

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or as to what action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 who specialise in advising on the acquisition of shares and other securities if you are in the United Kingdom or, if you are in a territory outside the United Kingdom, another appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your Ordinary Shares, please send this document as soon as possible to the purchaser or transferee, or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred some (but not all) of your Ordinary Shares, please retain these documents and consult the stockbroker or other agent through whom the sale or transfer was effected.

This document is not a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom, pursuant to sections 85 and 87 of FSMA, London Stock Exchange or any other authority or regulatory body.

This document has been prepared solely for the purpose of assisting Shareholders to consider the Resolutions, and it is not intended to and does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract in connection thereto.

CHAPEL DOWN GROUP PLC

(incorporated and registered in England and Wales with registered number 04362181)

NOTICE OF GENERAL MEETING

This document should be read as a whole. Your attention is drawn to the letter from the Chairman which recommends that you vote in favour of the resolutions to be proposed at the General Meeting.

Notice of the General Meeting of the Company to be held at 30 Crown Place Earl Street, London EC2A 4ES on 6 December 2023 at 9.00 a.m. is set out on pages 8 to 10 of this document. You will not receive a form of proxy for the General Meeting in the post. Instead, you will find instructions in the section entitled "Notes to the notice of General Meeting" to enable you to vote electronically and how to register to do so. To register, you will need your Investor Code, which can be found on your share certificate. You may request a paper form of proxy from the Company's Registrar, Link Group. Proxy votes should be submitted as early as possible and in any event by no later than 9.00 a.m. on 4 December 2023 in order to count towards the vote.

If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Company's Registrar, Link Group. For further information regarding Proxymity, please go to www.proxymity.io Your proxy must be lodged by 9.00 a.m. on 4 December 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them, and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Submission of a proxy appointment online or via CREST or Proxymity or by post will not preclude Shareholders from attending and voting at the Meeting should they so wish. For full details on proxy appointments, see the notes to the Notice of General Meeting.

Copies of this document will be available from the Company's registered office at Chapel Down Winery, Small Hythe Road, Tenterden, Kent, TN30 7NG from the date of this document until the date of the Meeting. This document will also be available for download from the Company's website: <https://chapeldown.com/>

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DEFINITIONS

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

“A1 Shares”	the A1 shares of £0.0001 each in the capital of the Company;
“A2 Shares”	the A2 shares of £0.0001 each in the capital of the Company;
“Articles”	the articles of association of the Company as at the date of this document;
“Admission”	admission of the Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“Admission and Disclosure Standards”	the Admission and Disclosure Standards produced by the London Stock Exchange as amended from time to time;
“AIM”	AIM, a market operated by London Stock Exchange plc;
“AIM Rules”	the AIM Rules for Companies issued by London Stock Exchange plc and those of its other rules which govern the admission to trading of, and the operation of companies on, AIM;
“Aquis”	Aquis Exchange PLC, a company incorporated in England and Wales with registered number 07909192;
“AQSE”	AQSE the Aquis Stock Exchange operated by Aquis;
“AQSE Growth Market”	the AQSE growth market segment operated by Aquis for dealings in securities admitted to trading on AQSE;
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which clearing banks are open for non-automated commercial business in the City of London;
“Company” or “Chapel Down”	Chapel Down Group plc, a company incorporated in England and Wales with Registered No 04362181, whose registered office is at Chapel Down Winery, Small Hythe Road, Tenterden, Kent, TN30 7NG;
“CREST”	the authorization settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any enactment or subordinate legislation which amends or supersedes those regulations and any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
“Directors” or “Board”	the directors of the Company as at the date of this document whose names appear on page 6 against the heading "Directors", and "Director" means any one of them;
“Euroclear”	Euroclear UK & International Limited;
“Existing Ordinary Shares”	the 159,253,885 Ordinary Shares in issue at the date of this document;
“FCA”	the Financial Conduct Authority;

"FSMA"	the Financial Services and Markets Act 2000 (as amended);
"General Meeting", "Meeting" or "GM"	the general meeting of the Company to be held at 30 Crown Place Earl Street, London EC2A 4ES on 6 December 2023 at 9.00 a.m., notice of which is set out at the end of this document;
"Growth Share Conversion"	has the meaning given in section 2 of the letter from the Chairman;
"Growth Shares"	the A1 Shares and the A2 Shares;
"Growth Shareholders"	the holders of the Growth Shares;
"Interim Articles Amendments"	has the meaning given in section 2 of the letter from the Chairman
"London Stock Exchange"	London Stock Exchange plc;
"Notice of General Meeting"	the notice convening the General Meeting which is set out at the end of this document;
"Official List"	the Official List of the FCA;
"Ordinary Shares"	the ordinary shares of £0.05 each in the capital of the Company;
"Proposals"	the steps and Company actions summarised in section 2 of the Letter from the Chairman including the Growth Share Consolidation and the Interim Articles Amendments;
"Prospectus Rules"	the prospectus regulation rules made by the FCA under section 73A of the FSMA;
"Resolutions"	the resolutions set out in the Notice of General Meeting;
"Shareholders"	the holders of Ordinary Shares from time to time;
"uncertificated form" or "in uncertificated form"	means an Ordinary Share recorded on a company's share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, as amended, may be transferred by means of CREST

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	9 November 2023
Latest time and date for receipt of Forms of Proxy and CREST voting instructions	9.00 a.m. on 4 December 2023
General Meeting	9.00 a.m. on 6 December 2023

Notes:

1. Each of the above times and/or dates is subject to change at the absolute discretion of the Company. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.
2. References to times in this document are to United Kingdom time (unless otherwise stated).

LETTER FROM THE CHAIRMAN

Chapel Down Group plc

Directors:

Martin Richard Glenn (*Non-Executive Chairman*)
Andrew James Carter (*Chief Executive Officer*)
Robert Allan Charles Smith (*Chief Financial Officer*)
James Dominic Brooke (*Independent Non-Executive Director*)
Stewart Charles Gilliland (*Independent Non-Executive Director*)
Lord Michael Alan Spencer, Lord Spencer of Alresford (*Non-Executive Director*)
Nigel William Wray (*Non-Executive Director*)
Samantha Anne Wren (*Non-Executive Director*)

Registered Number:

04362181
Registered Office:
Chapel Down Winery,
Small Hythe Road,
Tenterden, Kent,
TN30 7NG

9 November 2023

Dear Shareholder

Notice of General Meeting

1. Introduction

On the date of this document, the Company announced its intention to delist from the AQSE Growth Market and to apply for Admission to AIM (the “**Transaction**”). I am now writing to you to convene a General Meeting of the Company to pass certain resolutions that are necessary for the implementation of the Transaction. These resolutions, and the steps you are recommended to take, are set out below.

The Proposals are necessary to give effect to the commercial intention of the Growth Share scheme and to clarify the operation of the Company’s Articles in relation to the Transaction. The Proposals and the resolutions are a necessary part of the Company’s Admission to AIM. Given the growing scale of the business, the Board considers that AIM is a more appropriate market for the Company and will enable it to attract a wider pool of investors and improve liquidity over time.

2. Background to and reasons for the Proposals

As you will be aware, the Company adopted the Growth Share scheme in 2015. The Growth Share scheme is set out in the Articles. The Growth Shares are now all fully vested. The Transaction, is a “Company Listing” and therefore a “Company Exit Event” (each as defined in the Articles) for the purposes of the scheme. As such, the Growth Shareholders are entitled to a certain number of Ordinary Shares on Admission. The Growth Shareholders entitlement to Ordinary Shares is set out in Article 7A.11 and uses the Admission Price (i.e. the price at which the Company’s Ordinary Shares are admitted to trading on AIM) to calculate the number of Ordinary Shares the Company will need to issue to the Growth Shareholders.

In order for the Company to meet its obligations to the Growth Shareholders, it is necessary to consolidate the Growth Shares on a 500 to 1 basis (the “**Growth Share Consolidation**”) and to amend the Articles to clarify the mechanism and formula for the automatic conversion of the Growth Shares in the event of a Company Listing (the “**Interim Articles Amendments**”), details of which are set out at Appendix 1, such that the Growth Shares are able to convert on Admission. Assuming the resolution is approved by the appropriate majority, the Interim Articles Amendments will take effect immediately. The Interim Articles Amendments are set out at Appendix 1.

In addition, because the consolidation will result in a smaller number of Growth Shares than the Ordinary Share entitlement of each of the Growth Shareholders, it will be necessary for the Company to carry out a bonus issue of Ordinary Shares to the Growth Shareholders to rectify the shortfall. The Ordinary Share entitlement of the Growth Shareholders is not increasing as a result of the steps summarised in this section.

Finally, the Company is also proposing to adopt a new set of articles of association which are in customary form for a company applying for Admission. These articles of association will be adopted with effect from, and conditional upon, Admission.

3. General meeting

The notice convening the General Meeting to be held at 30 Crown Place Earl Street, London EC2A 4ES on 6 December at 9.00 a.m., at which the Resolutions will be proposed to give the Directors the necessary authorities to implement the Proposals.

Resolutions to be proposed at the General Meeting

Resolution 1 will be proposed as an ordinary resolution and is conditional on the passing of Resolutions 2 and 3 and the transfer of 158 A1 Shares to a nominee of the Company. This Resolution will, if passed, permit the Company to consolidate the remaining A1 Shares (i.e. those remaining following the aforementioned transfer which is required to ensure there is a round number which will convert on a 500 to 1 basis) into A1 Shares of £0.05 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing A1 Shares as set out in the Articles.

Resolution 2 will be proposed as an ordinary resolution and is conditional on the passing of Resolution 1 and 3. This resolution will, if passed, permit the Company to consolidate the A2 Shares into A2 Shares of £0.05 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing A2 Shares as set out in the Articles.

Resolution 3 will be proposed as a special resolution and is conditional on the passing of Resolutions 1 and 2. This Resolution will if passed, adopt amended articles of association as the Articles. This Resolution is required in order to permit the Company to implement the transfer of 158 A1 Shares to a nominee of the Company as referenced in the explanation of Resolution 1 above, as well as to clarify the mechanic and existing formula within the Articles to implement to conversion of Growth Shares to Ordinary Shares.

Resolution 4 will be proposed as a special resolution and is conditional on the passing of Resolutions 1, 2 and 3. This will, if passed, adopt new articles of association as the Company's articles of association with effect from, and conditional on Admission.

Action to be taken in respect of the General Meeting

You can vote in respect of your shareholding by attending the Meeting or by appointing one or more proxies to attend the Meeting and vote on your behalf. If you appoint a proxy, you may still attend and vote at the Meeting (in substitution for your proxy) in person should you decide to do so.

You will not receive a form of proxy for the General Meeting in the post. Instead, you will find instructions in the section entitled "Notes to the notice of General Meeting" to enable you to vote electronically and how to register to do so. To register, you will need your Investor Code, which can be found on your share certificate. You may request a paper form of proxy from the Company's Registrar, Link Group. Alternatively, you may vote via CREST or Proxymity. Proxy votes should be submitted as early as possible and in any event by no later than 48 hours before the time fixed for the GM (or in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

Board Recommendation

The Directors believe the Proposals and the passing of the Resolutions to be in the best interests of the Company and its Shareholders, taken as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions as all of the Directors intend so to do in respect of their beneficial shareholdings amounting to an aggregate of 73,079,151 Existing Ordinary Shares, representing approximately 45.89 per cent. of the Company's Existing Ordinary Shares.

The Shareholders should note that, unless all the Resolutions are passed by Shareholders at the General Meeting, none of the Proposals will be implemented. In such circumstances, Admission will not occur. In the light of this, the Directors believe that it is important that Shareholders vote in favour of the Resolutions, so that the Proposals can be implemented.

Yours faithfully

Martin Glenn
Chairman

9 November 2023

CHAPEL DOWN GROUP PLC

(incorporated and registered in England and Wales no. 04362181)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at 30 Crown Place Earl Street, London EC2A 4ES on 6 December 2023 at 9.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which Resolutions 1, and 2 will be proposed as ordinary resolutions and Resolutions 3 and 4 will be proposed as special resolutions.

Capitalised terms not defined herein have the definitions ascribed to them in the circular to shareholders of the Company dated 9 November 2023 of which this notice forms part (the “**Circular**”).

Ordinary Resolutions

1. **THAT**, subject to and conditional upon the passing of Resolutions 2 and 3 and the subsequent transfer of 158 A1 Shares to a nominee of the Company, in accordance with section 618 of the Companies Act 2006 the remaining 14,322,000 A1 Shares of £0.0001 each in the capital of the Company be and are hereby consolidated and divided into 28,644 A1 Shares of £0.05 such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing A1 Shares of £0.0001 each in the capital of the Company as set out in the Company's Articles.
2. **THAT**, subject to and conditional upon the passing of Resolutions 1 and 3, in accordance with section 618 of the Companies Act 2006 the 3,800,000 A2 Shares of £0.0001 each in the capital of the Company be and are hereby consolidated and divided into 7,600 A2 Shares of £0.05 such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing A2 Shares of £0.0001 each in the capital of the Company as set out in the Company's Articles.

Special Resolutions

3. **THAT**, subject to and conditional upon the passing of Resolutions 1 and 2, with effect from the end of this Meeting the Articles of Association produced to the meeting and, for the purposes of identification, marked “A” and signed by the Chairperson, be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the Company's existing Articles of Association.
4. **THAT**, subject to and conditional upon the passing of Resolutions 1, 2 and 3, with effect from and conditional upon admission of the entire issued share capital of the Company to trading on AIM becoming effective in accordance with the AIM Rules for Companies, the Articles of Association produced to the meeting and, for the purposes of identification, marked “B” and signed by the Chairperson, be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the Company's then existing Articles of Association.

Documents

The following documents, which are ordinarily available for inspection during business hours at the registered office of the Company on any weekday (public holidays excluded), will also be available for inspection by those able to attend at the place of the General Meeting from 8.00am on the day of the General Meeting until the conclusion of the General Meeting:

- a) the Articles;
- b) the amended articles of association for the purposes of identification marked “A”;
- c) the new articles of association for the purposes of identification marked “B”; and
- d) printed copies of this Notice and the documentation made available to shareholders using electronic communication.

By order of the Board

Robert Smith

Company Secretary

Chapel Down Winery, Small Hythe Road, Tenterden, Kent TN30 7NG

9 November 2023

Notes:

Entitlement to attend and vote

- (1) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders registered in the register of members of the Company as at close of business on 4 December 2023 or, if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting shall be entitled to attend and vote at the General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after close of business on 4 December 2023 or, if this meeting is adjourned, at close of business on the day two business days prior to the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at this General Meeting.

Appointment of proxies

- (2) Ordinarily, a shareholder entitled to attend and vote at this General Meeting is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote at the General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
- (3) Ordinarily, a proxy does not need to be a shareholder of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- (4) Ordinarily, but subject to Note 3, a shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy you may photocopy the proxy form. Please indicate the proxyholders' name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by you may result in the appointment being invalid.
- (5) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
- (6) The notes to the proxy form explain how to direct your proxy, how to vote on each resolution or how to withhold their vote.
- (7) To be effective, the proxy vote must be submitted at www.signalshares.com so as to have been received by the Company's registrars not less than 48 hours before the time appointed for the meeting or any adjournment of it. **By registering on the Signal shares portal at www.signalshares.com, you can manage your shareholding, including:**
 - cast your vote
 - change your dividend payment instruction
 - update your address
 - select your communication preference.
- (8) You may request a paper form of proxy from the Company's Registrar, Link Group. To appoint a proxy using the proxy form, the form must be:
 - completed and signed;
 - sent or delivered to Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL; and
 - received by Link Group no later than 9.00 a.m. on 4 December 2023 or 48 hours before any adjournment of the General Meeting.

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

The original of any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

- (9) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrars (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in Note 8 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to

ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com).

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

- (10) If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 9:00 a.m. on 4 December 2023 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Appointment of proxy by joint shareholders

- (11) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

- (12) To change your proxy instructions simply submit a new proxy form using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the proxy form and would like to change the instructions using another proxy form, please contact Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

- (13) In order to revoke a proxy instruction you will need to send a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the registered office of the Company. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. The original of any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by the Company no later than 9.00am on 4 December 2023.

Ordinarily, but subject to Note 3 in the event that shareholders cannot attend, an appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

Documents on display

- (14) The following documents, which are ordinarily available for inspection during business hours at the registered office of the Company on any weekday (public holidays excluded), will also be available for inspection by those able to attend at the place of the General Meeting from 8.00am on the day of the General Meeting until the conclusion of the General Meeting:

- The Articles
- The amended articles of association for the purposes of identification marked "A"
- The new articles of association for the purposes of identification marked "B"
- printed copies of this Notice and the documentation made available to shareholders using electronic communication.

Recommendations

- (15) The directors consider that the proposals set before the meeting are in the best interests of the Company and its shareholders in general and are most likely to promote the success of the Company for the benefit of its shareholders as a whole. The directors therefore unanimously recommend that you vote in favour of all of the resolutions set out above as they intend to do in respect of their own beneficial holding.

APPENDIX 1 – INTERIM ARTICLES AMENDMENTS

CRN: 04362181

THE COMPANIES ACT 2006
PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CHAPEL DOWN GROUP PLC
(amended by special resolution on ~~15 June~~ [●] 2023)

THE COMPANIES ACT 2006
PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CHAPEL DOWN GROUP PLC
(amended by special resolution on [●] 2023)

1. EXCLUSION OF MODEL ARTICLES (AND ANY OTHER PRESCRIBED REGULATIONS)

No regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies (including the regulations in the Companies (Model Articles) Regulations 2008 (SI 2008/3229)) shall apply as the articles of the Company. The following shall be the articles of association of the Company.

2. INTERPRETATION

2.1 In these articles, unless the context otherwise requires:

Act: Companies Act 2006.

Acting in Concert: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).

address: includes any number or address used for the purposes of sending or receiving documents or information by electronic means.

Admission Price: the admission price of each share in the capital of the Company on a Listing, as derived from the relevant admission document or prospectus (but ignoring the value of any new equity share capital to be issued in connection with that Listing). Where there is no admission document or prospectus in relation to a Listing, the admission price shall be the closing middle market price of a Company share on the AQSE Growth Market (or such other exchange to which the Company's shares are admitted to trading) on the last trading day immediately prior to the Listing.

AIM: a market operated and regulated by the London Stock Exchange plc.

A1 Shares: the A1 ordinary shares of £0.000+ £0.05 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles.

A2 Shares: the A2 ordinary shares of £0.000+ £0.05 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles.

Aquis Aquis Exchange PLC, a company incorporated in England and Wales with registered number 07909192.

AQSE the Acquis Stock Exchange operated by Acquis.

AQSE Growth Market: the AQSE growth market segment operated by Aquis for dealings in unlisted securities admitted to trading on AQSE.

7.3.3 entitle the holders to participate in any profits of the Company available for distribution, to be declared at the discretion of the board of directors of the Company.

7A **RIGHTS ATTACHING TO THE A1 SHARES AND A2 SHARES**

7A.1 Without prejudice to any other provisions of these Articles, the rights attaching to the Growth Shares shall be as set out in this Article 7A.

Non-transferability

7A.2 Save as set out in Articles 7A.9 ~~and~~, 7A.15.2 ~~and~~ 7A.18, the Growth Shares are non-transferable. Save for a transfer under Article 7A.9 ~~and~~ 7A.18, the directors reserve the right to refuse to register any purported transfer of a Growth Share or Growth Shares.

Vested Growth Shares

~~7A.3 The A1 Shares shall be fully vested on the date of their issue and shall be entitled to benefit from all of the rights and benefits conferred on them under these Articles.~~

~~7A.4 The A2 Shares shall not vest on the date of their issue, but shall instead vest as follows:~~

7A.3 The A1 Shares and the A2 Shares are, as at the date of adoption of these Articles, fully vested.

7A.4 [Not used]

~~7A.4.1. 1,266,666 A2 Shares shall vest on the first anniversary of their issue;~~

~~———— 7A.4.2. 1,266,666 A2 Shares shall vest on the second anniversary of their issue; and~~

~~———— 7A.4.3. 1,266,668 A2 Shares shall vest on the third anniversary of their issue.~~

~~———— Only the A2 Shares that have vested shall be entitled to benefit from all of the rights and benefits conferred on them under these Articles.~~

Voting

7A.5 The holders of the Growth Shares shall not be entitled to receive notice of nor to attend, vote or speak at any general meeting of the Company, nor to vote on any written resolution of the Company.

Income

7A.6 Save as set out in Article 7A.7, no dividend or other distribution in respect of any Vested Growth Shares shall be declared, payable or paid except as approved by the Board, acting in its absolute discretion.

7A.7 In the event that a Curious Drinks Exit Event, Company Disposal or Company Partial Disposal occurs and a dividend is declared by the Company to its members (being the holders of ordinary shares) to distribute part of or the whole of the proceeds of the Curious Drinks Exit Event, Company Disposal or Company Partial Disposal (as the case may be) ("Exit Dividend"), each Vested Growth Share shall also be entitled to receive the Exit Dividend on a pari passu basis to each ordinary share.

Capital

7A.8 On the occurrence of a Curious Drinks Exit Event or Company Exit Event, each Vested Growth Share shall be valued using the following formula:

$$W = \frac{500}{S} \times [(((V1-T1)/S) \times 2.5) + ((V2-T2)/S) \times 1.0 + ((V3-T3)/S) \times 1.2] - D]$$

where:

- D = the aggregate amount of dividends paid in respect of a Vested Growth Share
- G = an amount equal to the New Shares Market Capitalisation value of the New Shares
- S = 100,970,064, (being the number of ordinary shares in issue at the time the Growth Shares were issued)
- T1 = £33,925,941
- T2 = £40,388,025
- T3 = £60,582,038
- V1 = the Market Capitalisation (including the value of "D" but excluding the value of "G") where its value is greater than T1, but less than or equal to T2. If Market Capitalisation (including the value of "D" but excluding the value of "G") is in excess of T2, then V1 equals T2
- V2 = the Market Capitalisation (including the value of "D" but excluding the value of "G") where its value is greater than T2, but less than or equal to T3. If Market Capitalisation (including the value of "D" but excluding the value of "G") is in excess of T3, then V2 equals T3
- V3 = the Market Capitalisation (including the value of "D" but excluding the value of "G") where its value is greater than T3
- W= the aggregate value (expressed as pounds sterling) attributable to each Vested Growth Share on an Exit Event

provided that where any of V1 – T1, V2 – T2 or V3 – T3 gives a negative value, it shall be deemed to have a value in the above formula of zero.

The values used in the definitions of "T1", "T2" and "T3" above may be varied on or before 31 December 2015, at the discretion of the Board. In exercising such discretion, any proposed holders of A1 Shares or A2 Shares who are also members of the Board shall not count in a quorum where a decision is being taken to amend the definitions of "T1", "T2" and "T3" above.

Company Takeover

7A.9 On the occurrence of a Company Takeover, the holders of the Growth Shares shall each be required with immediate effect to sell all of the Growth Shares held by them to the Acquirer (or a purchaser nominated by the Acquirer) with full title guarantee upon which they shall be entitled to receive from the Acquirer (or their nominee) in consideration for the sale of each Vested Growth Share held by them an amount equal to the value of such Vested Growth Share as calculated in accordance with Article 7A.8 and in consideration for the sale of any Unvested Growth Shares held by them £0.01 in aggregate for all of the Unvested Growth Shares held by them. Any director of the Company shall be entitled to sign on behalf of the holders of the Growth Shares any documents required to effect any sale in accordance with this Article.

7A.10 A Company Takeover may only be completed on the basis that the holders of the Growth Shares also receive the value owing to them under Article 7A.9.

Company Listing

- 7A.11 On a Company Listing, all Vested Growth Shares in issue shall be automatically converted ~~to~~ on a one for one basis into such number of ordinary shares as is derived by applying the formula below:

$$A=[W \times N]/C$$

where:

A = the number of ordinary shares to be issued to the holders of the Vested Growth Shares on a Company Listing

C = the Admission Price

N = the total number of Vested Growth Shares in issue

W = as defined in Article 7A.8

To the extent that there are insufficient Vested Growth Shares in issue to satisfy "A" in the above formula by way of automatic conversion, the Board shall use the power given to it in article 122.2 to appropriate any sum resolved to be capitalised under article 122.1.1 and apply such sum on behalf of the holders of the Vested Growth Shares in paying up in full unissued ordinary shares of the Company of a nominal amount equal to such shortfall without the requirement for member approval which ordinary shares shall be issued to each holder of Vested Growth Shares pro rata to the total number of Vested Growth Shares.

Any fractional entitlements shall be rounded down to the nearest whole number of ordinary shares. Exit Event (other than a Company Takeover or Company Listing)

- 7A.12 In the event of an Exit Event (other than a Company Takeover or Company Listing), a holder of Vested Growth Shares shall be entitled, at his option and by giving notice in writing to the Company, to require that the Company converts (all, but not some only) of his Vested Growth Shares (as soon as reasonably possible after receiving such notice, acting in good faith) into ordinary shares ("Converting Shareholder").

- 7A.13 The number of ordinary shares to be issued to a Converting Shareholder for each Vested Growth Share pursuant to Article 7A.12 shall be calculated as follows:

$B = W / F$, where $F = (\text{Market Capitalisation (excluding G)} - (W \times N)) / S$ where:

B = the number of ordinary shares to be issued to the Converting Shareholder

F = the value of an ordinary share (after deducting the value attributable to Vested Growth Shares), represented by $(\text{Market Capitalisation (excluding G)} - (W \times N)) / S$

N = as defined in Article 7A.11

W = as defined in Article 7A.8

Leaver provisions

- 7A.14 In the event that a holder of Growth Shares becomes a Leaver that is a Good Leaver, he (and his personal representatives in the event of his death) shall, at their option (to be provided in writing), be entitled to:

7A.14.1. retain the Vested Growth Shares held by him and for those Vested Growth Shares to benefit from all of the rights and benefits conferred to them under these Articles; or

7A.14.2. require that the Company converts the Vested Growth Shares held by him into ordinary shares, using the formula set out in Article 7A.13.

- 7A.15 Upon a holder of Growth Shares becoming a Leaver, any Growth Shares held by that Leaver which remain unvested on the Leaving Date:
- 7A.15.1. shall remain unvested notwithstanding anything to the contrary in these Articles; and
- 7A.15.2. shall entitle the Company to require that the Leaver in question shall allow the Company to buy back all unvested Growth Shares held by the Leaver in question for an aggregate price of £1.
- 7A.16 In the event that a holder of Growth Shares becomes a Leaver that is a Bad Leaver, the Vested Growth Shares held by him shall be converted by the Company into ordinary shares, using the formula set out in Article 7A.13.
- 7A.17 Any valuations of the Vested Growth Shares carried out in connection with a holder of Growth Shares becoming a Leaver shall be carried out as at the Leaving Date of that Leaver.
- 7A.18 The Growth Shares shall be transferrable to any third party with the prior written consent of the Board acting in its absolute discretion.

8. POWER TO ATTACH RIGHTS TO SHARES

Subject to the Companies Acts and to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution determine, or if no ordinary resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine.

9. DIRECTORS' POWER TO ALLOT

Subject to the Companies Acts, these Articles and subject to any relevant authority of the Company in general meeting required by the Act, the Board may offer, allot (with or without conferring rights of renunciation), grant options over or otherwise deal with or dispose of shares or grant rights to subscribe for or convert any security into shares to such persons, at such times and upon such terms as the Board may decide. No share may be issued at a discount of its par value.

10. REDEEMABLE SHARES

Subject to the Companies Acts and to any rights attaching to existing shares, any share may be issued which can be redeemed or is liable to be redeemed at the option of the Company or the holder. The Board may determine the terms, conditions and manner of redemption of any redeemable shares which are issued. Such terms and conditions shall apply to the relevant shares as if the same were set out in these Articles.

11. PARI PASSU ISSUES

If new shares are created or issued which rank equally with any other existing shares, the rights of the existing shares will not be regarded as changed or abrogated unless the terms of the existing shares expressly say otherwise.

12. PAYMENT OF COMMISSION

The Company may in connection with the issue of any shares or the sale for cash of treasury shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts. Subject to the provisions of the Companies Acts or any recognised investment exchange, in each case to the extent applicable to the Company from time to time, any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or other securities or the grant of an option to call for an allotment of shares or any combination of such methods.