifteen minutes after the time appointed for the same or if neither is willing to act as chairman, the members present shall choose some Director or, if no Director is present or if none of the Directors present is willing to act as chairman, they shall choose some member present to be chairman of the meeting. No poll may be demanded on the election of the chairman of the meeting.
73. The chairman of any meeting at which a quorum is present may with the consent of the meeting and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place as the meeting determines but no business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
74. In addition, the chairman of any meeting may at any time without the consent of the meeting postpone or adjourn any meeting (whether or not it has commenced, or whether or not a quorum is present) either to such time and place as he thinks fit, or for an indefinite period, where it appears to him that for reasons of security, or on account of a threat to security:
  - (a) the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting;
  - (b) the conduct of persons present at the meeting prevents or is likely to prevent the orderly continuation of business; or



- (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
75. The Board may direct that any person wishing to attend a meeting should submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion (or to authorise other persons on its behalf) to refuse entry to, or eject from, any meeting any person who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.
76. The chairman of the meeting shall take such action as he reasonably thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and the chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall be his determination as to whether any matter is of such nature.

#### POLLS

77. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands or on withdrawal of any other demand for a poll) a poll is demanded:
- (a) by the chairman of the meeting; or
  - (b) by at least ten (10) members present in person or by proxy and entitled to vote or, in the case of a corporation, represented in accordance with Article 98; or
  - (c) by a member or members entitled to vote and holding or representing by proxy not less than one-tenth of the total voting rights of all the members conferring 8 right to vote at the meeting; or
  - (d) by a member or members present in person or by proxy holding shares conferring a right to vote at the meeting on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
78. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
79. A poll on a question of adjournment of any meeting shall be taken immediately. A poll demanded on any other question shall be taken in such manner (including by the use of ballot or voting papers or tickets) and either forthwith or at such day, time and place as may be directed by the chairman of the meeting, but in any case, not more than twenty-eight (28) days after the meeting or adjourned meeting at



which the poll was demanded. No poll shall be capable of being demanded under the provisions of Article 71.

80. The chairman may appoint scrutineers (who need not be members) and fix a day, time for and the manner of declaration of the result of the poll. The result of a duly demanded poll shall be deemed to be a resolution of the meeting at which the poll was demanded.
81. The demand for a poll (other than on a question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded and such demand may be withdrawn at any time.
82. Votes may be given personally or by proxy or by attorney or by representative of a corporation appointed in accordance with these Articles.
83. In the case of an equality of votes, either on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
84. If any vote shall be counted which ought not to have been counted or which might have been rejected, the error shall not affect the result of the voting unless it is pointed out at the same meeting or at any adjournment thereof, and the chairman of the meeting shall in his sole determination decide whether the error is of sufficient magnitude to warrant further action.

#### VOTES OF MEMBERS

85. Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every member who is present in person, by proxy or (being a corporation) is present by a representative appointed in accordance with Article 98 shall have one vote. On a poll every member present in person or by proxy, or present by a representative appointed in accordance with Article 98, shall have one vote for each share of which he is the holder.
86. No member shall be entitled to be present at any general meeting or to vote on any question, either personally or by proxy or by a representative appointed in accordance with Article 98, at any general meeting or on a poll or to be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares held by him, whether alone or jointly with any other person.
87. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names of the holders stand in the Register.
88. A member of unsound mind in respect of whose estate a manager has been appointed under section 26 of the Mental Health Act (Chapter 248, Laws of Kenya) may vote, whether on a show of hands or on a poll, by such manager who may, on a poll, vote by proxy.



89. No objection shall be raised to the qualification 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.

### PROXIES AND REPRESENTATIVES

90. Every member entitled to attend and vote at a general meeting may appoint a proxy to attend, speak, ask questions and vote in relation to items on the agenda, subject to these Articles and the Act. A proxy need not be a member of the Company.
91. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or duly authorised attorney of such corporation. A proxy need not be a member of the Company. The instrument of proxy shall, unless the contrary is stated, be valid for any adjournment of the meeting as for the meeting to which it relates, but unless authorised by the Act, a proxy may not speak at any meeting.
92. The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or a notarially certified copy of that power authority shall be deposited at the registered office of the Company or at such other place in Kenya as may be specified for that purpose in the notice convening the meeting not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting or, in the case of a poll, the time appointed for the taking of the poll and, in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
93. Any instrument appointing a proxy may be delivered by facsimile transmitted to the registered office or such other place as is specified in the notice convening the meeting or in any notice of adjournment or in any instrument of proxy sent out by the Company in relation to the meeting, provided that:
- (a) the facsimile is actually received (whether or not it appears to the sender to have been received) at the aforementioned place not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, or the taking of the poll; and
  - (b) the chairman of the meeting or the Secretary or any other person authorised by the Board for the purpose determines in his sole discretion (such determination to be conclusive) that such facsimile has been transmitted in an acceptable manner including a determination that such facsimile is complete and is in a clear and legible form; and
  - (c) the original instrument appointing the proxy and (if required by the Board) any authority under which it is executed or a copy of the authority, certified notarially or in some other manner approved by the Board, is delivered to the registered office or such other place as aforesaid not less than one hour before the time appointed for holding the meeting or adjourned meeting or the taking of the poll.



94. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

"Trans-Century Plc

I/We \_\_\_\_\_, (insert name(s) appearing on the share certificate) of \_\_\_\_\_, being a member/members of the above-named Company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the annual/extraordinary general meeting of the Company to be held on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, and at any adjournment thereof.

Number of shares held \_\_\_\_\_

Account number \_\_\_\_\_ (if known)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

Note: If you wish you may appoint the chairman of the meeting as your proxy.

To be valid the proxy form must be returned to the registered office of the Company/to \_\_\_\_\_ not less than forty-eight (48) hours before the time fixed for the meeting."

95. Where the Board considers in its discretion that it is desirable to afford the members an opportunity of voting for or against a resolution or a number of resolutions, the instrument appointing a proxy shall follow the form set out in the preceding Article or a form as near thereto as circumstances admit, but with the addition of the following phrases, either:

- (a) "This form is to be used \*in favour of or against the resolution. Unless otherwise instructed, the proxy will vote or abstain as he thinks fit.

\*Strike out whichever is not desired";

or

- (b) Please indicate with an X in the spaces below how you wish your votes to be cast.

Either place your X in the "For" column if you wish to vote in favour of the specified resolution, or place your X in the "Against" column if you wish to vote against the specified resolution. If you place an X in both columns in respect of the same resolution your vote will be spoilt and will not count. If you do not place an X against the resolution(s) the proxy will vote or abstain as he thinks fit.

	For	Against
resolution 1		
resolution 2		

etc."

96. The instrument appointing a proxy shall be deemed to confer authority to demand or to join in demanding a poll.
97. A vote given or poll demanded by a person as proxy for a member shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll, unless notice of the termination was received by the Company at its registered office before the commencement of the meeting or adjourned meeting or the taking of the poll at which the instrument of proxy is used.
98. Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by notification in writing under the hand of some officer of such corporation duly authorised in that behalf, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of the holders of any class of shares of the Company. Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. A Director, the Secretary or some person authorised for the purpose by the Secretary, may require the representative to produce a certified copy of the resolution or notification so authorising him or such other evidence of his authority reasonably satisfactory to them before permitting him to exercise his powers.

## DIRECTORS

99. The number of Directors shall be a maximum of nine (9).
100. For as long as the Investor (or an Affiliate of the Investor) is a shareholder in the Company:
- (a) the Board shall consist of a maximum of nine (9) Directors;
  - (b) the Investor shall be entitled to appoint a maximum of three (3) Directors (being the Investor Directors);
  - (c) the Major Shareholders shall be entitled to appoint a maximum of three (3) Directors;
  - (d) all the shareholders acting together shall be entitled to appoint a maximum of three (3) independent Directors; and
  - (e) the Investor shall be entitled to, from the Investor Directors, appoint the deputy-chairman of the Board.

The Investor shall be entitled to transfer the right to appoint the Investor Directors with a transfer of its shares.



101. Any proposed appointment, removal or replacement of an Investor Director shall be effected by notice in writing to the Board signed on behalf of the Investor and shall take effect from the date stated in the Notice.
102. The Directors, other than those whose remuneration is determined by agreement between them and the Company, shall be entitled to such remuneration for their services as the Company may, from time to time, in general meeting determine. Such remuneration shall be divided among the Directors in such proportion and manner as they may determine or, failing such determination, equally, except that in such event any Director holding office for less than a year shall only rank in such division in proportion to the period during which he has held office during such year. The Directors shall also be entitled to be reimbursed by the Company in respect of their travelling, hotel and incidental expenses reasonably incurred while engaged in the business of the Company.
103. Any Director who, by request of the Board, performs special or extraordinary services or goes or resides abroad on behalf of the Company, may be paid such extra remuneration, whether by way of lump sum, salary, commission, percentage of profits or otherwise, as the Board may determine.
104. The Directors shall prepare a Directors' remuneration report for each financial year of the Company, which report shall record such details as are required under, and be presented to the members in accordance with, the Act.
105. A Director need not be a shareholder, but shall be entitled to receive notice of and to attend and speak at all general meetings of the Company or at any separate meeting of the holders of any class of shares of the Company.

#### ALTERNATE DIRECTORS

106. Any Director may appoint another Director or any other person who is approved by the Directors to be his alternate to act in his place at any meetings of the Board at which he is unable to be present. An alternate shall be entitled, in the absence of his appointor, to exercise all the rights and powers of a Director and to attend and vote at meetings of the Board at which his appointor is not personally present and, where he is a Director, to have a separate vote on behalf of his appointor in addition to his own vote, but he shall count as only one for the purpose of determining whether a quorum is present. A Director may, at any time, revoke the appointment of an alternate appointed by him. The appointment of an alternate shall be revoked, *ipso facto*, if his appointor ceases for any reason to be a Director or on the happening of any event which, if he were a Director, would cause him to vacate such office. The appointment of an alternate shall also terminate if the Directors for any reason revoke their approval under this Article.
107. Every appointment and revocation under Article 106 shall (subject to any approval required) be effected by notice in writing under the hand of the appointor served on the Company and on such alternate and shall be effective only if it:

- (a) unequivocally identifies the proposed alternate; and



- (b) if it is a notice of appointment, contains a statement authenticated by the proposed alternate indicating the proposed alternate's willingness to act as the alternate of the appointor.

108. An Investor Director may appoint an alternate in accordance with Article 106.

109. The remuneration of an alternate shall be payable out of the remuneration of his appointor and shall be such proportion thereof as shall be agreed between them. An alternate shall during his appointment be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be an agent of his appointor.

110. An alternate whose appointor is a member of the Company shall, in the absence of a direction to the contrary in the instrument appointing him, be entitled to receive notice of and to vote at general meetings of the Company as if he had been appointed a proxy of his appointor under the provisions of these Articles.

### REMOVAL AND APPOINTMENT OF DIRECTORS

111. A Director shall vacate office as such if:

- (a) he is removed from office pursuant to the provisions of Article 112;
- (b) he becomes bankrupt or makes an arrangement or composition with his creditors generally;
- (c) he becomes prohibited from being a Director by reason of any order made under section the Act or of any directive or other action of any regulatory authority with competent jurisdiction;
- (d) he becomes of unsound mind;
- (e) he fails, without reasonable cause and without the consent of the Board, to attend three consecutive meetings of the Board or which he has been given notice and (he Board resolves that, by reason of such failure, he shall cease to be a Director;
- (f) he is an executive director and his appointment to the relevant office or employment is terminated or expires and the Board resolves that his office be vacated; or
- (g) he resigns his office by notice in writing to the Board.

112. The Company may, by ordinary resolution, of which special notice has been given, or by special resolution, remove any Director from office, notwithstanding any provision of these Articles or of any agreement between the Company and such Director. The removal shall be without prejudice to any claim the Director may have for damages for breach of any such agreement. The Company may, by ordinary resolution of which special notice has been given, appoint another person in place of a Director so removed from office. In default of such appointment, the vacancy so arising may be filled by the Board as a casual vacancy.



113. At every Annual General Meeting of the Company one-third of the Directors or, if their number is not three or a multiple of three, the number nearest but not exceeding one-third shall retire from office. The Directors to retire at an Annual General Meeting shall be those who have been longest in office. As regards persons who became Directors on the same day those to retire shall, unless otherwise agreed between and among themselves, be determined by lot. A Director retiring by rotation shall be eligible for re-election.
114. An Investor Director shall not be subject to removal under the provisions of Article 112. When an Investor Director is required to retire by rotation under Article 113, his replacement shall be appointed in accordance with Article 101. An Investor Director who is required to retire by rotation shall be eligible for reappointment.
115. The Board shall have power to appoint a person to be a Director either to fill a casual vacancy or as an addition to the existing Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

#### **DIRECTORS' CONTRACTS**

116. A Director shall avoid situations in which the Director has, or can have, a direct or indirect interest that conflicts, or may conflict, with the interests of the Company.
117. A Director who is in any way (directly or indirectly) interested in a transaction, arrangement, or contract in which the Company is a party or which the Company intends to enter into or is considering entering into shall declare the nature and extent of his interest at a meeting of the Directors in accordance with the Act:
- (a) to the other Directors at the meeting of the Board at which the question is first taken into consideration if his interest then exists or, in any other case, at the next meeting of the Board held after he became interested and it shall be the duty of the Director so to declare his interest;
  - (b) to the members of the company within seventy-two (72) hours; and
  - (c) if the transaction, arrangement or contract is for an amount, or for goods or services valued at an amount, that is ten percent or more of the value of the assets of the company, the declaration shall also be disclose to the members of the Company either at a general meeting or by notice given to the members in accordance with section 152 of the Act.

Provided that:

- (a) if a declaration of interest under this Article is inaccurate or incomplete, the Director shall make a further declaration; and



- (b) this Article does not require a Director to make a declaration of an interest if the Director is not aware of the interest or is not aware of the transaction, arrangement or contract to which the interest relates.

118. The Company shall maintain a register of declared conflicts of interests, which register shall be kept and updated by the Company Secretary.

119. No Director shall vote as a Director in respect of any transaction, contract or arrangement in which he is interested and, if he does vote, his vote shall not be counted but he shall, nevertheless, be counted in the quorum present at the meeting. These prohibitions shall not apply:

- (a) to any arrangement for giving a Director any security for advances or by way of indemnity or to any allotment to or any contract or arrangement for the underwriting or subscription by a Director of shares or securities of the Company or any of its subsidiaries; or
- (b) without prejudice to the Director's duties under the Act, to any contract or dealing in which the Director is interested by reason only of his being a director or other officer, employee or nominee of any government or corporation or company which, being a member of the Company or holding shares in a corporation or company which is a member of the Company, is interested in such contract or dealing whether directly or indirectly and this exception shall not cease to have effect merely by reason of the fact that the Director is also a shareholder or creditor of any such government, corporation or company or of any corporation or company in which it is interested.

For the purpose of this Article, a general notice given to the Board by a Director at any meeting of the Board to the effect that he is a member of a specified corporation, company or firm and is to be regarded as interested in any conflict which may, after the date of the notice, be made with that corporation, company or firm, shall be deemed to be a sufficient declaration of interest in relation to any contract so made.

120. A Director may contract with and be interested in any way, whether directly or indirectly, in any actual or proposed contract or arrangement with the Company, either as vendor, purchaser or otherwise, and shall not be liable to account for any profit made by him by reason of any such contract or arrangement, provided that the Director has declared the nature and extent of the Director's interest in accordance with these Articles.

121. A Director may hold office as a director or manager of or be otherwise interested in any other company or any corporation in which the Company is in any way interested and shall not, unless otherwise agreed, be liable to account to the Company for any remuneration or other benefits receivable by him from such other company or such corporation.

122. A Director may hold any other office or place of profit under the Company, except that of auditor, in conjunction with his office of Director and on such terms as to remuneration and otherwise as the Board shall arrange. Such Director shall not vote at a meeting of the Board determining any such appointment and remuneration.



123. A Director may act by himself or through his firm in a professional capacity for the Company, except as auditor of the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

### **BORROWING POWERS**

124. The Board may, subject to all limitations contained in the Reserved Matters, Statutes and to any directive issued by any regulatory authority with competent jurisdiction, exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present or future) and uncalled capital of the Company and to issue debentures, debenture stock and other securities.
125. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and, subject to the Statutes and to any requirement for a resolution of the Company in general meeting, with any special privileges as to redemption, surrender, drawings, allotment of or exchange into shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise and may be so framed that the monies so raised or secured shall be assignable free from any equities between the Company and the person to whom the same may be issued.

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

126. Subject to the provisions of the Statutes, the Memorandum of Association of the Company and these Articles, the business of the Company shall be managed by the Board, which may exercise all such powers of the Company, whether relating to the management of the business or not, as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting and to such regulations, as may be prescribed by special resolution of the Company in general meeting. No such regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
127. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in Kenya or elsewhere, and may appoint any persons to be members of such local boards or managers or agents and may fix their remuneration and may delegate to them any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit and the Board may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
128. The Board may exercise or cause to be exercised the voting power conferred by the shares in any subsidiary or other company held or owned by the Company, or any power of appointment to be exercised by the Company, in such manner in all respects as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of any director as a director or other



officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

129. The Board may, by power of attorney, appoint any company, firm, person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney of the Company for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under these Articles, and for such period and subject to such conditions as it may think fit. Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers authorities and discretions vested in him.
130. The Company may exercise the powers conferred by the Act with regard to having an official seal for use outside Kenya and such powers shall be vested in the Board.
131. The Company may exercise the power conferred by section 39 of the Act with regard to the keeping of a branch Register and the Board may make and vary such regulations as it may think fit regarding the keeping of any such branch Register.
132. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Board shall from time to time determine.
133. The Board shall cause minutes to be made in books provided for the purpose of recording, in respect of every meeting of the Company, of the Board and of committees formed by the Board, the names of all persons present and all resolutions and proceedings at such meetings. The minutes of every such meeting, if purported to be signed by the chairman of the meeting at which the proceedings were held, or by the chairman of the next succeeding meeting, shall be sufficient evidence without need of any further proof of the matters stated therein.
134. The Board may grant pensions, annuities, gratuities or other allowances on death, sickness, disability or retirement to:
  - (a) any person who is or has been employed by or in the service of the Company or of its holding company or any subsidiary of the Company, or
  - (b) to any person who is or has been a Director or other officer of the Company or of its holding company or any subsidiary of the Company; or
  - (c) to the widow, family or dependants of any such person.
135. The Board may establish and maintain or concur with such holding or subsidiary company (if any) as aforesaid in establishing and maintaining any schemes or funds for providing such benefits as aforesaid and may pay out of the funds of the Company any premiums, contributions or sums payable by the Company under the provisions of any such scheme or fund.



## PROCEEDINGS OF THE BOARD

136. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate meetings of the Board as they think fit, and may determine the quorum necessary for the transaction of business. Until otherwise determined by the Board, the quorum necessary for the transaction of the business of the Board shall be two (2) Directors present either personally or by alternate, provided that one person whether a Director or not, although a duly appointed alternate for any number of Directors, shall not constitute a quorum.
137. In determining whether a quorum fixed by Article 136 exists the following shall be counted in the quorum:
- (a) in the case of a resolution agreed by the Board in telephone communication pursuant to Article 142, all such Directors; and
  - (b) in the case of a meeting of the Board, in addition to the Directors present at the meeting any Director in telephone communication with the meeting.
138. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
139. A Director may at any time, and the Secretary, upon the request of a Director shall, convene a Board meeting. Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally or sent in writing to him at his last known address, or to any other address given by him to the Company for this purpose. A Director may waive notice of any meeting either prospectively or retrospectively.
140. The Board may elect a chairman of its meetings and determine the periods for which they, respectively, are to hold office. If no such chairman is elected or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the same, the deputy chairman shall chair the meeting and if the deputy-chairman is not present, the Directors present may choose one of their number to be chairman of the meeting.
141. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.
142. The Board, or a committee of the Board, may hold meetings by telephone, either by conference telephone connection(s) or by a series of telephone conversations, or by any communication equipment which allows all persons participating in the meeting to speak and hear each other. The views of the Board, or a committee of the Board, as ascertained by such telephone conversations or other means and communicated to the chairman shall be treated as votes in favour of or against a particular resolution. A resolution passed at any meeting held in this manner, and signed by the chairman shall be as valid and as if it had been passed at a meeting of the Board (or, as the case may be, of that committee) duly convened and held.
143. The continuing Directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the minimum number fixed by or



in accordance with these Articles as the necessary quorum for Board meetings, the continuing Directors may act for the purposes of increasing the number of Directors to that number or of summoning a general meeting of the Company but not for any other purpose.

144. The Board may form committees of its members or consisting of one or more of its members and others and may delegate any of its powers to any such committee. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
145. The Investor Directors shall be members of relevant sub-committees of the Board responsible for investment, finance, credit, audit, recruiting of senior management, remuneration, and governance. An Investor Director nominated by the Investor shall chair the committee responsible for investment.
146. The meetings and proceedings of any committee consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article.
147. A resolution in writing signed by all Directors for the time being entitled to receive notice of a meeting of the Board or by all the members of a committee of the Board shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned and shall be deemed, unless a statement to the contrary is made in that resolution, to have been passed on the day on which it is signed by the last Director who signed it.
148. Such a resolution need not be signed by an alternate director if it is signed by the Director who appointed him and a resolution signed by an alternate need not also be signed by his appointor.
149. All acts done by the Board, or any committee, or by any person acting as a Director, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid or that he or any Director or member of such committee had vacated office or was not entitled to vote, be as valid as if every such person had been duly appointed and had continued to be a Director or member of such committee and had been entitled to vote.

#### BOARD COMMITTEES

150. The Directors shall, subject to the provisions of these Articles and of the Statutes, establish and maintain such number of board committees (whether standing or *ad hoc*) to assist the board to properly discharge its duties and responsibilities and to effectively execute its decision-making process and mandate as provided under these articles, the Act and the Statutes.
151. Without prejudice to the generality of the foregoing, the Company shall establish an audit committee, which shall be a standing committee of the board. Members of the audit committee shall be appointed by the members of the Company at every annual general meeting, on the recommendation of the Directors.



152. The Directors shall make and document rules providing for the conduct of business, life span, roles and reporting procedures of the committees to which they have delegated any of their powers.

#### EXECUTIVE DIRECTORS

153. The Board may from time to time appoint one or more of its body to any executive office in the management of the Company as the Board shall determine, for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. Notwithstanding anything contained in these Articles, a Director so appointed shall not, while holding any such office as aforesaid, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors.
154. A Director holding such office as aforesaid shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and either in addition to or in lieu of his remuneration as a Director.
155. The Board may entrust to and confer upon a Director holding such office as aforesaid any Of the powers exercisable by it, other than the powers to borrow money, charge the property and assets of the Company and pay dividends, upon such terms and conditions and with such restrictions as it thinks fit and either collaterally with 01' to the exclusion of its own powers and may from time to time, subject to the terms of any agreement entered into in any particular case, revoke, withdraw, alter or vary all or any of such powers.

#### SECRETARY

156. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and the appointment of any Secretary may be terminated by the Board. The provisions of Part XII (*Company Secretaries*) of the Act shall be observed during the appointment of any Secretary and at all times thereafter.

#### THE SEAL

157. The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or a committee authorised by the Board in that behalf and every instrument to which the seal shall be affixed shall be signed by a Director and by the Secretary or by a second Director or by some other person appointed by the Board for that purpose. Notwithstanding the foregoing provisions of this Article any certificate for shares or debenture or loan stock or representing any other form of security of the Company to which the Seal is required to be affixed may if the Board so resolves have the signature of any Director or of the Secretary stamped, printed or otherwise made thereon by mechanical means.

#### DIVIDENDS AND RESERVES

158. The Company may, in general meeting, declare dividends but without prejudice to the powers of the Company to pay interest on share capital, no dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Board.



159. The Board may, from time to time declare or pay to the members interim dividends as appear to the Board to be justified by the profits of the Company.
160. No dividend shall be paid otherwise than out of profits available for that purpose, as determined in accordance with Part XVII (*How Company's Assets are to be Distributed*) of the Act.
161. The Company may only make a distribution if the amount of its net assets is not less than the aggregate of its called-up share capital and undistributable reserves and if, and to the extent that, the distribution does not reduce the amount of those assets to less than that aggregate.
162. Subject to the rights of any persons entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividends are declared but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. A dividend shall be apportioned and paid proportionately to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but, if any share is issued on terms providing that it shall rank for dividend or be entitled to dividends declared as from a particular date, such share shall rank for or be entitled to dividend accordingly.
163. The Board may deduct from any dividend payable on a share any sums of money presently payable by the person to whom the dividend is payable, to the Company on account of calls or otherwise.
164. The Board may retain any dividend or other money payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
165. No dividend or other monies payable in respect of a share shall bear interest against the Company.
166. Subject to the provisions of Division 6 (*Public Companies: Independent Valuation of Non-cash Consideration*) of Part XIV (*Share Capital of Company*) of the Act and with the sanction of a general meeting, any dividend may be paid wholly or in part by the distribution of specific assets and, in particular, of paid-up shares or debentures of any other company or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the Board may settle the same as it deems expedient and, in particular, may issue fractional certificates and fix the value for distribution of such specific assets or any part of them and may determine that cash payments shall be made to any member upon the footing of the value fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees upon trust for the members entitled to the dividend as may seem expedient to the Board.
167. (a) Method of payment of dividends:



- (i) Any dividend or other money payable in cash or on respect of shares may be paid by direct debit, bank transfer or other automated system of bank transfer, electronic or mobile money transfer system (for example and not by way of limitation via mobile money transfer system) transmitted to such bank or electronic or mobile telephone address as shown in the share register of the Company or
  - (ii) By cheque or warrant payable at such place of business as the Company shall specify in writing, sent by post to the address of the member or person entitled to it as shown in the share register of registered address of the joint holder who is first named in the share register of the Company or in the case of two or more persons being entitled thereto in consequence of the death or bankruptcy of the holder, to any one such persons at such address as the persons being entitled to receive payment may in writing direct.
- (b) Every such cheque or warrant or funds transfer shall be made payable to or to the order of the person to whom it is sent or to such persons who may be entitled to the same (as described in Article 167(a) aforesaid). Payment of the cheque or warrant, if purporting to be endorsed or enfaced, by the addressee or as the case may be, confirmation of payment having been made by the transmitting entity to the addressee of a direct debit, bank transfer or other automated system of bank transfer or via a mobile phone money transfer system, shall in each case be a good discharge to the Company. Every such payment whether by cheque or warrant or electronic funds transfer or mobile money payment system shall be sent at the risk of the person entitled to the money represented by it.

168. The Board may, before recommending any dividend, set aside out of the profits of the Company such sum as it thinks proper as a reserve which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied. Pending such application such sums may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time think fit. The Board may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any pans of any special fund into which the reserve may have been divided. The Board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to divide.

169. All unclaimed dividends, interest or other sums payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. All dividends unclaimed for a period of three years after having been declared shall be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any shares into separate account shall not constitute the Company a trustee in respect of it. If cheques, warrants or orders for dividends or other moneys payable in respect of a share sent by the Company to the person entitled to it are returned to the Company or left uncashed on two consecutive occasions, the Company shall not be obliged to send any dividends or other moneys payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.



## CAPITALISATION OF PROFITS

170. The Company in general meeting may, upon the recommendation of the Board, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or of any share premium account or 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. The Board shall give effect to such resolution and such sum shall not be paid in cash but shall be applied on behalf of the members entitled thereto either:

- (a) in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively; or
- (b) in paying up in full unissued shares, income notes or debentures of the Company of a nominal amount equal to those profits to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
- (c) partly in the one way and partly in the other;

provided that amounts standing to the credit of a share premium account or a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members as fully paid bonus shares.

171. The Board may with the sanction of an ordinary resolution of the Company, and upon such terms and conditions as it thinks fit, resolve to offer to all members the right to receive an allotment of additional fully paid shares in lieu of a cash dividend and, upon the election of a member to receive such scrip dividend, may appropriate the net cash dividend to which such member would otherwise be entitled and apply such sum in paying up in unissued ordinary shares of the Company at such price as shall have been determined in accordance with the ordinary resolution sanctioning the scrip dividend and allot such shares credited as fully paid to those members who shall have elected to receive the dividend in scrip.

172. Whenever a resolution in the terms of Articles 170 or 171 shall have been passed the Board shall make all such appropriations and applications of the undivided profits, allotments and issues of fully paid shares, income notes or debentures as may be thereby and shall do all acts and things required to give effect thereto, with full power to the Board to acquire fractions or to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any shares, income notes or debentures to which they may be entitled upon such capitalisation or, as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.



## ACCOUNTS

173. The Board shall cause proper books of account to be kept with respect to:
- (d) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place;
  - (e) all sales and purchases of goods by the Company; and
  - (f) the assets and liabilities of the Company.
174. Without prejudice to the generality of the foregoing the Board shall cause to be prepared annual financial statements and reports for each financial year, which statements and reports shall comply with the provisions of the Act and shall consist of:
- (a) its annual financial statements;
  - (b) the Directors' remuneration report;
  - (c) the Directors' report;
  - (d) the Company's auditor's report on the financial statements, the auditable part of the Directors' remuneration report, and the Directors' report; and
  - (e) any other report that the Company may be required to prepare or maintain under these Articles, any agreement to which the Company is a party, and the Statutes.
175. The books of account shall be kept at the registered office of the Company or at such other place or places in Kenya as the Board deems fit and shall always be open to the inspection of the Directors.
176. The Board may, from time to time, determine whether and to what extent and at what times 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 and no member, not being a Director, shall have any right of inspecting any account or book or document Of the Company except as by the Statutes or authorised by the Directors or by the Company in general meeting.
177. The Directors shall from time to time, in accordance with the provisions of the Act, ensure that such profit and loss accounts, balance sheets and reports as are referred to in those sections are prepared and laid before the Company in general meeting.
178. A copy of every financial statement and report, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the auditor's report, shall, not less than twenty-one (21) days before the date of the meeting, be sent to every member of, and every holder of income notes, or debentures of, the Company and every other person who is entitled to receive notice of general meetings of the Company.
179. The accounts may be sent or otherwise made available by electronic means and not by post. This Article shall not require a copy of the accounts to be sent or otherwise

made available by electronic means to any person of whose electronic or postal address the Company is not aware nor to more than the first named of any joint holders of any shares or debentures.

180. In addition, the Company:

- (a) shall publish its annual financial statements and Directors' report on the Company's official website and shall provide that the same remain available on the website until the annual financial statement for the next financial year of the company is made available in accordance with this Article;
- (b) shall send to every member or publish a summary of the financial statements and Auditors report in two daily newspapers with national circulation for two consecutive days drawing attention to the website on which the accounts in full may be read.

181. The Company shall both with respect to itself and, where applicable, to each member of the Company:

- (c) keep books of account and therein make true and complete entries of all its dealings and transactions of and in relation to the business of the Company; such books of account and all other records and documents relating to the business affairs of the Company (or any other relevant associated company, as applicable) shall be open to inspection during normal business hours and on reasonable prior notice by each of the members and they shall be permitted to take and remove copies thereof;
- (d) at the request of each member provide each them within 4 weeks of the end of each sixth calendar month with unaudited management accounts for such month to include a profit and loss account, balance sheet and cash flow statement and such other information as the Board may require;
- (e) prepare such accounts in respect of each accounting reference period as are required by statute and procure that such accounts are audited as soon as practicable and in any event not later than three months after the end of the relevant accounting reference period.

#### AUDIT

182. Auditors shall be appointed and their duties shall be regulated in accordance with the provisions of Part XXVII (*Auditing of Company Financial Statements*) of the Act as well as any relevant provisions of any other Statute.

#### NOTICES

183. Any notice or other document may be served by the Company on any Member or Director either personally or by sending it through the post (by airmail where such service is available) in a prepaid letter or by fax, e-mail or other electronic means addressed to such Member or Director at his registered address as appearing in the



Register of Members or the Company's other records, whether such address shall be within or outside Kenya. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members and notice so given shall be sufficient notice to all the joint holders.

184. Where a notice or other document is sent by post it shall be deemed to have been served on the third day after the day on which it was posted, if addressed within Kenya, and on the seventh day after the day on which it was posted if addressed outside Kenya. In proving such service or sending, it shall be sufficient to prove that the cover containing the notice or document was properly addressed and put into the post office as prepaid letter or prepaid airmail letter. Where a notice is sent by fax, e-mail or other electronic means it shall be deemed to have been served at the expiration of twenty-four hours after the time at which it was sent. The failure of any person to receive any notice served pursuant to this Article shall not in any way invalidate any proceedings or actions taken by the Company for which the notice was given.
185. A notice may be given by the Company to the person entitled to any share in consequence of the death or bankruptcy of a Member by sending it through the post in a prepaid cover or by fax, e-mail or other electronic means addressed to him by name or by the title of representative or trustee of such deceased or bankrupt member or any like description at the address supplied for the purpose by the person claiming to be so entitled or by giving the notice in the manner in which the same would have been given if the death or bankruptcy had not occurred.
186. Notice of every general meeting shall be given in some manner authorised above to every member, to the Directors of the Company, to the auditors for the time being of the Company and also to any securities exchange or other person or body required under the Statutes to be given notice. Any member present in person or by proxy at any general meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received due notice of the meeting and, where requisite, of the purpose for which it was called.
187. Every person who, by operation of law, transfer or by any other means, becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly served on or delivered to a person from whom he derives his title.
188. The Company may, if required by any authority under the Statutes or if there is a suspension or curtailment of postal services in Kenya or elsewhere, convene a general meeting by notice published on the same date in at least two leading national daily newspapers published in Kenya and one leading daily newspaper in any other country on whose securities exchange the Company's shares are for the time being listed. Such notice shall be deemed to have been duly served on all members entitled to notice at noon on the day when the last such advertisement appears in such newspapers.
189. For as long as the Investor is a shareholder, it shall be entitled to receive all notices and other documents in hard copy notwithstanding that the delivery of such notices and documents by other means have been provided for under Article 188.



## ELECTRONIC COMMUNICATION

190. Notwithstanding anything in these Articles to the contrary, any notice, document or information to be given, sent, supplied, delivered or provided to any person (including any Member) by the Company, whether pursuant to these Articles, the Act or otherwise, is also to be treated as given, sent, supplied, delivered or provided where:

- (a) it is sent in electronic form; or
- (b) to the extent permitted by law, it is made available on a website provided that, in the case of any notice to Members or any documents to be sent to Members under the provisions of Article 64, the Company shall contemporaneously publish the notice or (as the case may be) an abridged set of the balance sheet and income statement in two daily newspapers with nationwide circulation drawing attention to the website on which the notice and the full text of any other documents may be read, and the address to which a request for a hard copy of such documents may be submitted, To the extent permitted by law, upon such publication in the daily newspapers, the documents in question shall be deemed to have been sent to every Member or other person entitled to receive a copy of the documents.

## DISPOSAL OF DOCUMENTS

191. The Company shall be entitled to destroy in such manner as the Board approves:

- (a) all instruments of transfer of shares and all other documents on the faith of which entries are made in the Register at any time after the expiry of seven (7) years from the date of registration;
- (b) all dividend mandates and notifications of change of name or address at any time after the expiry of seven (7) years from the date of recording;
- (c) all share certificates which have been cancelled at any time after the expiry of seven (7) years from the date of cancellation; and
- (d) any other document on the basis of which an entry in the Register is made at any time after the expiry of seven (7) years from the date an entry in the Register was first made in respect of it.

192. If the Company destroys a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant, it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document mentioned above so destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company. The provisions of Article 191 shall only apply to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim and nothing in these Articles shall be construed as imposing on the Company any liability in respect of the destruction of any such document at an earlier date



other than that provided above or if the condition as to good faith and absence of notice is not met. References in this Article and Article 191 to the destruction of any document include references to its disposal in any manner.

#### WINDING UP

193. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act or any other Statute, divide amongst the members, in specie or in kind, the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes or members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like sanction, shall think fit but so that no member shall be compelled to accept any shares or other securities whereupon there is any liability.

#### INDEMNITY

194. Every Director, agent, auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, relating to anything done or not done by him on behalf of the Company in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 763 of the Act in which relief is granted to him by the Court and he shall not be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. This Article shall however only have effect in so far as its provisions are not avoided by Division 9 (*Directors' Liabilities*) of Part IX (*Company Directors*) of the Act.

#### COMPANY STATUS

195. The Company is not a private company. The Company shall, nevertheless, have no power to issue share warrants to bearer.

#### UNCLAIMED FINANCIAL ASSETS

196. Company may, if required by law, deliver or pay to any prescribed regulatory authority any unclaimed assets including but not limited to shares in the Company presumed to be abandoned or unclaimed in law and any dividends or interest remaining unclaimed beyond prescribed statutory periods. Upon such delivery or payment, the unclaimed assets shall cease to remain owing by the Company and the Company shall no longer be responsible to the owner or holder of his estate, for the relevant unclaimed assets.
197. Subject to the Statutes, the provisions of Articles 198 to 200 (both inclusive) shall apply notwithstanding any other provision of these Articles to the contrary.

198. Notwithstanding any contrary provision in these Articles, the Reserved Matters shall require the approval of the Investor (in relation to Reserved Matters that constitute matters reserved to shareholders of the Company) or an Investor Director (in relation to Reserved Matters that are subject to Board approval).
199. The Company will procure that all its subsidiaries and all companies in which it has shares observe the requirements of Article 200.
200. For as long as it is a shareholder, the Investor may require the Directors to call an extraordinary general meeting of the Company.

**Further Amended Version in 2024 Drawn By: -**

**The Legal Department- TransCentury PLC**

**Lavington 48, Apple Cross Road**

**Off James Gichuru Road**

**P. O Box 42334-00100**

**Nairobi**