

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
of
ANTI-KOR BIOPHARMA LIMITED (Company Number: 04170519)
(the "Company")

**(Adopted by Special Resolution
passed on 1st July 2022)**

1. PRELIMINARY

1.1 In these Articles:

"Acquirer" has the meaning ascribed to it in the definition of **"Majority Change of Control"** or **"Special Change of Control"**;

"Act" means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

"Auditors" means the auditors appointed by the Company under the Act from time to time as the auditors of the Company;

"Board" means the board of Directors of the Company for the time being;

"Business Day" means a day (except for Saturday) when the clearing banks are open for business in London;

"Company Option Scheme" means any share option scheme to incentivise management, consultants or staff of the Company pursuant to which any participant may be entitled to subscribe for Ordinary Shares;

"Connected Person" shall have the same meaning given to such expression by section 839 of the Income and Corporation Taxes Act 1988;

"Director" means a director of the Company appointed from time to time by the Shareholders or the Directors in accordance with the terms of these Articles;

"Essex" means Essex Bio-Technology Limited of Room 2818, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, HONG KONG, and its Permitted Transferees;

"Family Trust" means a trust (whether arising under a settlement or testamentary disposition or on an intestacy) under which no immediate beneficial interest in the Shares in question is for the time being vested in any person other than a Shareholder or a Connected Person of a Shareholder or of the former Shareholder who transferred the shares to the settlement or (as the case may be) under whose testamentary disposition or intestacy the shares were vested;

"Founder" means either Doctor Gokhan Yahioglu or Doctor Mahendra Deonarain;

"Group" means a body corporate and any holding company of which it is a wholly-owned subsidiary and any other wholly-owned subsidiaries of that holding company (including any wholly-owned subsidiary of the body corporate) and references to a **"member of the Group"** or a **"Group member"** shall be construed accordingly. **"subsidiary"** and **"holding company"** shall have the meanings set out in section 1139 of the Act;

"Issue Price" means the amount paid up or credited as paid up (including any premium on issue) on

the Share concerned;

"Listing" means the listing of all or part of the Shares on NASDAQ, the Alternative Investment Market or the Official List of the London Stock Exchange Limited or any recognised investment exchange as defined in the Financial Services Act 1986 or such other public share or stock exchange as the Board shall determine;

"Majority Change of Control" means the acquisition (whether by purchase, transfer or otherwise but excluding: (i) a subscription or issue (including of the kind referred to in Article 9); (ii) a transfer of Shares made in accordance with Article 10.2 (Permitted Transfers) or 10.16 (pro-rata allocation) or (iii) pursuant to any Investment Agreement (including pursuant to options granted thereunder or referred to therein), by any person, including a member of the Company (an **"Acquirer"**), of any interest in any Shares if, upon completion of that acquisition, the Acquirer, together with persons acting in concert or connected with him, would hold or beneficially own more than 50 per cent of the Shares;

"Investment Agreement" means any shareholders' or investment agreement(s) of the Company in force and as amended from time to time;

"Nominated Directors" means the Essex Director, the Shareholder Director and the Founder Director;

"Non-Essex Shareholders" means all the Shareholders except Essex and its transferees under Article 10.2.7;

"Ordinary Shares" means the ordinary shares of £0.01 each in the share capital of the Company;

"Sale" means the acquisition by any person of 100 per cent of the Shares or all of the Shares not already owned by the acquiror or the acquisition by any person of the whole or substantially the whole of the business and undertaking of the Company;

"Seal" means the common seal of the Company;

"Shareholders" means the holders of Shares and **"Shareholder"** means any of them;

"Shares" means the Ordinary Shares and any other shares in the capital of the Company from time to time in issue;

"Special Change of Control" means the acquisition (whether by purchase, transfer or otherwise but excluding a subscription or a transfer of Shares made in accordance with Article 10.2 (Permitted Transfers)) by any person, including a member of the Company (an **"Acquirer"**), of any interest in any Shares if, upon completion of that acquisition, the Acquirer, together with persons acting in concert or connected with him, would hold or beneficially own more than 75 per cent of the Shares;

"Table A" means Table A in the Schedule in the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies Act (Table A to F) (Amendment Regulations) 1985 (SI 1985 No.1052), the Companies Act (Electronic Communications) order 2000 (SI 2000 No. 3373), the Companies (Table A to F) (Amendment) (No. 2) Regulations 2007 (SI 2007 No. 2826; and

"Valuers" means the Auditors unless:

- (a) the Company has not appointed auditors under the Act;
- (b) a report on Market Value is to be made pursuant to a deemed Transfer Notice and, within 21 days after the date of the deemed Transfer Notice, the Vendor notifies the Board in writing that it objects to the Auditors making that report; or
- (c) the Auditors decline an instruction to report on Market Value,

when the Valuers for the purpose of that report shall be a firm of chartered accountants agreed between the Vendor and the Board or, in default of agreement within 20 days after the event referred to in (a) or (b) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Vendor or the Board;

- 1.2 Unless the context otherwise requires;
- 1.2.1 words in the singular include the plural and vice versa;
- 1.2.2 words importing any gender include all genders;
- 1.2.3 a reference to a person includes a reference to a body corporate and to an unincorporated body of persons; and
- 1.2.4 save to the extent modified by this Article 1, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force on the date of the adoption of these Articles.
2. A reference to any statute or provision of a statute includes a reference to any statutory modification or re-enactment of it for the time being in force.
3. The Company is a Private Company within the meaning of Section 4 of the Companies Act 2006. Accordingly the Company shall not offer to the public (whether for cash or otherwise) any Shares in or debentures of the Company or allot or agree to allot (whether for cash or otherwise) any Shares or debentures being offered for sale to the public.
4. Subject as hereinafter provided the Regulations set out in Table A shall apply to this Company. The model articles for private companies limited by shares contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 shall not apply to this Company.
5. The following Regulations of the said Table A shall not apply to this Company: 40, 41, 42, 43, 46, 47, 48, 64, the last sentence of 66, 76, 77, 78, 79, 88, 89, 90, 91, 94 - 98 and the last sentence of 112.
- 6. SHARE CAPITAL**
- 6.1 The Shares shall be under the control of the Directors and Directors are authorized for the purposes of section 551 of the Act but subject to the provisions of these Articles to allot any shares or to grant rights to subscribe or to convert any security interest into Shares of the Company up to a maximum number of 37,100,000 (Thirty Seven Million One Hundred Thousand) Ordinary Shares (or such additional numbers as may be authorized by a resolution of the Company) in accordance with the provisions of these Articles. This authority is in substitution for all subsisting authorities to the extent unused. This general authority shall expire on the day before the fifth anniversary of the date of adoption of these Articles unless varied or revoked or renewed by a resolution of the Company.
- 6.2 The Shares shall entitle the holders thereof to the same rights and privileges and subject them to the same restrictions and provisions hereinafter appearing. Any variation of the rights and privileges attaching to the Shares or any change to the capital structure of the Company shall affect all holders of Shares equally.
- 6.3 Subject to the provisions of the Act and these Articles, all unissued Shares shall be at the disposal of the Directors and they may allot, grant rights, options or warrants to subscribe or otherwise dispose of them to such person, at such times, and on such terms as they think proper.
- 6.4 Subject to the provisions of the Act and these Articles any Shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, at the option of the Company or the Shareholder holding any such Shares, liable to be redeemed on such terms and in such manner as the Company before issue of the Shares may by ordinary resolution determine.
- 6.5 Except as required by law, and even when the Company shall have express notice thereof, no person shall be recognised by the Company as holding any Share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any Share except an absolute right to the entirety thereof in the holder.

7. LIEN

The lien conferred by Regulation 8 of Table A shall attach to Shares to the extent not fully paid.

8. TRANSFER OF SHARES

- 8.1 No Shareholder shall purport to dispose of or otherwise transfer an interest in any of the Shares held by it other than by a disposal in accordance with these Articles and as may be permitted pursuant to an agreement in writing between the holders of the Shares.
- 8.2 The instrument of transfer of a Share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee.
- 8.3 The Directors shall register any transfer of Shares which is effected with the consent in writing of all the other Shareholders or pursuant to any agreement between all the Shareholders.

9. PRE-EMPTION ON ISSUE

- 9.1 Apart from any Shares to be issued pursuant to any Investment Agreement or the exercise of the options granted by the Company pursuant to any Company Option Scheme, unless otherwise agreed by a special resolution, any Shares in the capital of the Company which the Company proposes to allot shall first be offered for subscription to the holders of Shares in the proportion that the number of such Shares for the time being held respectively by each such holder bears to the total number of such Shares in issue. Such offer shall be made by notice in writing specifying the number of Shares to which the holder is entitled and limiting a time (being not less than twenty one days) within which the offer, if not accepted, will be deemed to be declined.
- 9.2 Shareholders who accept the offer shall be entitled to indicate that they would accept, on the same terms, Shares (specifying a maximum number) that have not been accepted by other Shareholders (the "**Excess Shares**") and any Excess Shares shall be allotted to Shareholders who have indicated they would accept Excess Shares. Excess Shares shall be allotted pro rata to the aggregate number of Shares held by Shareholders accepting Excess Shares providing that no such Shareholder shall be allotted more than the maximum number of Excess Shares such Shareholder has indicated he is willing to accept. After the expiration of such time or upon receipt by the Company of an acceptance or refusal of every offer so made, the Board shall be entitled to dispose of any Shares so offered and which are not required to be allotted in accordance with the foregoing provisions in such manner as the Board may think most beneficial to the Company.
- 9.3 If, owing to the inequality in the number of new Shares to be issued and the number of Shares held by the Shareholders entitled to receive the offer of new Shares, any difficulty shall arise in the apportionment of any such new Shares amongst the holders, such difficulties shall in the absence of direction by the Company be determined by the Board on as fair a basis as possible.
- 9.4 In accordance with section 567 of the Act, the requirements of sections 561 and 562 of the Act shall not apply to the Company.
- 9.5 The provisions of Articles 9.1 to 9.3 (inclusive) shall not apply to New Securities issued in relation to the conversion of any convertible bond issued by the Company.

10. PERMITTED TRANSFERS, PRE-EMPTION ON TRANSFER, MANDATORY TRANSFERS AND OFFERS TO PURCHASE

- 10.1 Except as may be permitted by these Articles, none of the Shareholders shall assign, transfer, mortgage, charge, pledge or otherwise dispose of or encumber in any manner whatsoever and whether in whole or in part its legal or beneficial interest in its holding of Shares in the Company or any right or obligation under these Articles or any other right or obligation as a Shareholder

of the Company.

- 10.2 A Shareholder may transfer all or any of its Shares to the following persons (the “**Permitted Transferees**”) in accordance with the following provisions (the “**Permitted Transfers**”) following prior consultation with the Board:
- 10.2.1 any Shareholder may transfer any of its Shares to the trustees of a Family Trust or to a limited liability company wholly owned by a Family Trust or to some other Connected Person of that Shareholder;
- 10.2.2 any corporate Shareholder which is itself a limited liability company wholly owned by a Family Trust may transfer any of its Shares to
- 10.2.2.1 such Family Trust;
- 10.2.2.2 another company wholly owned by such Family Trust;
- 10.2.2.3 another company wholly owned by any Family Trust set up by the same settlor or arising out of the testamentary disposition or intestacy of the same testator as the case may be;
- 10.2.3 a Shareholder which is a Family Trust may transfer any of its Shares to a company wholly owned by such Family Trust;
- 10.2.4 where Shares are held by trustees of a Family Trust, they may on any change of trustees be transferred to the new trustees of the Family Trust concerned;
- 10.2.5 the trustees of a Family Trust may also transfer any of the Shares held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust or to a Connected Person of that beneficiary;
- 10.2.6 Shares may be transferred without restriction by a trustee to the beneficial owner of such Shares or to another trustee of the same beneficial owner; or
- 10.2.7 Shares may be transferred by a corporate Shareholder to another member of its Group;
- 10.2.8 but a trustee of a Family Trust may not transfer Shares subject to that trust to a Connected Person of that trustee except where permitted under Articles 10.2.4 and 10.2.5.
- 10.3 If any trust whose trustees hold Shares ceases to be a Family Trust and if the trustees do not, prior to the trust ceasing to be a Family Trust, transfer all such Shares registered in their name to the relevant Shareholder or to the trustees of a Family Trust or other Connected Person of the relevant Shareholder, the trustees shall without delay notify the Company that such event has occurred and shall give a Transfer Notice (as defined in Article 10.9) in respect of those Shares and, if the trustees fail to give a Transfer Notice, they shall be deemed to have served the Company with a Transfer Notice in respect of the Shares.
- 10.4 Save where a transfer is made in accordance with 10.2.2.2 and other than in respect of Essex, if a corporate Shareholder holding Shares transferred to it under Article 10.2 as a member of the same Group as the original corporate Shareholder who held such Shares, ceases to be a member of the same Group as said original corporate Shareholder and does not, prior to so ceasing, transfer all such Shares registered in its name to the original corporate Shareholder or to another member of the same Group as the original corporate Shareholder, the current corporate Shareholder shall without delay notify the Company that such event has occurred and shall give a Transfer Notice to the Company in respect of those Shares and, if the corporate Shareholder fails to give a Transfer Notice, it shall be deemed to have served the Company with a Transfer Notice in respect of those Shares.
- 10.5 If a Transfer Notice is given or is deemed to have been served on the Company under Article 10.3 or 10.4 then, subject to Article 10.6, the provisions of Articles 10.8 to 10.23 inclusive shall apply to those Shares.

- 10.6 Any Transfer Notice given or deemed to have been served on the Company under Article 10.3 to 10.4 shall be deemed not to contain a Total Transfer Condition (as defined in Article 10.10.5) and shall be irrevocable.
- 10.7 Unless express provision is made in these Articles to the contrary, no Shares held by any Founder shall be transferred within 5 years after the adoption of these Articles without the prior written approval of Essex.

Bankruptcy/Insolvency

- 10.8 A person entitled to a share in consequence of the bankruptcy, receivership, or liquidation of a Shareholder shall be bound at any time, if required in writing to do so by the Directors not later than 90 days after the Directors receive notice from the person concerned that he has become so entitled, to give a Transfer Notice in respect of all the Shares then registered in the name of the insolvent Shareholder or in the name of a Family Trust of such insolvent Shareholder. Regulations 29 to 31 of Table A shall take effect accordingly.

Transfer of Shares

- 10.9 Except as permitted under Article 10.2 and unless otherwise agreed by a special resolution, any Shareholder (a "**Vendor**") shall, before transferring or agreeing to transfer any Share or any interest in any Share, serve notice in writing (a "**Transfer Notice**") on the Company of his wish to make that transfer.
- 10.10 In the Transfer Notice, the Vendor shall specify:
- 10.10.1 the number and class of Shares ("**Sale Shares**") which he wishes to transfer;
 - 10.10.2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares;
 - 10.10.3 the price per share at which the Vendor wishes to transfer the Sale Shares (the "**Proposed Sale Price**");
 - 10.10.4 any other terms relating to the transfer of the Sale Shares (and such terms may not be terms which are prohibited by these Articles); and
 - 10.10.5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article 10 (a "Total Transfer Condition").
- 10.11 Each Transfer Notice shall:
- 10.11.1 relate to one class of Shares only;
 - 10.11.2 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of Articles 10.12 to 10.23; save as provided in Article 10.13, be irrevocable; and
 - 10.11.3 not be deemed to contain a Total Transfer Condition unless expressly stated otherwise or required by these Articles.
- 10.12 The Sale Shares shall be offered for purchase in accordance with this Article 10 at:
- 10.12.1 a price per Sale Share (the "**Sale Price**") specified by the Vendor; or
 - 10.12.2 where no Sale Price has been specified by the Vendor under Article 10.12.1 within 21 days after the date of service of the Transfer Notice, the price per Share reported on by the Valuers as their written opinion of the open market

value of each Sale Share in accordance with Article 10.21 (the "**Market Value**") as at the date of service of the Transfer Notice. The Board shall appoint the Valuers to provide such an opinion within 21 days after the date of service of the Transfer Notice if agreement as to the Sale Price has not been reached.

- 10.13 If the Market Value is reported on by the Valuers under Article 10.12.2 to be less than the Proposed Sale Price specified in the Transfer Notice, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period (the "**Withdrawal Period**") of 14 days after the date on which the Board serves on the Vendor the Valuers' written opinion of the Market Value.
- 10.14 The Board shall offer the Sale Shares for purchase at the Sale Price by a written offer notice (the "**Offer Notice**") served on all Shareholders within 7 days after the Sale Price is agreed or determined under Article 10.12 or, if the Transfer Notice is capable of being revoked under Article 10.13, within 7 days after the expiry of the period for revocation in Article 10.13.
- 10.15 An Offer Notice shall:
- 10.15.1 specify the Sale Price;
 - 10.15.2 expire 30 days after its service;
 - 10.15.3 contain the other details included in the Transfer Notice; and
 - 10.15.4 invite the relevant Shareholders to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares specified by them in their application.
- 10.16 After the expiry date of the Offer Notice, (or, if earlier, upon valid applications being received for all the Sale Shares in accordance with Article 10.15) the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles, save that:
- 10.16.1 if there are applications from any class of Shareholders for more than the number of Sale Shares available for that class of Shareholders, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Shareholder more Sale Shares than the maximum number applied for by him) to the number of Shares of the relevant class then held by them respectively;
 - 10.16.2 if it is not possible to allocate any of the Sale Shares without involving fractions, those fractions shall be aggregated and allocated amongst the applicants of the relevant class in such manner as the Board thinks fit; and
 - 10.16.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.
- 10.17 The Board shall, within 7 days of the expiry of the Offer Notice, give notice in writing (a "**Sale Notice**") to the Vendor and to each person to whom Sale Shares have been allocated (each a "**Purchaser**") specifying the name and address of each Purchaser, the number of Sale Shares allocated to him, the aggregate price payable for them, and the time for completion of each sale and purchase.
- 10.18 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than one week nor more than one month after the expiry of the Offer Notice, unless agreed otherwise in relation to any sale and purchase by both the Vendor and the Purchaser concerned) when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificates to that Purchaser.

- 10.19 The Vendor may, during the period falling between one and six months after the expiry of the Offer Notice, sell any Sale Shares for which a Sale Notice has not been given by way of bona fide sale to any person at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that:
- 10.19.1 the Board shall be entitled to refuse registration of the proposed transferee if the transferee is believed by the Board to be a competitor or connected with a competitor of any business of the Company or a nominee of such a person; and
 - 10.19.2 if the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled to sell only some of the Sale Shares under this Article 10.19 save with the written consent of the other Shareholders.
- 10.20 If a Vendor fails to transfer any Sale Shares when required pursuant to this Article 10 the Board may authorise any person (who shall be deemed to be the attorney of the Vendor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Vendor's behalf. The Company may receive the purchase money for the Sale Shares from the Purchaser and shall, upon receipt of the transfer duly stamped, register the Purchaser as the holder of those Sale Shares. The Company shall hold the purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the Purchaser (who shall not be concerned to see to the application of it) and, after the name of the Purchaser has been entered in the register of members in purported exercise of the power conferred by this Article, the validity of that exercise shall not be questioned by any person.
- 10.21 If instructed to report on their opinion of Market Value under Article 10.12.2, the Valuers shall:
- 10.21.1 act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders, save in the case of manifest error; and
 - 10.21.2 proceed on the basis that:
 - (i) the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares form part, divided by the number of issued Shares then comprised in that class;
 - (ii) there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares; and
 - (iii) any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion.
- 10.22 The Company will use its best endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and the Vendor within 28 days of the Board electing to instruct them under Article 10.12.
- 10.23 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as to one half by the Vendor and as to the other half by the Purchasers pro rata to the number of Sale Shares purchased by them unless:
- 10.23.1 the Vendor revokes the Transfer Notice pursuant to Article 10.13; or
 - 10.23.2 none of the Sale Shares are purchased pursuant to this Article 10, when the Vendor shall pay all the Valuers' fees.

Mandatory Transfers

- 10.24 Save in respect of Essex, if any Shareholder who is also an employee or a Director of, or consultant to, the Company (an "**Employee Shareholder**") ceases to be an employee or a Director of, or consultant to, the Company (such that he is not an employee, Director of, or consultant to, the Company) then, unless Essex agrees otherwise in writing, a Transfer Notice shall be deemed to have been served forthwith upon such cessation in respect of all Shares held by:
- 10.24.1 the relevant Employee Shareholder immediately before such cessation; and
 - 10.24.2 the Employee Shareholder's Connected Persons and/or Family Trust (including any company wholly owned by such Family Trust) immediately before such cessation other than Shares which were not acquired by such holders either:
 - (i) directly or indirectly from the Employee Shareholder; or
 - (ii) by reason of their connection with the Employee Shareholder.
- 10.25 Notwithstanding any other provision of these Articles, any Shareholder holding Shares in respect of which a Transfer Notice is given or is deemed to have been given pursuant to Article 10.24 shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Transfer Notice or deemed Transfer Notice and the expiry of one month after the date of the Transfer Notice given in respect of those Shares or, if earlier, the entry in the register of members of the Company of another person as the holder of those Shares.
- 10.26 The Shares the subject of any Transfer Notice given or deemed to have been given pursuant to Article 10.24 shall be offered for sale in accordance with Articles 10.12 to 10.23 as if they were Sale Shares in respect of which a Transfer Notice has been given save that:
- 10.26.1 a Transfer Notice which is deemed to have been given pursuant to Article 10.24 shall be deemed to have been given on the date on which the relevant person ceased to be a Director or employee of, or consultant to, the Company or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the deemed Transfer Notice are tabled or, if the Directors so resolve, at any time up to 6 months after such date of cessation;
 - 10.26.2 subject to Article 10.27, the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board or, in default of agreement within 21 days after the date of the date on which the Transfer Notice is given or is deemed to have been given pursuant to Article 10.24, the Market Value, less in each case any dividends on the Sale Shares referred to in Article 10.26.5 and retained by the Vendor;
 - 10.26.3 a Transfer Notice which is given or is deemed to have been given pursuant to Article 10.24 shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;
 - 10.26.4 the Vendor may retain any Sale Shares for which Purchasers are not found or, during the period between one and six months after the expiry of the relevant Offer Notice and with the prior written approval of the Board, sell all or any of those Sale Shares to any person (including any Shareholders) at any price per Sale Share which is not less than the Sale Price;
 - 10.26.5 the Sale Shares shall be sold together with all rights, attaching thereto as at the date on which the Transfer Notice is given or is deemed to have been given pursuant to Article 10.24, including the right to any dividend declared or payable on those Shares after that date; and

- 10.26.6 Article 10.29 shall apply.
- 10.27 If the person whose ceasing to be a Director or employee of, or a consultant to, the Company gave rise to the Transfer Notice in question being given or deemed to have been given pursuant to Article 10.24 is a Bad Leaver (as defined in Article 10.28) the Sale Price for the Sale Shares which are the subject of the Transfer Notice or deemed Transfer Notice shall be their Issue Price or their Market Value, whichever is the lower.
- 10.28 An Employee Shareholder is a '**Bad Leaver**' unless the reason for his ceasing to be a Director or an employee of, or consultant to, the Company (as the case may be) is:
- 10.28.1 his death; or
- 10.28.2 his being, in the reasonable opinion of the Board, permanently incapable by reason of ill health or injury of discharging his duties as a Director or employee of, or consultant to, the Company; or
- 10.28.3 the termination of any contract of employment with the Company by the Company where such termination is determined by a court or an Employment Tribunal (or agreed by the Company) to have been an unfair or a wrongful dismissal;
- 10.28.4 the termination of any consultancy arrangement with the Company by the Company in circumstances where:
- (i) such termination constitutes a breach by the Company of the agreement relating to such consultancy arrangement; or
 - (ii) the agreement relating to the such arrangement is validly terminated due to sickness or injury; or
 - (iii) such termination is effected other than because of (a) the consultant's misconduct, (b) a material or persistent breach of the agreement relating to such arrangement by the consultant, (c) the consultant being convicted of a criminal offence or (d) the consultant becoming bankrupt or making any arrangement with his creditors; or
- 10.28.5 The Board in its absolute discretion determines that for the purposes of this Article 10.28 the Employee should not be treated as a Bad Leaver.
- 10.29 A dispute as to whether an Employee Shareholder is a Bad Leaver shall not affect the validity of any Transfer Notice which is given or deemed to have been given pursuant to Article 10.24, but any person who acquires Sale Shares pursuant to such a Transfer Notice shall pay to the Vendor their Issue Price (or, if lower, their Market Value) and shall pay the difference between their Issue Price and their Market Value (if greater than the Issue Price) to the Company. The Company shall hold that difference in a separate bank account as trustee to pay it, and interest earned thereon, upon final determination of the dispute, to the Purchaser, if the relevant Founder or Employee Shareholder is a Bad Leaver and to the Vendor if he is not.
- 10.30 The provisions of Articles 10.24 to 10.29 inclusive shall cease to apply in respect of any Founder following the fifth anniversary of the date of adoption of these Articles.
- 10.31 **Majority Change of Control**
- 10.31.1 Except in the case of transfers pursuant to Article 10.2, notwithstanding any other provision in these Articles no sale or transfer or other disposition of any interest in any Share shall have any effect, if it would result in a Majority Change of Control, unless before the transfer is lodged for registration the Acquirer has made a bona fide offer in accordance with this Article 10.31 to purchase at the Specified Price (as defined in Article 10.31.3) all the Shares held by the

Shareholders (except any Shareholder which has expressly waived its right to receive such an offer for the purpose of this Article 10.31).

10.31.2 An offer made under Article 10.31.1 shall be in writing open for acceptance for at least 21 days, and shall be deemed to be rejected by any Shareholder who has not accepted it in accordance with its terms within 21 days and the consideration under such an offer shall be settled in full on completion of the purchase and within 30 days of the date of the offer.

10.31.3 For the purposes of Article 10.31.1:

- (i) the expressions "**transfer**", "**transferor**" and "**transferee**" include respectively the renunciation of a renounceable letter of allotment and any renouncer and renounee of such letter; and
- (ii) the expression "**Specified Price**" means the higher of:
 - (a) a price per Share equal to the highest price paid or payable by the Acquirer or persons acting in concert with him or connected with him for any Shares within the last 6 months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified Shares; and
 - (b) a price per Share equal to the Issue Price thereof;
- (iii) If any part of the Specified Price is payable otherwise than in cash any Shareholder may require, as a condition of his acceptance of the offer made under this Article 10.31, to receive in cash on transfer all or any of the price offered for the Shares sold by him pursuant to the offer.

10.32 Come Along Option

10.32.1 If any one or more Shareholders, including Essex, (together the "**Selling Shareholders**") wish to transfer any Shares which would result in a Special Change of Control, the Selling Shareholders (or, after the transfer by them of their Shares to the Acquirer resulting in the Special Change of Control, the Acquirer) shall have the option (the "**Come Along Option**") to require all the other holders of Shares to transfer all their Shares to the Acquirer or as the Acquirer shall direct in accordance with this Article 10.32.

10.32.2 The Selling Shareholders or the Acquirer may exercise the Come Along Option by giving notice to that effect (a "**Come Along Notice**") to all such other Shareholders (the "**Called Shareholders**") at any time after the Selling Shareholders have agreed to transfer the Shares held by them giving rise to the Special Change of Control. A Come Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to Article 10.32.1, the price at which the Called Shares are to be transferred (calculated in accordance with Article 10.32.4) and the proposed date of transfer.

10.32.3 A Come Along Notice is irrevocable but the Come Along Notice and all obligations thereunder will lapse if the Come Along Notice is given before the transfer of Shares resulting in the Special Change of Control and for any reason there is not a Special Change of Control caused by a transfer of Shares by the Selling Shareholders to the Acquirer within 6 months of the date of the Come Along Notice.

- 10.32.4 The Called Shareholders shall be obliged to sell the Called Shares at the price per Share at which the relevant transfer of Shares referred to in Article 10.32.1 takes place or took place. No Come Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 10.32.
- 10.32.5 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Selling Shareholders or the Acquirer except that:
- (i) such person may not specify a date that is less than 14 days after the date of the Come Along Notice;
 - (ii) if the Come Along Notice is given by the Selling Shareholders, the date so specified by the Selling Shareholders shall be the same date as the date proposed for completion of the sale of the Shares giving rise to the Special Change of Control,
- unless all of the Called Shareholders, the Selling Shareholders and the Acquirer agree otherwise.
- 10.32.6 If any of the Called Shareholders shall make default in selling its Shares in accordance with this Article 10.32, any director of the Acquirer or other person duly nominated by resolution of the Board for that purpose shall forthwith be deemed to be the duly appointed attorney of such Called Shareholders with such power to execute, complete and deliver in the name and on behalf of such Called Shareholders a transfer of the relevant Called Shares and any such director may receive and give a good discharge of the purchase money on behalf of such Called Shareholders and (subject to the transfer being duly stamped) enter the name of the third party in the register of members as the holder or holders by transfer of the Called Shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for such Called Shareholders until they shall deliver up a certificate or certificates for the relevant shares to the Company and they shall thereupon be paid by the purchase money.

10.33 Co-Sale Right

- 10.33.1 No transfer (other than a Permitted Transfer) of any of the Shares relating to a Founder may be made or validly registered unless the relevant Founder and any Permitted Transferee of that Founder (each a **"Selling Founder"**) shall have observed the following procedures of this Article unless Essex has determined that this Article 10.32 shall not apply to such transfer.
- 10.33.2 10.32.2 After the Selling Founder has gone through the pre-emption process set out in Articles 10.9 to 10.23, the Selling Founder shall give to Essex not less than 15 Business Days' notice in advance of the proposed sale (a **"Co-Sale Notice"**). The Co-Sale Notice shall specify:
- (A) the identity of the proposed purchaser (the **"Buyer"**);
 - (B) the price per share which the Buyer is proposing to pay;
 - (C) the manner in which the consideration is to be paid;
 - (D) the number of Shares which the Selling Founder proposes to sell; and
 - (E) the address where the counter-notice should be sent.

- 10.33.3 10.32.3 Essex shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Founder that it wishes to sell a certain number of Shares held by it at the proposed sale price, by sending a counter-notice which shall specify the number of Shares which Essex wishes to sell. The maximum number of shares which Essex can sell under this procedure shall be:

$$\left(\frac{X}{Y} \right) \times Z$$

where:

- X is the number of Shares held by Essex;
- Y is the total number of Shares held by the Shareholders; and
- Z is the number of Shares the Selling Founder proposes to sell.

In the event Essex does not send a counter-notice within such five Business Day period, it shall be deemed to have specified that it wishes to sell no shares.

- 10.32.4 Following the expiry of five Business Days from the date Essex receives the Co-Sale Notice, the Selling Founder shall be entitled to sell to the Buyer on the terms notified to Essex a number of shares not exceeding the number specified in the Co-Sale Notice less any shares which Essex has indicated it wishes to sell, provided that at the same time the Buyer (or another person) purchases from Essex the number of shares it has indicated it wishes to sell on terms no less favourable than those obtained by the Selling Founder from the Buyer.
- 10.32.5 No sale by the Selling Founder shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 10.32.6 Sales made in accordance with this Article 10.32 shall not be subject to Articles 10.9 to 10.23.

11. NOTICE OF GENERAL MEETING

Regulation 38 shall be amended such that all annual general meetings and general meetings of the Company shall be called by at least twenty-one clear days' notice.

12. PROCEEDINGS AT GENERAL MEETINGS

- 12.1 No business shall be transacted at any general meeting of the Company unless a quorum is present. The quorum for all general meetings of Shareholders of the Company shall consist of three Shareholders present in person or by proxy. If a quorum is not present within half an hour of the time fixed for any such meeting, that meeting shall be adjourned for five Business Days to be reconvened at a time and place to be agreed upon by the Shareholders.
- 12.2 The Chairman, if any, of the Board or in his absence some other Director nominated by the Directors shall preside as chairman of the general meeting, but if neither the Chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
- 12.3 At any General Meeting a Resolution put to vote of the Meeting shall be decided by a poll and the number of proportion of the votes recorded in favour of or against such Resolution shall be recorded in the minute book. Regulation 54 of Table A shall be amended accordingly. In the

event of an equality of votes the Chairman shall have a second or casting vote.

- 12.4 On a poll taken at a general meeting each Shareholder shall have one vote for each Share of which he is the holder.

13. **DIRECTORS**

Appointment of Directors and Observers

- 13.1 The Board shall consist of not more than four directors.
- 13.2 Such of the Founders as hold Shares shall be entitled together (by majority vote on the basis of one vote for each Share held) to appoint or remove a director to the Board (the “**Founder Director**”). Unless the Founder Director is a Founder, the appointment of a Founder Director shall require the prior approval of the Board such approval not to be unreasonably withheld or delayed.
- 13.3 For so long as it holds any Shares, Essex shall be entitled to nominate one person to act as a Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. Essex shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place (the “**Essex Director**”). Any subsequent appointee shall require the prior approval of the Board such approval not to be unreasonably withheld or delayed.
- 13.4 For so long as it holds at least 5% of the Shares or any convertible bond issued by the Company, Essex shall in addition to any Essex Director be entitled to nominate one person to act as a Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. Essex shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place (the “**Additional Essex Director**”). Any subsequent appointee shall require the prior approval of the Board such approval not to be unreasonably withheld or delayed.
- 13.5 The Non-Essex Shareholders shall, for so long as they hold Shares, together be entitled to appoint or remove a non-executive director (the “**Shareholder Director**”) by notice in writing to the Company signed by or on behalf of Shareholders holding at least 75% of the Shares held by the Non-Essex Shareholders. Any subsequent appointee shall require the prior approval of the Board such approval not to be unreasonably withheld or delayed.

Proceedings of Directors

- 13.6 The quorum for all meetings of the Board (or of any committee of directors appointed by the Board) shall be three Directors (including one Essex Director). If a quorum is not present within half an hour of the time fixed for any such meeting, that meeting shall be adjourned for five Business Days to be reconvened at the same time and place. A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum.
- 13.7 Any Director may participate in a meeting of the Board by means of conference telephone or similar communications facilities whereby all the Directors participating in the meeting can hear each other and all the Directors participating in a meeting in this manner shall be deemed to be present in person at such meeting.
- 13.8 A director or the secretary of a corporation shall be deemed to be a duly authorised representative of that corporation and shall be entitled to exercise the same powers on behalf of that corporation as that corporation could exercise if it were an individual shareholder, creditor or debenture holder of the Company.
- 13.9 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of

the Directors. It shall be necessary to give at least 7 clear days' notice of such meeting to all Directors, even if not in the United Kingdom. Resolutions of a meeting of the Directors shall be approved if a majority of votes of the Directors are cast in favour thereof. The Chairman shall not have a second or casting vote.

- 13.10 A Director need not hold Shares in the Company and no Director shall be subject to retirement by rotation.

Directors' Interests and Conflicts

- 13.11 Subject to the provisions of the Act, a Director may contract and participate in any contracts or arrangements with the Company as if he were not a Director.

- 13.12 A Director shall be capable of voting in respect of such contracts or arrangements where he has previously disclosed his interest to the Company or in respect of his appointment to any office or place of profit under the Company or in respect of the terms thereof and may be counted in the quorum of any meeting at which any such matter is considered.

- 13.13 Any actual or potential conflict of interest (whether actual or indirect) (the "**Conflict**") disclosed to the Board by a director which would, if not authorised, involve that director breaching his duty under Section 175 of the Act, may be authorised by the Board provided that:

13.13.1 the quorum at the relevant meeting of the directors at which the Conflict is considered is met without counting the director with the Conflict and any other director with the same Conflict in the quorum of that meeting; and

13.13.2 the authorisation is given by the Board without the Conflict and any other director with the same Conflict voting in relation to that authorization and if any such director does vote on the relevant resolution his vote shall not be counted.

- 13.14 Any authorisation of a Conflict under Article 13.13 may (whether at the time of giving the authorisation or subsequently):

13.14.1 extend to any actual or potential conflict of interest which may be reasonably expected to arise out of the Conflict so authorized;

13.14.2 be subject to terms and for such duration, or impose such limits or conditions as the directors may determine;

13.14.3 be terminated or varied by the directors from time to time.

This will not affect anything done by the director prior to such termination variation in accordance with the terms of the authorization.

- 13.15 In authorising a Conflict the directors may decide (whether at the time of giving the authorization or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to:

13.15.1 disclose such information to the directors or to any other officer or employee of the Company;

13.15.2 use or apply any such information in performing his duties as a director; where to do so would amount to a breach of that confidence.

- 13.16 Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director:

13.16.1 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;

13.16.2 is not given any documents or other information relating to the Conflict;

13.16.3 may or may not vote.

14. SECRETARY

The Secretary of the Company shall be the person or persons named as Secretary in the statement delivered to the Register of Companies from time to time and shall be deemed to be appointed accordingly.

15. BORROWING POWERS OF THE DIRECTORS

The Directors of the Company may exercise all the powers of the Company to borrow money, whether in excess of the nominal amount of the share capital of the Company for the time being issued or not and to mortgage or charge its undertaking property or uncalled capital, or any part thereof, and subject to the Act to issue debentures, debenture stock and other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.

16. INDEMNITY

- 16.1 Subject to the provisions of the Act, but without prejudice to any other indemnity to which the person concerned may otherwise be entitled, every Director, alternate Director, secretary or other officer (not including the Company's auditors) of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties. Regulation 118 shall be extended accordingly.
- 16.2 The Directors may exercise all the powers of the Company to purchase and maintain for every Director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against.

17. THE COMPANY SEAL

The Company can execute documents and deeds without the use of a Seal and any Share Certificate signed by a Director and Secretary or by two Directors shall be as valid as a Certificate sealed with the seal of the Company and Regulations 6 and 101 of Table A shall be amended accordingly. The Company may in accordance with Section 49 of the Act have an official seal for use in any territory district or place elsewhere than in the United Kingdom but shall only be used by a Director and Secretary or by two Directors or by such person or persons on such occasions and in such circumstances as are specifically authorised by a resolution of the Board of Directors for the time being of the Company who shall have the authority to amend, suspend or withdraw authority as they think fit.