

DATED 30<sup>th</sup> June 2023

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**ARTICLES OF ASSOCIATION**  
**POCKIT LIMITED**

WEDNESDAY



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COMPANIES HOUSE

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Certified to be a true and complete copy of the original seen by me:

Thomas Bennett

Solicitor (SRA number: 18809).

Signed:

*Thomas Bennett*

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**COMPANY NUMBER: 07157877**

**THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
POCKIT LIMITED (THE "COMPANY")**

(adopted by special resolution passed on: 30<sup>th</sup> June 2023)

**1 DEFINITIONS AND INTERPRETATIONS**

1.1 The following definitions apply in these Articles:

<b>A1 Ordinary Share</b>	an A1 ordinary share of £0.01 in the capital of the Company having the rights set out in these Articles and the term <b>A1 Ordinary Shareholder(s)</b> shall be construed accordingly
<b>A2 Ordinary Share</b>	an A2 ordinary share of £0.01 in the capital of the Company having the rights set out in these Articles and the term <b>A2 Ordinary Shareholder(s)</b> shall be construed accordingly
<b>Act</b>	those provisions of the Companies Act 2006, including any statutory modification or re-enactment of it for the time being in force
<b>Acting in Concert</b>	has the meaning given to it in the United Kingdom's City Code on Takeovers and Mergers
<b>Active Period</b>	in respect of a specified notice, the period from the time of its service or deemed service until the time when none of the Shareholders, the Directors or the Company has any further rights or duties, directly or indirectly, pursuant to that notice
<b>Adoption Date</b>	the date of adoption of these articles of association of the Company
<b>AML Regulations</b>	the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
<b>Articles</b>	the articles of association of the Company
<b>Associate</b>	has the meaning given to it in section 435 of the Insolvency Act 1986
<b>Associated Government Entities</b>	(a) any UK Government departments, including their executive agencies, other subsidiary bodies and other parts of the UK Government;

	<ul style="list-style-type: none"> <li>(b) companies wholly or partly owned by UK Government departments and their subsidiaries;</li> <li>(c) non-departmental public bodies, other public bodies, public corporations and their subsidiary bodies sponsored by UK Government departments; and/or</li> <li>(d) any successors to any of the entities set out in (a), (b) and (c) above or any new bodies which fall within the same criteria</li> </ul>
<b>Available Profits</b>	profits available for distribution within the meaning of Part 23 the Act
<b>B1 Ordinary Share</b>	a B1 ordinary share of £0.01 in the capital of the Company having the rights set out in these Articles and the term <b>B1 Ordinary Shareholder(s)</b> shall be construed accordingly
<b>B2 Ordinary Share</b>	a B2 ordinary share of £0.01 in the capital of the Company having the rights set out in these Articles and the term <b>B2 Ordinary Shareholder(s)</b> shall be construed accordingly
<b>B Ordinary Share Issue Price</b>	means £33.65 per B1 Ordinary Share and B2 Ordinary Share in each case, subject to adjustment to take account of any bonus issue or reorganisation
<b>Bad Leaver</b>	<p>means a person who ceases to be an Employee as a consequence of either:</p> <ul style="list-style-type: none"> <li>(a) that person's dismissal in circumstances which constitute Gross Misconduct as determined by the Board acting reasonably; or</li> <li>(b) a breach by that person of clause 14 (<i>Restrictions against Competing with the Group</i>) of the Investment Agreement</li> </ul>
<b>Beneficial Owner</b>	any person whose shares are held on trust by NomineeCo
<b>Board</b>	the board of Directors of the Company from time to time
<b>Business</b>	the business of the Group as carried on from time to time, being as at the Adoption Date the provision of financial services to consumers in the business to consumer (B2C) market
<b>Business Day</b>	a day (other than Saturday or Sunday or a public holiday) on which banks are generally open for business in London for normal business
<b>Business Plan</b>	has the meaning set out in the Investment Agreement

<b>Buy Back Agreement</b>	has the meaning given to it in Article 7.16
<b>C Ordinary Share</b>	a C ordinary share of £0.01 in the capital of the Company having the rights set out in these Articles and the term <b>C Ordinary Shareholder(s)</b> shall be construed accordingly
<b>C Ordinary Share Issue Price</b>	£33.65 per C Ordinary Share, in each case, subject to adjustment to take account of any bonus issue or reorganisation
<b>Civil Partner</b>	in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder
<b>company</b>	includes (except when referring to the Company) any body corporate, partnership, limited liability partnership, unincorporated business or association or other body
<b>Compulsory Sale Notice</b>	has the meaning set out in Article 8.4
<b>Concentric</b>	means Concentric Team Technology I LP and its Permitted Transferees
<b>Conflict of Interest</b>	includes a conflict of duties, or a conflict of interest and duty, or a potential conflict
<b>Connected Persons</b>	has the meaning given to it in section 1122 Corporation Tax Act 2010
<b>Controlling Interest</b>	the holding of Qualifying Shares (or the right to exercise the votes attaching to Shares) which confers in aggregate more than 50% of the total voting rights conferred by all the Qualifying Shares for the relevant time being in issue
<b>Crowdcube Platform</b>	the investment crowdfunding platform providing fundraising opportunities (as such may change over time) to third parties
<b>D Ordinary Share</b>	a D ordinary share of £0.01 in the capital of the Company having the rights set out in these Articles and the term <b>D Ordinary Shareholder(s)</b> shall be construed accordingly
<b>D Ordinary Shareholder Amount</b>	the aggregate amount, including nominal and any premium, paid to the Company by or on behalf of the D Ordinary Shareholders in connection with the issue of the D Ordinary Shares in existence at the relevant time
<b>Deferred Shares</b>	the deferred shares of £0.01 each in the capital of the Company and the term <b>Deferred Shareholder(s)</b> shall be construed accordingly
<b>Directors</b>	the directors from time to time of the Company, each a <b>Director</b> ;

<b>Disposal</b>	the sale of the whole or substantially the whole of the undertaking or assets of the Company
<b>E Ordinary Share</b>	an E ordinary share of £0.01 in the capital of the Company having the rights set out in these Articles and the term <b>E Ordinary Shareholder(s)</b> shall be construed accordingly
<b>E Shareholder Percentage</b>	means $\frac{A}{B}\%$  where:  A = the total number of E Ordinary Shares then in issue; and  B = the total number of Ordinary Shares and E Ordinary Shares then in issue
<b>EIS/VCT Reliefs</b>	has the meaning set out in Article 19.1.1
<b>Employee</b>	an employee or executive director of, or consultant to, a Group Company (but, for the avoidance of doubt, shall exclude any Puma Director or any NEDF Director)
<b>Employee Shareholder</b>	any Employee who owns Shares
<b>Exit Event</b>	any of the following events:  (a) a Disposal;  (b) a Share Sale;  (c) a Listing; or  (d) a liquidation or return of capital
<b>Experts</b>	has the meaning set out in Article 7.6
<b>Family Member</b>	in relation to any person, the spouse, Civil Partner, parent and every child and remoter descendant of that person (including stepchildren and adopted children)
<b>Family Trusts</b>	as regards any particular individual Shareholder or former individual Shareholder, a trust or trusts under which no immediate beneficial interest in any of the shares in question is from time to time vested in any person other than that individual and/or Family Members of that individual (and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income from it is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching to such share are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in

consequence of an exercise of a power or discretion conferred by the relevant trusts on any person or persons)

**Future Fund**

UK FF Nominees Limited, a company incorporated in England and Wales with company registration number 12591650 and whose registered office is at 5 Churchill Place, 10th Floor, London, England E14 5HU

**Gross Misconduct**

means any of the following circumstances:

- (a) a dismissal for misconduct that justifies summary dismissal without notice and without payment in lieu of notice (and notwithstanding any separate contractual arrangements entitling the Company to terminate employment without notice);
- (b) fraud, acts of dishonesty or any acts that materially discredit the Company or its reputation (as determined by the Board with the consent of the Puma Representative and the NEDF Director); and/or
- (c) being convicted of, or entering a plea of no contest, to a criminal offence (other than a driving offence carrying only a non-custodial sentence)

**Group**

the Company and any Subsidiary or Holding Company or any Subsidiary of the Holding Company from time to time (and **Group Company** means any of them from time to time)

**Institutional Investor**

means any fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing, other than an Institutional Investor who the Board (including the Puma Representative and the NEDF Director) determines in its reasonable discretion is a competitor with the business of the Company

**Investor Shares**

the D Ordinary Shares and the E Ordinary Shares and the term **Investor Shareholder(s)** shall be construed accordingly

**Investment Agreement**

the investment agreement, dated on or about the Adoption Date, between the Puma Investors, NEDF, the existing Shareholders of the Company and the Company that relates in whole or in part to the conduct of the Company's affairs (or such other similar agreement relating to the Company as may exist from time to time between the Shareholders and the Company)

<b>Investment Fund</b>	a fund, partnership, company, investment trust, syndicate or other entity whose principal business is to make investments and whose business is managed or advised by an Investment Manager
<b>Investment Manager</b>	a person whose principal business is to make, arrange or advise upon investments
<b>Issue Price</b>	the price at which the relevant Share is issued, including any premium
<b>ITA</b>	the Income Tax Act 2007
<b>Leaver</b>	a Bad Leaver or a Shareholder who holds shares by virtue of the exercise of Options granted to them but who ceases to be an Employee of the Company
<b>Listing</b>	the listing or admission to trading of all or any of the Shares, or any Shares of any holding company of the Company, to any Recognised Investment Exchange or Overseas Investment Exchange or the offering of any such aforesaid Shares or Shares which includes an offering to the public of such Shares or Shares in any jurisdiction
<b>Model Articles</b>	the model articles for public companies contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles
<b>NEDF</b>	The North East (ERDF) Development Limited Partnership (a limited partnership registered under the Limited Partnerships Act 1907 (registered number LP19400) acting by its general partner Maven NEDF GP Limited (company number 11279728) whose registered office is at Fifth Floor, 1-2 Royal Exchange Buildings, London, England, United Kingdom, EC3V 3LF
<b>NEDF Director</b>	any Director appointed by NEDF in accordance with Article 18
<b>NEDF Observer</b>	any observer appointed by NEDF in accordance with Article 18
<b>NomineeCo</b>	Crowdcube Nominees Limited (company number 09820478) or a Permitted Transferee of NomineeCo
<b>Offer Period</b>	has the meaning set out in Article 7.11
<b>Offer Price</b>	has the meaning set out in Article 7.5
<b>Options</b>	options over Ordinary Shares granted from time to time



<b>Ordinary Shares</b>	the A1 Ordinary Shares, A2 Ordinary Shares, B1 Ordinary Shares, B2 Ordinary Shares and the C Ordinary Shares and the term <b>Ordinary Shareholder(s)</b> shall be construed accordingly
<b>Other Investor Consent</b>	the prior written consent of NEDF
<b>Other Investor Shares</b>	means the D Ordinary Shares and the E Ordinary Shares held by NEDF
<b>Overseas Investment Exchange</b>	has the meaning set out in section 313 of the Financial Services and Markets Act 2000
<b>Permitted Transferee</b>	a person to whom shares have been permitted to be transferred pursuant to Article 14
<b>PIML</b>	Puma Investment Management Limited, a company incorporated in England and Wales (company number 08210180) whose registered office is Cassini House, 57 St James's Street, London, SW1A 1LD
<b>Preferred Ordinary Shares</b>	the A2 Ordinary Shares, B1 Ordinary Shares, B2 Ordinary Shares and C Ordinary Shares
<b>Proceeds Available for Distribution</b>	<p>(a) on a Disposal, the total consideration paid or payable for the assets sold or transferred (whether that consideration is to be satisfied in cash, shares, loan notes or a combination thereof or otherwise)</p> <p>(b) on a Share Sale, the total consideration paid or payable for all of the Shares (whether that consideration is to be satisfied in cash, shares, loan notes or a combination thereof or otherwise);</p> <p>(c) on a Listing, the valuation placed on all of the Shares on the date on which all or any of the Shares are listed, as shown in the prospectus, listing particulars or admission document published in connection with the Listing, less the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares (if any); and</p> <p>(d) on a liquidation or return of capital, the surplus assets of the Company remaining after payment of its liabilities,</p> <p>in each case less the amount of any fees, costs and expenses reasonably and properly incurred and borne by the Company in respect of any of the above events and, in respect of (b) only in respect of a Share Sale effected pursuant to Article 12 (Drag Along Rights), less the amount of any fees, costs and expenses</p>

	reasonably and properly incurred and borne by the Calling Shareholders in connection with the exercise of such drag along right
<b>Proposed Purchaser</b>	a proposed purchaser of Shares which results in a Tag Offer under Article 11
<b>Proposing Transferor</b>	has the meaning set out in Article 7.1
<b>Puma Affiliate</b>	Puma Investment Manager, or any fund, company or entity managed or advised by the Puma Investment Manager or any of the Puma Investment Manager's subsidiary undertakings or parent undertakings, including PIML
<b>Puma Director</b>	any Director appointed under Article 18.1
<b>Puma Investment Manager</b>	any fund, company or entity that advises or manages any Puma Investor
<b>Puma Investors</b>	has the meaning set out in the Investment Agreement
<b>Puma Representative</b>	the person appointed as the representative of the Puma Investors under the Investment Agreement
<b>Puma Shares</b>	the D Ordinary Shares and / or E Ordinary Shares held by the Puma Investors
<b>Qualifying Company</b>	a company in which a Shareholder or Trustee(s) holds the entire issued Share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the Corporation Tax Act 2010)
<b>Qualifying Shares</b>	the Ordinary Shares, D Ordinary Shares and the E Ordinary Shares
<b>Qualifying Shareholders</b>	any person holding Qualifying Shares
<b>Recipient Shareholders</b>	has the meaning set out in Article 12.2
<b>Recognised Investment Exchange</b>	bears the meaning set out in section 285 of the Financial Services and Markets Act 2000
<b>Relevant Event</b>	has the meaning set out in Article 8.2
<b>Relevant Shares</b>	(so far as they remain held by the Permitted Transferee) the Shares originally transferred to a Permitted Transferee pursuant to Article 13 (Permitted Transfers of Shares) and any additional Shares either issued to such Permitted Transferee by way of capitalisation of reserves or acquired by such Permitted Transferee in exercise of any right or option granted or arising by

virtue of the holding of such Shares or additional Shares or any of them or the membership conferred by them

<b>Relevant Shareholder</b>	has the meaning set out in Article 8.4
<b>Share Option Scheme</b>	any share option scheme adopted by the Company from time to time
<b>Share Sale</b>	the completion of any transaction or series of transactions in which any person, Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains all of the Shares in the Company
<b>Shareholder</b>	a registered holder of Shares in the Company (and includes joint holders)
<b>Shares</b>	any share or shares in the capital of the Company
<b>Significant Executive Shareholder Director</b>	has the meaning set out in Article 18.2
<b>Significant Executive Shareholder</b>	Virraj Jatania
<b>Subsidiary and Holding Company</b>	have the meanings ascribed to such expressions by section 1159 of the Act
<b>Termination Date</b>	the date on which the Bad Leaver ceases to be an Employee
<b>Transfer Notice</b>	has the meaning set out in Article 7.3
<b>Transfer Shares</b>	has the meaning set out in Article 7.1
<b>Trustees</b>	in relation to a Shareholder means the trustee or the trustees of a Family Trust

1.2 In these Articles, where the context admits and unless specified to the contrary:

- 1.2.1 words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles;
- 1.2.2 a reference to an **Article** is a reference to the relevant article of these Articles unless expressly provided otherwise;
- 1.2.3 words and expressions defined in any part of these Articles have the same meanings throughout these Articles;
- 1.2.4 a reference to the issue of a share includes the allotment of a share;

- 1.2.5 use of the singular is deemed to include the plural, use of any gender is deemed to include every gender and any reference to a person is deemed to include a corporation, a partnership and other body or entity; and (in each case) vice versa;
- 1.2.6 references to the **Directors** means, unless the context otherwise requires, the directors of the Company acting as a board or the directors of the Company present or deemed to be present at a duly convened board meeting at which a quorum is present;
- 1.2.7 a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of (i) any subordinate legislation from time to time made under it and (ii) any amendment or re-enactment, and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts;
- 1.2.8 in relation to any shareholder, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that shareholder is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned; and
- 1.2.9 the headings shall not affect the interpretation of these Articles.

## **2 MODEL ARTICLES**

- 2.1 The Model Articles apply to the Company, except to the extent they are modified or excluded by or are inconsistent with these Articles.
- 2.2 The registered office of the Company will be situated in England and Wales.

## **3 SHARE CAPITAL**

- 3.1 **Classes of Shares.** The Company has eight classes of Shares, namely A1 Ordinary Shares of £0.01 each, A2 Ordinary Shares of £0.01 each, B1 Ordinary Shares of £0.01 each, B2 Ordinary Shares of £0.01 each, C Ordinary Shares of £0.01 each, D Ordinary Shares of £0.01 each, E Ordinary Shares of £0.01 each and Deferred shares of £0.01 each. The Shares have the rights and restrictions set out in Article 4 (Share rights).
- 3.2 **Restrictions on issue of new Shares.** No Shares shall be allotted by the Company on any occasion without the prior written consent of the Puma Representative and Other Investor Consent.
- 3.3 **Directors' authority to issue new Shares.** Subject always to Article 3.2 (Restrictions on issue of new Shares), the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to allot shares in the capital of the Company, and to grant rights to subscribe for or convert any security into shares in the capital of

the Company, on such terms and in such manner as they think fit up to an aggregate nominal amount of shares of £20,000,000. This authority will expire five years from the date of adoption of these Articles. The Company may make any offer or agreement before the expiry of this authority which would or might require shares to be allotted or the rights to be granted after this authority has expired and the Directors may allot shares or grant the rights in pursuance of any such offer or agreement. This authority may at any time, subject to section 551 of the Act, be renewed, revoked or varied by an ordinary resolution of the Company.

- 3.4 **Subscription rights and convertible securities.** In relation to rights to subscribe for or to convert any security into Shares in the Company, the reference in Article 3.3 to the maximum amount of Shares that may be allotted under the authority contained in Article 3.3 is to the maximum amount of Shares that may be allotted pursuant to the rights.
- 3.5 **No maximum number of Shares.** Subject to Article 3.2 (Restrictions on issue of new Shares) and Article 3.3 (Directors' authority to issue new Shares), there will be no maximum number of shares which may be allotted by the Company, or over which rights may be granted.
- 3.6 **Pre-emption rights.** The Directors' authority under Article 3.3 is subject to the pre-emption rights in favour of Shareholders contained in Article 5 (Pre-Emption Rights in Respect of New Issues of Shares) and the exceptions set out in Article 5.2.
- 3.7 **Disapplication of statutory pre-emption rights.** The statutory pre-emption rights contained in sections 561 and 562 of the Act will not apply to an issue of equity securities (as defined in section 560(1) of the Act) made by the Directors. The pre-emption rights set out in Article 5 (Pre-Emption Rights in Respect of New Issues of Shares) shall apply instead.
- 3.8 **Lien.** The Company shall have a first and paramount lien on every Share, whether or not a fully paid Share, for all moneys, whether presently payable or not, payable or otherwise owing by the holder of such Share, or any Associate of such holder, to the Company or any other member of the Group. The Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article 3.8. The Company's lien on a Share shall extend generally as described above as well as to any amount payable in respect of it.

#### 4 **SHARE RIGHTS**

- 4.1 **Voting.** Subject always to Article 10 (Disenfranchisement), each Shareholder holding Qualifying Shares shall be entitled to receive notice of, attend and vote at general meetings of the Company on the basis of one vote per share held. For the avoidance of doubt, the Deferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.

4.2 **Quorum.** No meeting of Shareholders will be quorate unless those Shareholders present include both (whether in person or by proxy) i) the holder or holders of more than 50 per cent of the Puma Shares in issue from time to time and ii) the holder or holders of more than 50 per cent of the Other Investor Shares in issue from time to time. Notices of all meetings of Shareholders must be served on the Puma Representative and NEDF in accordance with Article 21.3 at the same time as notice is served on the Shareholders.

4.3 **Consent to alteration of these Articles.** It is a term of issue of the Puma Shares and the Other Investor Shares that the rights attached to such shares will be deemed to be varied by any alteration of these Articles or the adoption of new articles of association of the Company each of which will accordingly require the consent of the holders of the Puma Shares and the Other Investor Shares stipulated in section 630 of the Act.

#### 4.4 **Return of Capital**

4.4.1 **Sharing the proceeds on an Exit Event.** On an Exit Event, the total Proceeds Available for Distribution among the Shareholders will be distributed in the following order and priority:

- (a) first, in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by the payment to any one holder of Deferred Shares);
- (b) second, in paying to the Shareholders (other than the Deferred Shareholders), *pro rata* to the aggregate amount deemed paid up on each Share (other than Deferred Shares) until the D Ordinary Shareholders have received the D Ordinary Shareholder Amount in aggregate, where:
  - (i) the amount paid up on each Ordinary Share and each E Ordinary Share shall be deemed to be £0.00001; and
  - (ii) the amount paid up on each D Ordinary Share shall be deemed to be £1.00; and
- (c) thereafter, in paying any remaining Proceeds Available for Distribution to each Shareholder (other than Deferred Shareholders) in the following proportions (and for the avoidance of doubt, limbs (i), (ii) and (iii) below are not intended to, and do not, create an order of preference between the Qualifying Shares):
  - (i) 0.00001% to the holders of the Ordinary Shares and D Ordinary Shares *pro rata* as and between those holders (as if they constituted one class of shares);
  - (ii) the E Shareholder Percentage to the holders of the E Ordinary Shares *pro rata* as and between those holders; and

- (iii) the balance to the holders of the Ordinary Shares in the following order and priority:
- (A) first, in paying to each holder of C Ordinary Shares, an amount per C Ordinary Share held which is equal to 1.50x the C Ordinary Share Issue Price plus any declared but unpaid dividends in respect of the C Ordinary Shares (provided that if there are insufficient Proceeds Available for Distribution to pay such amounts, the remaining Proceeds Available for Distribution shall be distributed to the C Ordinary Shareholders *pro rata* to the amounts paid up on their C Ordinary Shares);
  - (B) second, in paying to each holder of B2 Ordinary Shares, an amount per B2 Ordinary Share held which is equal to 4x the B Ordinary Share Issue Price plus any declared but unpaid dividends in respect of the B2 Ordinary Shares (provided that if there are insufficient Proceeds Available for Distribution to pay such amounts, the remaining Proceeds Available for Distribution shall be distributed to the holders of B2 Ordinary Shares *pro rata* to the amounts paid up on their B2 Ordinary Shares);
  - (C) third, in paying to each holder of B1 Ordinary Shares, an amount per B1 Ordinary Share held which is equal to 2x the B Ordinary Share Issue Price plus any declared but unpaid dividends in respect of the B1 Ordinary Shares (provided that if there are insufficient Proceeds Available for Distribution to pay such amounts, the remaining Proceeds Available for Distribution shall be distributed to the holders of B1 Ordinary Shares *pro rata* to the amounts paid up on their B1 Ordinary Shares);
  - (D) fourth, in paying to each holder of A2 Ordinary Shares, an amount per A2 Ordinary Share held which is equal to 1x the A2 Ordinary Share Issue Price plus any declared but unpaid dividends in respect of the A2 Ordinary Shares (provided that if there are insufficient Proceeds Available for Distribution to pay such amounts, the remaining Proceeds Available for Distribution shall be distributed to the holders of A2 Ordinary Shares *pro rata* to the amounts paid up on their A2 Ordinary Shares);

- (E) fifth, an amount of the remaining Proceeds Available for Distribution shall be paid to the holders of C Ordinary Shares *pro rata* to the number of C Ordinary Shares held which amount shall be calculated as follows:

$$p * \frac{f}{t}$$

where:

$p$  = the total amount of Proceeds Available for Distribution remaining following the payments set out in the preceding paragraphs of this Article 4.4.1 above;

$f$  = the total number of C Ordinary Shares in issue; and

$t$  = the total number of Shares (other than any Deferred Shares or D Ordinary Shares) in issue,

- (F) sixth, the remaining Proceeds Available for Distribution shall be distributed as follows:

- (a) first, to the holders of A1 Ordinary Shares, *pro rata* to the number of A1 Ordinary Shares held, the amount resulting from the following calculation:

$$\frac{x}{y} * z$$

where:

$x$  = the total amount payable to the holders of A2 Ordinary Shares under Article 4.4.1(c)(iii)(D);

$y$  = the percentage representing the proportion of the total number of A2 Ordinary Shares and any options and warrants over the A2 Ordinary Shares to the total number of A1 Ordinary Shares and A2 Ordinary Shares (including any options and warrants over such Shares); and

$z$  = the percentage representing the proportion of A1 Ordinary Shares and any options and warrants over A1 Ordinary Shares to the total number of A1 Ordinary Shares and A2 Ordinary Shares (including any options and warrants over such Shares),

*provided that* where the resulting distribution would otherwise be more than or equal to the total sums invested into the Company by the holders of A1 Ordinary Shares, such distribution



shall be limited to the total investment received by the Company from the holders of A1 Ordinary Shares,

and thereafter,

(b) any remaining Proceeds Available for Distribution shall be paid in the following proportions:

(i) an amount equal to the remaining Proceeds Available for Distribution multiplied by the percentage figure defined as 'y' in the calculation above shall be paid to the holders of A2 Ordinary Shares and any holders of options and warrants over A2 Ordinary Shares pro rata to the number of A2 Ordinary Shares and options and warrants over A2 Ordinary Shares held by such holders; and

(ii) an amount equal to the remaining Proceeds Available for Distribution multiplied by the percentage figure defined as 'z' in the calculation above shall be paid to the holders of A1 Ordinary Shares and any holders of options and warrants over A1 Ordinary Shares pro rata to the number of A1 Ordinary Shares and options and warrants held by such holders,

provided that in the event that (i) there are no D Ordinary Shares in issue at the relevant time; and / or (ii) there are no E Ordinary Shares in issue at the relevant time, then the Proceeds Available for Distribution shall be distributed in accordance with clause 4.4.1 and all references to the D Ordinary Shares and / or E Ordinary Shares (as applicable) shall be deemed to be deleted and such clauses shall otherwise apply *mutatis mutandis*.

**4.4.2 Share Sale.** In the event of a Share Sale, notwithstanding anything to the contrary in the terms and conditions governing such Share Sale the selling Shareholders agree that the Directors shall not register any transfer of Shares unless:

(a) the Proceeds Available for Distribution (whenever received) represented by cash are paid into the Company's solicitors' bank account or such other bank account designated and agreed by the Company, the Puma Representative and NEDF and the Proceeds

Available for Distribution represented other than in cash shall be held by the Company (or its nominee) on bare trust for the Shareholders whose Shares are being sold in connection with the Share Sale; and

- (b) the Proceeds Available for Distribution are then distributed amongst such selling Shareholders in the amounts and in the order of priority as set out in Article 4.4.1.

**4.4.3 Disposal.** Upon the completion of a Disposal, all of the Shareholders shall procure that the Company is wound up and shall take all such steps as are required to wind up the Company and distribute the assets of the Company remaining after the payment of its liabilities to the Shareholders in accordance with the order of priority set out in Article 4.4.1.

**4.4.4 Listing.** Immediately prior to and conditionally upon a Listing:

- (a) subject to Article 4.4.4(b), the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as the Company's auditors shall specify to ensure that the Shareholders are in the same economic position as if the order of priority set out in Article 4.4.1 for the distribution of the Proceeds Available For Distribution had been applied to the Listing; or
- (b) if decided by the Board, the Company shall issue to each Shareholder (to the extent legally permissible), by way of automatic capitalisation of reserves, such number of new Shares as would put them in the same economic position as if the order of priority set out in Article 4.4.1 for the distribution of the Proceeds Available For Distribution had been applied to the Listing.

**4.4.5** All Shares to be issued in accordance with Article 4.4.4 shall be paid up by the automatic capitalisation of any amount standing to the credit of the Share premium account or any other available reserve of the Company as determined by the Board and shall be credited as fully paid at par. Such a capitalisation shall not require any action on the part of the Shareholders and the Board shall allot the Shares arising on the capitalisation to the Shareholders entitled to them in accordance with Article 4.4.4. If and to the extent that the Company is not lawfully permitted to carry out the capitalisation required by Article 4.4.4(b) in full (whether by virtue of the Act or otherwise), each such Shareholder shall be entitled to subscribe in cash at par for the balance of that number of additional Shares as would otherwise have been issued pursuant to Article 4.4.4. The Shareholders shall procure (so far as they are lawfully able) that the Board shall have sufficient authorisations required to issue the Shares which may fall to be issued under Article 4.4.4 or this Article 4.4.5.

## 4.5 Income

- 4.5.1 **Income.** Any profits that the Company may decide to distribute shall be distributed amongst the Shareholders pro rata to the amount paid up per Share, for which purpose the amount paid up on each Deferred Share shall be deemed to be £0.00001 and the amount paid up on each Qualifying Share shall be deemed to be £1.00.
- 4.5.2 **Separate classes of Shares:** The Qualifying Shares and Deferred Shares have the special rights and restrictions attaching to them under this Article 4. Except for those special rights and restrictions, the Qualifying Shares will rank equally, but will constitute separate classes of Shares.
- 4.5.3 **Deferred Shares:** The Deferred Shares shall have the following additional rights and restrictions:
- (a) neither the passing by the Company of any special resolution for the cancellation of the Deferred Shares for no consideration by means of a reduction of capital nor the obtaining by the Company nor the making by the court of any order confirming any such reduction of capital nor the making effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares and accordingly the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with the Act without any sanction on the part of the Deferred Shareholders;
  - (b) upon the issue of any Deferred Shares or the conversion of any share capital into Deferred Shares, the Company shall be deemed to have been given irrevocable authority at any time to appoint any person on behalf of any Deferred Shareholder to execute an agreement to transfer and/or a transfer of such Deferred Shares for no consideration to such person (whether or not an officer of the Company) as the Directors may determine as the custodian of them and to purchase them (in accordance with the provisions of the Act) for a consideration not exceeding one penny for each holding of Deferred Shares then purchased and upon giving 14 days' prior notice to the holders of the Deferred Shares so to be purchased and pending any such transfer or purchase to retain the certificate or certificates for such shares;
  - (c) the special rights conferred by the Deferred Shares shall be deemed not to be modified or abrogated by the creation or issue of further shares ranking *pari passu* or in priority to the Deferred Shares; and
  - (d) Investor Shares will be convertible into Deferred Shares (in the ratio of one Deferred Share for one Investor Share) and Ordinary Shares will be convertible into Deferred Shares (in the ratio of one Deferred

Share for one Ordinary Share) at any time in accordance with any express provision of these Articles or otherwise with Puma Representative consent and Other Investor Consent. If any Ordinary Shares and/or Investor Shares are so converted:

- (i) the Directors shall ensure that the conversion is recorded in the Company's register of members; and
- (ii) the holder of the Ordinary Shares and/or Investor Shares converted must promptly deliver to the Company the certificate(s) for such shares for cancellation (or a customary indemnity in respect of any lost certificate(s)) and the Company will issue such holder with a replacement certificate in respect of the Deferred Shares into which the Investor Shares and the holder of Ordinary Shares have been converted and, if applicable, a balancing certificate for any Investor Shares retained by the holder.

- 4.6 **Conversion of D Ordinary Shares.** Any holder of D Ordinary Shares shall be entitled, by notice in writing to the Company at any time (and the Company shall notify each holder of D Ordinary Shares within three Business Days of receiving such notice) to require conversion into E Ordinary Shares of all the fully paid D Ordinary Shares held by such Shareholder at the relevant time and those D Ordinary Shares shall convert automatically on the date of such notice.
- 4.7 **Conversion Ratio; D Ordinary Shares.** On the Conversion Date, the D Ordinary Shares shall without further authority than is contained in these Articles stand converted into E Ordinary Shares on the basis of one E Ordinary Share for each D Ordinary Share held (the **Conversion Ratio**) and the E Ordinary Shares resulting from that conversion shall in all respects rank *pari passu* with any existing issued E Ordinary Shares.
- 4.8 **Conversion of Preferred Ordinary Shares.** Any holder of Preferred Ordinary Shares shall be entitled, by notice in writing to the Company, at any time, to require conversion into A1 Ordinary Shares of all of the fully paid Preferred Ordinary Shares held by them at any time and those Preferred Ordinary Shares shall convert automatically on the date of such notice (the **Preferred Ordinary Share Conversion Date**).
- 4.9 **Conversion Ratio; Preferred Ordinary Shares.** On the Preferred Ordinary Share Conversion Date, the Preferred Ordinary Shares shall without further authority than is contained in these Articles stand converted into A1 Ordinary Shares on the basis of one Preferred Ordinary Share for each A1 Ordinary Share held (the **Preferred Ordinary Share Conversion Ratio**), and the A1 Ordinary Shares resulting from that conversion shall in all respects rank *pari passu* with any existing issued A1 Ordinary Shares.
- 4.10 **Register of Members after conversion.** The Company shall on the Conversion Date or the Preferred Ordinary Share Conversion Date (as the case may be) enter each holder of converted D Ordinary Shares or converted Preferred Ordinary Shares on the

register of members of the Company as the holder of the appropriate number of E Ordinary Shares or A1 Ordinary Shares and, subject to the relevant holder delivering its share certificate(s) (or an indemnity for lost share certificate(s) in a form acceptable to the Board) in respect of the D Ordinary Shares or the Preferred Ordinary Shares, the Company shall within 10 Business Days of the Conversion Date or the Preferred Ordinary Share Conversion Date forward to such holder of D Ordinary Shares or Preferred Ordinary Shares a definitive certificate for the appropriate number of fully paid E Ordinary Shares or A1 Ordinary Shares.

- 4.11 **Offer by way of rights.** If D Ordinary Shares remain capable of being converted into E Ordinary Shares, and any E Ordinary Shares are offered by the Company by way of rights to holders of E Ordinary Shares (an **Offer By Way Of Rights**), the Company shall, on the making of each such offer, make a like offer to each D Ordinary Shareholder as if immediately before the record date for the Offer By Way Of Rights, the D Ordinary Shares had been converted into fully paid E Ordinary Shares at the then applicable Conversion Ratio.
- 4.12 **Adjustment of Conversion Ratio.** The Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this Article:
- 4.12.1 if D Ordinary Shares remain capable of being converted into new E Ordinary Shares and there is a consolidation and/or sub-division of any existing Qualifying Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with the prior consent of the Puma Representative and the NEDF Director) is fair and reasonable, to maintain the right to convert so as to ensure that each D Ordinary Shareholder is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division; and
- 4.12.2 if D Ordinary Shares remain capable of being converted into E Ordinary Shares, on an allotment of fully-paid Qualifying Shares pursuant to a capitalisation of profits or reserves to any holders of Qualifying Shares the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with the prior consent of the Puma Representative and the NEDF Director) is fair and reasonable, to maintain the right to convert so as to ensure that each D Ordinary Shareholder is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.
- 4.13 **Adjustment of Preferred Ordinary Share Conversion Ratio.** The Preferred Ordinary Share Conversion Ratio shall, where Preferred Ordinary Shares remain capable of being converted into new A1 Ordinary Shares and there is a consolidation and/or sub-division of any existing Qualifying Shares, the Preferred Ordinary Share Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board is fair and reasonable, to maintain the right to convert so as to ensure that each Preferred Ordinary Shareholder is in no better or worse position as a result of such consolidation

or sub-division, such adjustment to become effective immediately after such consolidation or sub-division.

**4.14 50% Caps on corporate shareholders and their Connected Persons.** The limitations in Article 4.15, Article 4.16 and Article 4.17 shall apply to:

4.14.1 any Shareholder that is a "company" for the purposes of the independence requirement in section 296(2) of ITA (a **Corporate Shareholder**); and

4.14.2 any Shareholder that is a Connected Person in relation to that Corporate Shareholder (a **Relevant Connected Person**).

**4.15** At any time, on a liquidation or other return of capital event (including the redemption or repurchase of Shares) the aggregate amount payable to any Corporate Shareholder and all of its Relevant Connected Persons shall not exceed 50% of the assets of the Company available for distribution amounts the participators (as defined in section 454 of CTA) or the Company at that time.

**4.16** At any time, on a distribution of any profits of the Company by way of dividend or otherwise (including on the redemption or repurchase of Shares) no distribution shall be made to any Corporate Shareholder and all of its Relevant Connected Persons if, and to the extent that, the aggregate amount that would (but for this Article 4.16) be payable to that Corporate Shareholder and its Relevant Connected Persons would exceed 50% of the total amount of the profits of the Company available for distribution at that time.

**4.17** At any time, the aggregate number of voting rights attaching to all the Shares held by any Corporate Shareholder and all of its Relevant Connected Persons shall be restricted to the lower of:

4.17.1 49.99% of the votes attaching to all Shares; and

4.17.2 the total number of voting rights that would have been conferred on such Shareholders if this Article 4.17 did not apply.

## **5 PRE-EMPTION RIGHTS IN RESPECT OF NEW ISSUES OF SHARES**

**5.1 Pre-emption rights.** Subject to Articles 3.2 and 5.2, if the Directors wish to issue any new Shares in the Company after the Adoption Date they must first offer them to the Qualifying Shareholders in accordance with this Article 5. However, the offer shall not be made to any Qualifying Shareholder who has served, or is deemed to have served, a Transfer Notice which is then in its Active Period or to any Associate or Permitted Transferee of that Shareholder.

**5.2 Exceptions.** Article 5.1 shall not apply to:

5.2.1 the issuance of shares contemplated by the Investment Agreement;

5.2.2 the issuance of shares pursuant to any Share Option Scheme;

5.2.3 with the prior written consent of a Significant Executive Shareholder Director (not to be unreasonably withheld or delayed), the Puma Representative and Other Investor Consent:

- (a) any Shares or other securities issued by the Company as part of any *bona fide* venture debt financing approved by the Board;
- (b) any Shares issued by the Company pursuant to a share split or other reorganisation or other bonus issue or reorganisation approved by the Board;
- (c) any Shares (or securities convertible into Shares or rights to subscribe for or acquire Shares) which the Board has agreed in writing should be issued (or granted) without complying with the procedure set out in this Article 5; and
- (d) the issuance of Shares for non-cash consideration, as part of one or more acquisitions by the Company or any other member of the Group of any shares, assets, businesses or undertakings.

5.3 **Terms of the offer.** The new Shares must be offered to the Qualifying Shareholders in proportion (as nearly as possible) to the numbers of Qualifying Shares already held by them (as if all classes of the Qualifying Shares were one class). The offer must be at the same price and on the same terms for each Qualifying Shareholder. A Qualifying Shareholder may accept all or part of their proportionate entitlement and may apply for Shares in excess of their proportionate entitlement.

5.4 **Notice of the offer.** The offer must be made to each Qualifying Shareholder by notice specifying the price per Share, the number of Shares offered and the proportionate entitlement of the Qualifying Shareholder. The notice must also set a period of between 7 and 14 days within which the offer must be accepted (**Acceptance Period**).

5.5 **Issue of the shares.** After the end of the Acceptance Period the Directors shall promptly issue the Shares to those Qualifying Shareholders who have accepted them, subject to payment of the price.

5.6 **Shares not taken up.** Any Shares not accepted pursuant to the offer, or not capable of being so offered except by way of fractions, may be issued to any person at the discretion of the Directors (with the consent of the Puma Representative and Other Investor Consent). This may include a Qualifying Shareholder who wishes to take more than their proportionate entitlement. However, such Shares shall not be issued to any person on terms more favourable than the terms on which they were offered to the Qualifying Shareholders.

5.7 **No assignment or renunciation.** No new Shares shall be issued on terms that the right to take up the Shares can be assigned to or renounced in favour of another person. No person entitled to the issue of any Shares may direct that such Shares be issued to any other person.

- 5.8 **New subscription and conversion rights are also covered by this Article.** A reference to the issue of Shares in the above provisions of this Article 5 includes the grant by the Directors of a right to subscribe for, or convert any securities into, Shares in the Company. However, such a reference does not include the subsequent issue of any Shares pursuant to such a right. This Article 5 will apply accordingly.
- 5.9 **Rights of holders of existing subscription and conversion rights.** If under the terms of any right to subscribe for, or convert securities into, Shares, a person is entitled to receive any offer made pursuant to this Article 5 as if that person had exercised their right in full prior to the making of the offer then the offer shall be extended to that person accordingly. This will only apply to a right which was granted lawfully and not made in contravention of any agreement binding on the Company.
- 5.10 **Designation of new Shares.** If new Shares of an existing class of share are issued to a Qualifying Shareholder under this Article 5 the new Shares shall be designated in the same class of Qualifying Share held by that Qualifying Shareholder. If a Qualifying Shareholder holds Qualifying Shares across multiple share classes, then the new Shares shall be designated as the same classes of Qualifying Shares in proportion (as nearly as possible) to that Qualifying Shareholder's existing holdings of Qualifying Shares across such share classes. For the avoidance of doubt, if the new Shares represent a new class of share or other security offered by the Company, such new Shares shall not be subject to such designation.
- 5.11 **Forfeited and surrendered shares.** The provisions of this Article 5 will apply to any Share which the Directors decide to forfeit (or accept a surrender of) and re-allot under any of the powers contained in the Model Articles.
- 5.12 **Waiver.** The provisions of this Article 5 may not be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case without the prior written consent of the Puma Representative and Other Investor Consent.

## **6 RESTRICTIONS ON DISPOSING OF SHARES OR INTERESTS IN THEM**

- 6.1 **General restriction.** Subject to Article 6.2, Shareholders may not sell, transfer or dispose of any of their Shares, or any interest in them, or create or permit to exist any charge, lien or encumbrance over any of their Shares or any interest in them, or agree to do any of the above whether conditionally or unconditionally without the prior written consent of the Puma Representative and Other Investor Consent. Subject to Article 6.2, any transfer that does not have the written consent of both the Puma Representative and the Other Investor shall not be registered by the Board.
- 6.2 **Exceptions.** The exceptions to Article 6.1 are:
- 6.2.1 a transfer of Deferred Shares made pursuant to Article 4.5.3(b);
  - 6.2.2 a transfer of Shares which is required under Article 8 (Compulsory Sale of Shares);



6.2.3 a transfer of Shares which is required or permitted by Article 11 (Tag Along Rights) or Article 12 (Drag Along Rights); or

6.2.4 a transfer which is permitted by Article 14 (Permitted Transfers of Shares).

6.3 **Obligation to transfer whole legal and beneficial interest.** An obligation to transfer any Share pursuant to any provision of these Articles is an obligation to transfer the whole of the legal and beneficial title to such Share free from all charges, liens and encumbrances and other third party rights and together with all rights, title and interest in such Share in existence at the date of transfer and which may arise afterwards. A Shareholder must not do anything which would be inconsistent with or which would prevent the Shareholder from complying with this obligation.

6.4 **Entitlement of Directors to refuse to register transfers.** The Directors may refuse to register the transfer of any Share:

6.4.1 in accordance with the discretions vested in them pursuant to article 63 of the Model Articles;

6.4.2 to a person who is, or whom the Directors reasonably believe to be, under 18 years of age or who does not have, or whom the Directors reasonably believe does not have, the legal capacity freely to dispose of any Share without restriction or court approval;

6.4.3 save in respect of any transfers of Shares by the Puma Investors to any Puma Affiliate, or by NEDF to any NEDF Affiliate if they have reasonable grounds for believing that such Share will or may be transferred to or become beneficially owned by a person, or an Associate of a person, carrying on business in competition with any business at the relevant time being carried on by a member of the Group; or

6.4.4 if the transferee fails to execute a deed of adherence in connection with that transfer as required by Article 15;

and any right to transfer a Share under these Articles shall be subject to this Article 6.4 (other than a transfer under Article 12 (Drag Along Rights)).

## **7 PRE-EMPTION RIGHTS ON TRANSFERS OF SHARES**

7.1 **Pre-emption rights.** Subject to Article 6.1, a Shareholder who proposes to transfer all or any Qualifying Shares held by it, or if a Compulsory Sale Notice has been served on a Relevant Shareholder under Article 8 (**Proposing Transferor**), the Proposing Transferor must first offer such Shares (**Transfer Shares**) for sale to the other Qualifying Shareholders in accordance with this Article 7. To the extent that the Transfer Shares are not taken up by the other Qualifying Shareholders, they may be dealt with in accordance with the remaining provisions of this Article 7.

7.2 **Exempt transfers.** An offer under Article 7.1 is not required in respect of a proposed transfer or sale of Shares of a type described in Article 8.5 (sale to an incoming

employee or director), Article 11 (Tag Along Rights), Article 12 (Drag Along Rights) or Article 13 (Permitted Transfers of Shares).

- 7.3 **Transfer Notice and share certificates.** The Proposing Transferor must give notice in writing (**Transfer Notice**) to the Company that they wish to transfer the Transfer Shares and, if they wish to transfer the Transfer Shares to specific person / entity, the identity of that person / entity (**Nominated Transferee**). The Company (acting by the Directors) will be the Proposing Transferor's agent for the sale of the Transfer Shares in accordance with this Article 7. Once given, a Transfer Notice cannot be revoked. The Proposing Transferor must deliver to the Company the share certificate(s) in respect of the Transfer Shares (or a customary indemnity in respect of any lost certificate(s)) at the same time as giving a Transfer Notice.
- 7.4 **Notice to Qualifying Shareholders.** Within seven days after the receipt of a Transfer Notice, the Directors must serve notice on all the Qualifying Shareholders, except the Proposing Transferor, notifying them that the Transfer Notice has been given and identify the Nominated Transferee (if any).
- 7.5 **Offer Price.** The Transfer Shares will be offered at the Offer Price. This means such sum per Transfer Share and such terms of transfer as may have been agreed between the Nominated Transferee and the Proposing Transferor, or if no such price has been agreed or there is no Nominated Transferee, the Offer Price shall be: (i) following the issuance of a Transfer Notice, agreed between the Proposing Transferor and the Directors as representing the fair market value of the Transfer Shares as at the date of the Transfer Notice; (ii) following the issuance of a Compulsory Sale Notice in connection with a Relevant Event, the price agreed between the Proposing Transferor and the Directors as representing the fair market value of the Transfer Shares as at either the date of the Compulsory Sale Notice or the date of the Relevant Event, whichever is lower; or (iii) following the issuance of a Compulsory Sale Notice in connection with an Employee ceasing to be an Employee by reason of being a Bad Leaver, the relevant price as set out in Article 9.
- 7.6 **Dispute.** If the Proposing Transferor and the Directors cannot reach agreement for any reason within 14 days after the service of a notice under Article 7.4, Article 8.3 or Article 8.4, the Offer Price will be decided by experts appointed under Article 7.7. Either the Proposing Transferor or the Directors may request an appointment under Article 7.7.
- 7.7 **Experts.** An independent firm or other entity capable of acting as the Company's auditors, but not being the Company's auditors. The Experts will be appointed by agreement between the Proposing Transferor and the Directors. However, if they fail to agree on an appointment within 14 days after a particular appointment is proposed by either the Proposing Transferor or the Directors, the Experts will be selected by the President (or, if the President is unavailable for any reason, the next most senior available officer) from time to time of the Institute of Chartered Accountants in England and Wales. If such individual shall be unable or unwilling to make a selection, then the

selection will be made by the High Court of Justice in England. Either the Proposing Transferor or the Directors may apply for such a selection to be made.

- 7.8 **Referral to Experts and costs of the Experts.** The Company must refer the valuation of the Transfer Shares to the Experts promptly after the selection of the Experts. The Company will use all reasonable endeavours to ensure that the Experts reach their decision as soon as possible after such referral. The Experts will act as experts and not as arbitrators and their decision will, in the absence of manifest error, be final and binding. The Experts will act at the cost and expense of the Company subject to Article 7.9.
- 7.9 **Costs of the Experts.** The costs and expenses of the Experts, and of their appointment, will be borne by the Company unless the Offer Price decided by the Experts is the same as, or within ten per cent of, that (if any) which the Directors had notified to the Proposing Transferor in writing as being in their opinion the appropriate Offer Price, in which event such costs and expenses will be borne by the Proposing Transferor.
- 7.10 **Basis of valuation by the Experts.** The Experts will decide and certify the fair market value of the Transfer Shares as at the date of the Transfer Notice as between a willing buyer and a willing seller at arm's length, which value will not be discounted by reason of the fact that the Transfer Shares are not freely transferable and/or (if such be the case) constitute a minority holding. However, a different basis of valuation may be used if the Proposing Transferor and the Directors agree in writing to this.
- 7.11 **Offer to Qualifying Shareholders.** Within seven days after the Offer Price has been agreed or decided, the Company will offer the Transfer Shares at the Offer Price to the Qualifying Shareholders. However, the offer must not be made to the Proposing Transferor, any Associate of the Proposing Transferor, any Permitted Transferee of the Proposing Transferor, any Shareholder who has served or is deemed to have served a Transfer Notice which is then in its Active Period or any Associate or Permitted Transferee of that Shareholder. The offer must be made in writing specifying the total number of Shares offered. It must be accompanied by a form of application for use by the Qualifying Shareholder in applying for any Transfer Shares which they are willing to purchase. The offer must be open for acceptance for 21 days from the date of its despatch (**Offer Period**).
- 7.12 **Redesignation of Transfer Shares on a transfer.** Any Transfer Shares which are acquired by the Puma Investors or NEDF under this Article 7 may, at the election of the Puma Investors (in respect of Transfer Shares acquired by the Puma Investors) or NEDF (in respect of Transfer Shares acquired by NEDF), be redesignated as D Ordinary Shares or E Ordinary Shares (at the discretion of Puma or NEDF, as the case may be) on the registration of such transfer.
- 7.13 **Competition for Shares.** It will be a further term of the offer that, if there is competition within the Qualifying Shareholders for the Transfer Shares offered to such Qualifying Shareholders, such Transfer Shares will be treated as offered among the Qualifying Shareholders in proportion (as nearly as possible) to their existing holdings of

Qualifying Shares (as if all Qualifying Shares constituted one class) (**Proportionate Entitlement**). However, the offer will also invite Qualifying Shareholders to indicate, in their applications for Transfer Shares, whether they would be willing to buy Shares in excess of their Proportionate Entitlement should any such Shares be available and, if so, how many (**Extra Shares**).

**7.14 Allocation of Transfer Shares.** At the end of the Offer Period, the Directors will allocate the Transfer Shares to accepting Qualifying Shareholders (each Qualifying Shareholder allocated Shares being referred to below as a **Purchasing Shareholder**) as follows:

7.14.1 if the total number of Transfer Shares applied for (including Extra Shares) is less than the available number of Transfer Shares, each accepting Qualifying Shareholder will be allocated the number applied for in accordance with that Qualifying Shareholder's application and Article 7.14.4 will apply; or

7.14.2 if the total number of Transfer Shares applied for (including Extra Shares) is equal to the available number of Transfer Shares, each accepting Qualifying Shareholder will be allocated the number applied for in accordance with that Qualifying Shareholder's application; or

7.14.3 if the total number of Transfer Shares applied for is greater than the available number of Transfer Shares each accepting Qualifying Shareholder will be allocated their Proportionate Entitlement or, if less, the number of Transfer Shares which they have applied for; and

7.14.4 applications for Extra Shares will be allocated in accordance with such applications or, in the event of competition between Qualifying Shareholders, among those applying for Extra Shares in such proportions as equal (as nearly as possible) the proportions of all the Qualifying Shares held pro rata in relation to the total issued share capital of the Company.

**7.15 Right for the Directors to nominate a preferred purchaser (including the Company) for Shares not taken up by Shareholders.** If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the Directors may (with the prior written consent of the Puma Representative and Other Investor Consent), within 14 days after the expiry of the Offer Period (**Nomination Period**), nominate any person or persons, which may include the Company, to purchase some or all of the Transfer Shares which have not been allocated to a Purchasing Shareholder (**Board Nominated Transferee**). However, no such person will be entitled to be nominated unless:

7.15.1 they shall be obliged to purchase the Transfer Shares in respect of which they are so nominated no later than if they had been a Purchasing Shareholder and at the Offer Price; or

7.15.2 in the case of the Company being nominated, the conditions set out in Article 7.16 have been satisfied.

7.16 **Conditions for the Company to be nominated.** The conditions referred to in Article 7.15.2 are that:

- 7.16.1 a resolution must have been passed, or a Shareholders' written resolution must have been signed, in either case approving in accordance with the Act the terms of a proposed share purchase agreement for the purchase by the Company of the Transfer Shares in respect of which it is so nominated from the Proposing Transferor;
- 7.16.2 under the terms of the proposed share purchase agreement, the Company would be obliged to purchase the Transfer Shares in respect of which it is so nominated no later than if it had been a Purchasing Shareholder and at the Offer Price;
- 7.16.3 the proposed share purchase agreement when executed would impose no obligations on the Proposing Transferor other than to sell the relevant Transfer Shares to the Company and to the effect that they will be so sold with full title guarantee and free from any encumbrances and third party rights and with all rights attaching to them at the time the agreement is executed;
- 7.16.4 the proposed share purchase agreement complies with and its terms are consistent with the requirements of sections 690 to 724 (inclusive) of the Act; and
- 7.16.5 the Directors must have resolved that the share purchase agreement be executed by the Company.

Subject to, and immediately following, the Company being nominated and satisfaction of all the conditions set out in this Article 7.16, the Company and the Proposing Transferor must execute the proposed Share purchase agreement (**Buy Back Agreement**).

7.17 **Notice of allocation of Shares.** Within seven days after the expiry of the Offer Period or, if all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the expiry of the Nomination Period, the Directors will notify the Proposing Transferor and all Purchasing Shareholders of the details of the applications which have been made, of the allocations made as between Purchasing Shareholders and of the Board Nominated Transferee(s) nominated under Article 7.14.4 and those Transfer Shares which each such person is obliged to purchase (**Allocation Notice**).

7.18 **Sale at Offer Price.** Any sale of Shares made pursuant to this Article 7 to a Purchasing Shareholder or a Board Nominated Transferee shall be at the Offer Price. If, in determining the Offer Price, there was taken into account any entitlement to any dividend which has been paid prior to the date on which the transfer is registered then the Proposing Transferor shall be liable to account to the transferee for the amount of the dividend and the transferee, when making payment for such Shares, may set-off such amount against the Offer Price payable.

- 7.19 Completion of the Sale.** Completion of the sale and purchase of any Transfer Shares shall take place no later than ten days following the date of service of the Allocation Notice. The Proposing Transferor must, upon payment of the Offer Price, transfer to each Purchasing Shareholder and to each Board Nominated Transferee those Transfer Shares which such person is obliged to purchase and to deliver, if such person has not already done so, the relative share certificates (or a customary indemnity in respect of any lost certificates). Such payment shall be deemed to be made validly if it is made to the Company to be held on trust for the Proposing Transferor against delivery of such transfers and share certificates (or indemnity). In the case of Transfer Shares the subject of a Buy Back Agreement, completion of the sale and purchase of such Transfer Shares will take place in accordance with the terms of the Buy Back Agreement.
- 7.20 Right for Proposing Transferor to sell to Nominated Transferee any Shares not taken up.**
- 7.20.1 If all the Transfer Shares are not accepted by the Purchasing Shareholder(s) or the Board Nominated Transferee(s), the Proposing Transferor may, subject to the prior written consent of the Puma Representative and Other Investor Consent, within 60 days after the date of service of the Allocation Notice, transfer all, but not some only, of the Transfer Shares which have not been accepted to its Nominated Transferee, on a bona fide sale at a price per Transfer Share not less than the Offer Price (after deduction, where appropriate, of any dividend or other distribution to be retained by the Proposing Transferor). This is subject to Article 7.20.2 and Article 11 (Tag Along Rights).
- 7.20.2 The provisions of Article 7.20.1 shall not apply to Transfer Shares the subject of a Transfer Notice deemed to be served under Article 8. In such event, the holder of such Transfer Shares shall not be permitted to transfer all or any of such Transfer Shares as provided in Article 7.20.1 and the same restriction shall apply if such holder subsequently proposes to transfer all or any of such Transfer Shares.
- 7.21 Failure of the Proposing Transferor to complete the sale.** The following will apply if the Proposing Transferor fails to comply with their obligation to complete the transfer of any Transfer Shares:
- 7.21.1 the Directors may authorise some person to execute the necessary instrument of transfer of such Transfer Shares, who may deliver such instrument of transfer on the Proposing Transferor's behalf;
- 7.21.2 the person so authorised is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the agent of the Proposing Transferor for that purpose;
- 7.21.3 the Company will receive the purchase money and will hold it on trust for the Proposing Transferor pending the delivery by the Proposing Transferor of

their share certificates (or a customary indemnity in respect of any lost certificates);

7.21.4 upon receipt of the purchase money the Company will ensure that the transferee is registered as the holder of such Transfer Shares, subject to such instrument of transfer being stamped with any required stamp duty;

7.21.5 the Company will not be obliged to earn or pay interest on the purchase money and will not pay the purchase money to the Proposing Transferor until the Proposing Transferor has delivered their share certificates (or a customary indemnity in respect of any lost certificates) to the Company; and

7.21.6 the receipt of the Company for the purchase money will be a good discharge to the transferee who will not be obliged to see to the application of the purchase money and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.

**7.22 Failure of the Proposing Transferor to comply with a Buy Back Agreement.** The following shall apply if the Proposing Transferor, having become obliged to execute or complete a Buy Back Agreement, fails to do so:

7.22.1 the Directors may authorise some person (**agent**) to execute or complete the Buy Back Agreement and receive the purchase money due in respect of it on the Proposing Transferors behalf;

7.22.2 the agent is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the agent of the Proposing Transferor for the purpose;

7.22.3 the receipt of the purchase money by the agent shall be a good discharge to the Company and the Company shall be entitled to treat the Buy Back Agreement as completed against such receipt;

7.22.4 the agent will hold the purchase money on trust for the Proposing Transferor pending delivery by the Proposing Transferor of their share certificates (or a customary indemnity in respect of any lost certificates); and

7.22.5 the agent will not be bound to earn or pay interest on the purchase money and shall not pay the purchase money to the Proposing Transferor until the Proposing Transferor delivers to the Company their share certificates (or a customary indemnity in respect of any lost certificates).

**7.23 Lien, forfeiture, surrender and treasury Shares.** The provisions of this Article 7 will apply to any Share which the Directors decide to sell or otherwise dispose of under any of the powers contained in articles 52 to 62 of the Model Articles and to any Share which is held as a treasury Share and which the Company decides to sell for a cash consideration pursuant to section 727(1)(a) of the Act.

- 7.24 **Waiver.** The provisions of this Article 7 cannot be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case without the prior written consent of the Puma Representative and Other Investor Consent.

## **8 COMPULSORY SALE OF SHARES**

- 8.1 **Offer for sale.** A Shareholder, other than a Puma Investor and NEDF, may become obliged in certain events (defined below as Relevant Events) to offer their Shares (and all Shares resulting from the exercise of Options) for sale pursuant to Article 7.

### **8.2 A Relevant Event means:**

#### **8.2.1 in relation to a Shareholder being an individual:**

- (a) such Shareholder being adjudicated bankrupt;
- (b) such Shareholder dying; or
- (c) such Shareholder, by reason of their mental health, having had a court make an order which wholly or partly prevents them from personally exercising any powers or rights which they would otherwise have;

#### **8.2.2 in relation to a Shareholder being a body corporate:**

- (a) a receiver, manager, administrative receiver or administrator being appointed in respect of such Shareholder or over all or any part of its undertaking or assets; or
- (b) such Shareholder entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme or solvent amalgamation or reconstruction);

#### **8.2.3 a Shareholder making any voluntary arrangement or composition with their creditors;**

#### **8.2.4 the happening in relation to a Shareholder of any insolvency event analogous to any of the above in any jurisdiction in which the shareholder is resident, carries on business or has assets;**

#### **8.2.5 the acquisition of Shares by a Shareholder at any time after any other person has acquired the entire issued Share capital of the Company as a result of the exercise of a right granted to the Shareholder, prior to such acquisition, to subscribe for, or convert securities or indebtedness into, such Shares;**

#### **8.2.6 the commitment by a Shareholder of a breach of Article 6.1 (Restrictions on disposing of Shares or interests in them);**

#### **8.2.7 the commitment by a Shareholder of a material breach of the Investment Agreement by a Shareholder; and / or**



8.2.8 being an Ordinary Shareholder at any time following the date of adoption of these Articles, such Ordinary Shareholder competing with the Company, meaning that the Ordinary Shareholder (whether directly or indirectly, and whether solely or jointly with or as agent, director, shareholder, member, sole proprietor, partner, manager, employee, consultant or independent contractor of, in or to any other person) acquiring any proprietary interest in, or carrying on or becoming engaged, concerned or interested in carrying on, or working for or providing services or advice to any person carrying on within the United Kingdom (or any other territory anywhere else in the world in which at that time any company in the Group has customers or outstanding contracts, or having taken steps with a view to commencing operations which would lead to such company having customers or outstanding contracts) any business competing with any business of any Group Company as carried on at that time,

for the avoidance of doubt, a Relevant Event will not be deemed to have taken place with respect to any Puma Investor and NEDF in any circumstances.

8.3 **Deceased Shareholders.** If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of the death of such Shareholder the Directors may require the legal personal representatives of that deceased Shareholder either:

8.3.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or

8.3.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 8.3 shall not be fulfilled to the satisfaction of the Directors within the time period specified by the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share, save to the extent the Directors (acting with the consent of the Puma Representative and the NEDF Director) may otherwise determine.

8.4 **Effect of a Relevant Event.** If a Relevant Event occurs in respect of a Shareholder, the Directors shall on each occasion they are instructed by the Puma Representative or NEDF, serve written notice (**Compulsory Sale Notice**) on that Shareholder requiring the Shareholder to offer some or all or such number of the Shares then owned and/or held by the Shareholder for sale (as specified in writing by the Directors upon instructions from the Puma Representative or NEDF) (the **Compulsory Sale Shares**) to the other Shareholders pursuant to Article 7.1. A Shareholder on whom a Compulsory Sale Notice is validly served is referred to as a **Relevant Shareholder**. A Compulsory Sale Notice may be served on a Relevant Shareholder on one or more occasions by the Company following the occurrence of a Relevant Event.

- 8.5 **Service of a Compulsory Sale Notice.** The Directors may require, by specifying in the Compulsory Sale Notice if so instructed by the Puma Representative or NEDF, that the Relevant Shareholder (or the Bad Leaver under Article 9.1) offers some or all of their Compulsory Sale Shares for sale to any incoming employee or director of any Group Company or to the Company by way of a share buyback.
- 8.6 **Notification of Relevant Event.** Any Shareholder who becomes aware of the occurrence of a Relevant Event in respect of itself or another Shareholder must as soon as reasonably practicable notify the Directors, the Puma Representative and NEDF of that Relevant Event.
- 8.7 **Effect of a Compulsory Sale Notice.** Immediately upon the Compulsory Sale Notice being served, the Relevant Shareholder shall be deemed to have served a Transfer Notice on the Company under Article 7 in respect of all of the Compulsory Sale Shares registered in the name of such Shareholder and Article 7 shall take effect accordingly.
- 8.8 **Joint Shareholders.** A reference to a Shareholder in the definition of Relevant Event includes a joint holder of Shares. If a Relevant Shareholder holds Compulsory Sale Shares jointly then the provisions of this Article 8 shall extend to all the jointly held Compulsory Sale Shares and to all the joint holders of such Compulsory Sale Shares.
- 8.9 The provisions of this Article 8 may not be waived, disappplied, modified, suspended or relaxed in whole or in part, in any particular case, without the prior written consent of both the Puma Representative and Other Investor Consent.

## **9 LEAVER**

- 9.1 **Departing Employee Shareholder – Bad Leaver.** If at any time an Employee Shareholder ceases to be an Employee by reason of being a Bad Leaver, then 100% of the Shares held by the Employee Shareholder and their Permitted Transferees shall automatically convert into Deferred Shares on the Termination Date (and the provisions of Article 4.5.3(d) shall apply in respect of such conversion) provided that in the case of the Significant Executive Shareholder ceasing to be an Employee, any Shares held by BKJ, or held by the Significant Executive Shareholder as a result of a transfer of such Shares to him by BKJ, shall not be so converted.
- 9.2 **Option to transfer a Bad Leaver's Shares.** The Board (acting with the consent of the Puma Representative and the NEDF Director) shall be entitled to determine that, in the alternative to Article 9.1, a Compulsory Sale Notice shall be served on the Bad Leaver on the Termination Date in respect of all of the Shares which were to convert into Deferred Shares under Article 9.1 on the Termination Date and instead the Bad Leaver shall be deemed to have given a Transfer Notice in respect of all of the Shares which were to convert into Deferred Shares under Article 9.1 and the Offer Price shall be the lower of (i) fair market value; and (ii) the nominal value of the Shares. For the purpose of this Article 9.2, the fair market value shall be as agreed between the Board (with the consent of the Puma Representative and the NEDF Director) and the Bad Leaver, or failing any such agreement shall be determined in accordance with Article 7.6.

9.3 If at any time after ceasing to be a Director or Employee of the Company, any such person acquires (or any Connected Person of such person shall acquire) any Shares pursuant to an option, conversion or like right which was granted to or otherwise vested in them prior to them ceasing to be a Director or Employee (including, without limitation, any Shares issued to them pursuant to any option scheme established by the Company from time to time) then the provisions of this Article 9 shall apply to such Shares.

9.4 The provisions of this Article 9 may not be waived, disappplied, modified, suspended or relaxed in whole or in part, in any particular case, without the prior written consent of the Puma Representative and Other Investor Consent.

## 10 **DISENFRANCHISEMENT**

10.1 **Breach of Article.** Subject to Article 10.4, if any Shareholder commits any material breach of Article 6, the Shares registered in the name of such Shareholder will not carry any rights whatsoever (whether as to voting, dividend or otherwise) until the breach is remedied or the Shares are transferred without a breach of Article 6.

10.2 **Deemed Transfer Notices.** If any Share is the subject of a Transfer Notice deemed to be served pursuant to Article 8.7 or Article 9.2, that Share shall carry no rights whatever (whether as to voting, dividend or otherwise) while that Transfer Notice is in its Active Period.

10.3 **Restricted Members.** Any Shares held by: (i) a Leaver and any Permitted Transferee of that Leaver; (ii) the Significant Executive Shareholder where he ceases to be an Employee, and any Permitted Transferee (whether or not they hold their Shares as a result of a Permitted Transfer or otherwise); and (iii) a Shareholder in respect of whom a Relevant Event has occurred and any Permitted Transferee of that Shareholder, but in each case who continues to hold Shares (in each case a **Restricted Member**) shall be disenfranchised from the time the Leaver or the Significant Executive Shareholder ceases to be an Employee or the time the Relevant Event occurs in respect of the Shareholder (as applicable). Any Shares held by a Restricted Member shall accordingly carry no rights whatever (whether as to voting, dividend or otherwise) unless the Board (acting with the consent of the Puma Representative and Other Investor Consent) notify them otherwise, provided that:

10.3.1 the Restricted Member shall be entitled to receive any proceeds of an Exit Event to which such member is otherwise entitled pursuant to Article 4 (Share Rights); and

10.3.2 the Restricted Member shall be entitled to vote on any resolution of the Shareholders which constitutes a variation of the class rights of class of Shares held by such member, where the effect of such resolution (if passed) would be to adversely affect the right of that Restricted Member to receive the proceeds of an Exit Event to which such member is otherwise entitled pursuant to Article 4 (Share Rights) in a manner which is disproportionate to the effect on the other holders of the same class of Shares.

- 10.4 **No disenfranchisement.** Shares will not be disenfranchised if as a result of such disenfranchisement any Shareholder will hold over 50% of the voting rights in the Company's Share capital.

## 11 **TAG ALONG RIGHTS**

- 11.1 A Proposing Transferor must not transfer any Shares pursuant to Article 7.20 if it would result in a transferee (and any persons Acting in Concert with such transferee) acquiring more than 50% of the Qualifying Shares in issue at the relevant time, unless, before the transfer is made, the proposed transferee (**Buyer**) makes a written offer to all the Shareholders to purchase all the Shares in the capital of the Company then in issue on the terms set out in Article 11.2. At the request of the Buyer, the Company will send the offer to the Shareholders on behalf of the Buyer.

- 11.2 The offer must be:

11.2.1 at an average price per Share not less than the Offer Price (as defined in Article 7.5) but apportioning the total purchase price between the Shareholders in accordance with Article 4.4.1 (Return of Capital and Exit);

11.2.2 made at the same time and on the same terms and conditions for each Shareholder, except as stipulated in Article 11.2.1 above and except that it must not contain any requirement for any holder of Puma Shares or NEDF to give any representations, warranties or undertakings other than as to their capacity and capability to sell the relevant Puma Shares or the Other Investor Shares and all rights to them free from any charge, lien, encumbrance or other third party right; and

11.2.3 open for acceptance in England for a period of at least 21 days from its delivery, which shall be made by personal delivery or courier to each of the Shareholders at its registered address.

- 11.3 A Shareholder (including the Proposing Transferor) must not complete any sale of Shares to the Buyer unless the Buyer completes the purchase of all the Shares agreed to be sold at the same time.

## 12 **DRAG ALONG RIGHTS**

- 12.1 **Right to require minority Shareholders to sell their Shares to a third party.** The following rights to require Shareholders to join in a sale of the entire issued Share capital of the Company to a third party will apply.

- 12.2 **Call Notice.**

12.2.1 Subject to Article 12.2.2, the holder or holders of more than 50% of the Qualifying Shares, which must include the Puma Investors and NEDF (the **Calling Shareholders**), will be entitled to require all the other holders of Shares in the Company (**Recipient Shareholders**) by notice in writing to them (**Call Notice**) to sell all of the Shares held by the Recipient Shareholders subject to the conditions set out in Article 12.3 being met. The

sale will be to any person (**Purchaser**) to whom the Calling Shareholders propose to sell all of their Shares. The proposed sale will be deemed to be permitted for the purposes of Article 6. At the request of the Calling Shareholders, the Company will send a Call Notice to the Recipient Shareholders on behalf of the Calling Shareholders.

- 12.2.2 If a proposed sale is to a bona fide third-party arms' length Purchaser and the proceeds from sale will be sufficient for the D Ordinary Shareholders to receive, in aggregate, two times the D Ordinary Shareholder Amount pursuant to Article 4 upon completion of such sale, then there will be no requirement for the Puma Investors or NEDF to be included within the Calling Shareholders, provided that, if there is a further Exit Event within 12 months of the sale to the Purchaser, the D Ordinary Shareholders shall be entitled to receive an additional sum which would provide them with an aggregate sum (including any amounts paid to them on the initial Exit Event) equal to the sum they would have received if the consideration payable in connection with the further Exit Event had been paid on the initial Exit Event (and distributed in accordance with Article 4) instead of the amount actually paid in connection with such initial Exit Event. If there is any dispute as to the consideration payable in connection with such an Exit Event, the price shall be certified by the Company's auditors acting as experts and not as arbitrators as being in their opinion the consideration payable in connection with the Exit Event.

12.3 **Conditions.** The conditions referred to in Article 12.2 are that:

- 12.3.1 the terms and conditions applying to the sale of the Shares of the Calling Shareholders and the Recipient Shareholders are set out in reasonable detail (including without limitation details of all cash and non-cash consideration payable to the Calling Shareholders and any other related arrangements made between the Calling Shareholders and the proposed purchaser) in, or in one or more attachments to, the Call Notice;
- 12.3.2 except as provided in Article 12.3.3 and Article 12.3.4 below, the terms and conditions applying to the sale of the Shares held by each of the Recipient Shareholders shall be no less favourable to the Recipient Shareholders than the terms and conditions applying to the sale of the Shares held by the Calling Shareholders (and Shareholders shall be deemed to be treated as favourably as each other in respect of: (i) the consideration provided that Article 12.3.3 is complied with; and (ii) a liability or obligation which they assume if they assume it in proportion to their Shareholdings in the Company (as if all classes of Qualifying Shares were one class);
- 12.3.3 the consideration shall be apportioned between the Shareholders in accordance with Article 4.4.1 (Sharing the proceeds on Exit);
- 12.3.4 save with the prior written approval of the Puma Representative (which may be given subject to terms and conditions) and Other Investor Consent, the

terms of sale must not contain any requirement for (i) any holders of the Puma Shares (in that capacity), (ii) any holders of the Other Investor Shares (in that capacity) and (iii) any other Shareholder who is unconnected to the general management of the Company (which shall include (but is not limited to) ongoing material input into the strategic and operational undertakings of the Company) to give any representations, warranties or undertakings other than as to their capacity and capability to sell the relevant Puma Shares, Other Investor Shares, or Shares (as the case may be) and all rights to them free from any charge, lien, encumbrance or other third party right; and

- 12.3.5 the Purchaser is a bona fide arm's length purchaser who is not a Calling Shareholder or an Associate of a Calling Shareholder.
- 12.4 **Obligation to sell.** If a Call Notice is served and the conditions in Article 12.3 are met, all the Shareholders must proceed with the sale of all their Shares on the terms and conditions notified in the Call Notice and in accordance with these Articles.
- 12.5 **Simultaneous purchase.** A Shareholder must not complete any sale of Shares to the Purchaser unless the Purchaser simultaneously completes the purchase of all the Shares required to be sold at the same time.
- 12.6 **Failure to complete.** The following will apply if any Shareholder (**Defaulter**) fails to agree to sell, or to complete the sale of, any Shares as they are obliged to do in accordance with this Article 12:
  - 12.6.1 the Calling Shareholders or the Directors may authorise any Director or the Puma Representative or the NEDF Director (**attorney**) to execute all necessary agreements, deeds and other documents necessary to give effect to the sale on the terms and conditions notified in the Call Notice as the attorney or as the agent of the Defaulter;
  - 12.6.2 the attorney is, as security for the performance of the Defaulter's obligations, irrevocably and unconditionally appointed as the attorney of the Defaulter for that purpose;
  - 12.6.3 the attorney may execute the necessary instrument of transfer of the Defaulter's Shares and may deliver such transfer on the Defaulter's behalf;
  - 12.6.4 the Company will receive the purchase consideration and will hold it on trust for the Defaulter pending delivery by the Defaulter of their share certificates (or a customary indemnity in respect of any lost certificates);
  - 12.6.5 upon receipt of the purchase consideration the Company will ensure that the Purchaser is registered as the holder of the Defaulter's Shares, subject to the instrument of transfer of the Shares being stamped with any required stamp duty at the cost of the Purchaser;
  - 12.6.6 the Company will not be obliged to earn or pay interest on the purchase consideration and will not deliver the purchase consideration to the Defaulter

until the Defaulter has delivered their share certificates (or a customary indemnity in respect of any lost certificates) to the Company; and

12.6.7 the receipt of the Company for the purchase consideration will be a good discharge to the Purchaser who will not be bound to see to the application of the purchase consideration and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.

12.7 **Existing subscription and conversion rights.** The Calling Shareholders are entitled to give a Call Notice to any person who has the right to subscribe for, or convert securities or indebtedness into, Shares in the Company which is capable of being exercised prior to the date that falls 24 months after completion of the sale of Shares pursuant to this Article 12. The effect of serving such a Call Notice will be that if they exercise their right and become a Shareholder within such 24 month period, then they will be treated as a Recipient Shareholder and shall be obliged to sell all such Shares in accordance with this Article 12. If the registration of such Shares in their name occurs after completion of the sale of Shares pursuant to this Article 12 then the sale of the after-acquired Shares must be completed within seven days of such registration.

12.8 **Non-cash consideration.** For the purposes of this Article 12, a **sale** includes a disposal of Shares where the consideration is to be provided wholly or partly in securities or any other non-cash consideration and the expressions **sell**, **purchase** and **purchaser** will be construed accordingly.

12.9 **Nil consideration.** If the effect of the apportionment of the consideration under Article 4.4.1 is that any Shareholder will receive a nil consideration, that Shareholder will nevertheless be bound by the provisions of this Article 12 and obliged to transfer their Shares for that nil consideration and references to 'sale', 'sell', 'purchase' and 'purchaser' shall be construed accordingly.

### 13 **VARIATION OF RIGHTS**

13.1 Where the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75% in nominal value of the issued shares of that particular class of shares.

13.2 Save as provided in Article 13.1 and subject to Article 13.3, the creation and/or issue of a new class of shares (save for the creation and/or issue of Puma Shares or Other Investor Shares) which has preferential rights over any existing class of shares shall not constitute a variation of the rights to any existing classes of shares.

13.3 The creation and/or issue of a new class of shares which has preferential rights over the Puma Shares and/or the Other Investor Shares shall constitute a variation of the rights to the Puma Shares and/or the Other Investor Shares (as applicable).

- 13.4 The specific rights of the Future Fund, set out in these Articles, shall not be amended, at any time, without the prior written consent of the Future Fund.

## **14 PERMITTED TRANSFERS OF SHARES**

### **14.1 Professional investor permitted transfer rights**

14.1.1 A Shareholder will be permitted to transfer, without restriction as to price or otherwise, the legal title to and/or the beneficial ownership of a Share:

- (a) where any member is an Investment Manager or a nominee of an Investment Manager, between that member and:
  - (i) any participant or partner in or member of any Investment Fund in respect of which the Shares to be transferred are held; or
  - (ii) any Investment Fund whose business is managed or advised by the Investment Manager (or a member of the same Group as such Investment Manager) who is or whose nominee is the transferor; or
  - (iii) any other Investment Manager who manages or advises the business of the Investment Fund in respect of which the Shares are held;

14.1.2 where any member is an Investment Fund or nominee of an Investment Fund, between that member and:

- (a) any participant (directly or indirectly) or partner in or member of the Investment Fund which is or whose nominee is the transferor; or
- (b) any other Investment Fund whose business is managed or advised by the same Investment Manager as manages or advises the Investment Fund which is or whose nominee is the transferor; or
- (c) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor; or
- (d) any co-investment scheme, being a scheme under which certain officers, employees or partners of such Investment Fund or its adviser or manager are entitled (as individuals or through a body corporate or any other vehicle) to acquire Shares which the Investment Fund would otherwise acquire (Co-Investment Scheme) and any person holding Shares in connection with a Co-Investment Scheme may at any time transfer any Share:
  - (i) to another person which holds or is to hold Shares in connection with such Co-Investment Scheme; and/or



- (ii) to any person on their becoming entitled to the same under the terms of such Co-Investment Scheme.

14.1.3 The directors shall, save as may be required by law, this Agreement or the Articles, register any transfer to which this Article 14.1 applies.

## 14.2 Shareholder permitted transfer rights

14.2.1 A Shareholder will be permitted to transfer the legal title to and/or the beneficial ownership of a Share (except as provided in Article 14.3 (Restrictions on Permitted Transfers)):

- (a) in the case of a Shareholder who is an individual, to a Family Member of that Shareholder or to trustees to be held on Family Trusts of that Shareholder;
- (b) to a nominee for the Shareholder; or
- (c) to any person with the prior written consent of the Board (including the Puma Representative and Other Investor Consent),

provided that written details of the proposed transferee are sent to the Board, the Puma Representative and NEDF no less than ten Business Days before the proposed transfer.

14.2.2 **Family Trusts.** Where Shares have been transferred under Article 14.2.1 or this Article 14.2.2 to trustees of Family Trusts, the trustees and their successors may transfer all or any of the Relevant Shares (subject as provided in Article 14.3) as follows:

- (a) on any change of trustee, the Relevant Shares may be transferred to the trustees from time to time of the Family Trusts concerned;
- (b) pursuant to the terms of such Family Trusts or in consequence of the exercise of any power or discretion vested in the trustees or any other person, all or any of the Relevant Shares may be transferred to the trustees from time to time of any other Family Trusts of the same individual Shareholder or deceased or former Shareholder or to any Family Member of the relevant Shareholder or deceased or former Shareholder who has become entitled to the Shares proposed to be transferred;
- (c) back to the original individual Shareholder.

14.2.3 **On Death.** Where under the provision of a Deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the Deceased Shareholder, the legal representative of the Deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

**14.3 Specific Permitted Transfers.** Each of the Shareholders set out below shall be permitted to transfer the legal title to and/or the beneficial ownership of a Share (whereupon each transferee shall be a Permitted Transferee) at their discretion and without prior approval from any person, including, for the avoidance of doubt, the Puma Representative and Other Investor Consent, as follows:

14.3.1 by any of Concentric Team Technology I LP, Concentric Team Technology I Co-investment LLP and Concentric Ermak Co-investment SPV LLP, to any collective investment scheme owned or managed by Concentric Team LLP;

14.3.2 by NEDF, who may transfer without restriction as to price or otherwise any Shares held by it to:

- (a) any fund in which the North East Fund Limited (CRN: 10441614) (**North East Fund**) is an investor or limited partner;
- (b) to the North East Fund;
- (c) to any financial institution which has the same or similar objects to the North East Fund; and
- (d) to the Department for Levelling Up, Housing and Communities (or its successor bodies);

14.3.3 by Nominee Co to another trust company provided that the beneficiaries and objects of such other trust company are substantively the same as those of Nominee Co;

14.3.4 by a Beneficial Owner who shall be entitled at any time to transfer their entire beneficial interest in the Shares held on trust for them by NomineeCo without restriction to any person, provided that the legal title in such Shares continues to be held by NomineeCo and the transferee is (or becomes prior to the completion of the transfer) a member of the Crowdcube Platform; and

14.3.5 by the Future Fund, who shall at any time be entitled to transfer any shares in the capital of the Company that are held by the Future Fund, without restriction as to price or otherwise and free of pre-emption rights howsoever expressed to:

- (a) any Associated Government Entities; or
- (b) an Institutional Investor that is acquiring the whole or part (being not fewer than 10 companies, including the Company) of the Future Fund's interest in a portfolio of investments which comprise or result from the conversion of unsecured convertible loans substantially on the same terms as the convertible loan agreement between the Future Fund and the Company, provided always that such transaction(s) is bona fide in all respects.

14.4 In the event that it is determined by the Future Fund (in its absolute discretion) that it would be prejudicial to the reputation of the Future Fund and/or the UK Government to continue holding any shares in the capital of the Company, the Future Fund shall have the option to require the Company to purchase all of the shares in the capital of the Company held by the Future Fund for an aggregate price of £1.00 at any time (the **Put Option**), provided that: (i) the Put Option shall be exercisable by irrevocable notice in writing from the Future Fund to the Company (the **Put Option Notice**); (ii) the terms of the completion of the Put Option have been authorised by a resolution of the Company; (iii) completion of the Put Option shall take place as soon as reasonably practicable and in any event no later than 20 Business Days following the Company's receipt of the Put Option Notice; and (iv) each of the shareholders of the Company and the Company shall execute, and the Company shall procure so far as it lies within its power to do so the execution of, all such documents and deeds and do all such acts and things as may be reasonably required from time to time to implement the Put Option and transfer the legal and beneficial ownership of the relevant shares being sold to the Company under this Article 14.2 including waiving any pre-emption rights relating to such transfer.

14.5 **Restrictions on Permitted Transfers.**

- (a) No transfer of any Share which would otherwise be permitted by this Article 13 shall be made or registered:
  - (i) during the Active Period of any Transfer Notice under Article 7 (Pre-emption rights on transfers of Shares) or any Call Notice under Article 12 (Drag Along Rights) relating to that Share;
  - (ii) during the period from the happening of any Relevant Event under Article 8 (Compulsory Sale of Shares) or any Leaver event under Article 9 (Leaver) in relation to the Shareholder holding such Share until the time when none of the Shareholders, the Directors or the Company has any further rights or duties, directly or indirectly, in relation to that Relevant Event or Leaver event;
  - (iii) if that Share has previously been the subject of a Transfer Notice deemed to be given under Article 8 (Compulsory Sale of Shares) or 9 (Leaver) and that Share has not been validly transferred subsequently pursuant to any provision of these Articles (other than this Article 13); or
  - (iv) if the Board (including the Puma Representative and the NEDF Director), acting reasonably, has objected to the transfer on any of the following grounds: (i) the proposed transferee's connection or involvement with any business directly or indirectly competing with the Business risk the disclosure of commercially sensitive information, technical know-how or will undermine the reputation or commercial and

operational development of the Business; (ii) the proposed transferee will undermine the reputation of the Company; (iii) the Puma Representative, acting reasonably, confirms that the proposed transferee may undermine the reputation of the Puma Investors; (iv) the NEDF Director, acting reasonably, confirms that the proposed transferee may undermine the reputation of NEDF or (v) the proposed transferee does not provide any documentation required by the Company, the Puma Investors and NEDF evidencing proof of funds, identity, home address, any underlying beneficial ownership structures and any other documentation required to comply with the AML Regulations or other statutory regulations; or (vi) the proposed transferee will acquire following completion of the sale more than 24.9% of the Qualifying Shares in issue at the relevant time.

- 14.5.2 Where a Share has been transferred by a Shareholder (the **Original Shareholder**) to a Permitted Transferee pursuant to the terms of this Article 13 and the Permitted Transferee subsequently ceases to be a Permitted Transferee of the Original Shareholder, within 10 Business Days of such cessation, the relevant Shares shall be transferred to the Original Shareholder (or any Permitted Transferee of the Original Shareholder) without any price or other restriction. If the Permitted Transferee fails to make the transfer in accordance with this Article 14.5.2 the terms of Article 12.6 shall apply in respect of such transfer mutatis mutandis.
- 14.5.3 Any transfer of a Share which would otherwise be permitted by this Article 13 is subject to the restrictions set out in Article 6.4 (directors' right to refuse to register transfers).

## **15 DEED OF ADHERENCE TO INVESTMENT AGREEMENT**

- 15.1 At the same time as any person who is not already a Shareholder is registered as the holder of any Share in the Company such person will, and the Company will procure that such person will, execute a deed of adherence in the form required by the Investment Agreement in force from time to time. Any right to transfer or issue Shares or to receive a transfer or issue of Shares under these Articles will take effect subject to this obligation.
- 15.2 If any person fails to comply with Article 15.1, the Directors may authorise some other person, who is (as security for the performance of the defaulter's obligations) irrevocably and unconditionally appointed as the agent of the defaulter for the purpose, to execute the necessary deed of adherence on the defaulter's behalf.

## 16 DIRECTORS

- 16.1 **No retirement by rotation.** The Directors will not be required to retire by rotation. Article 21 of the Model Articles shall not apply and all other references in the Model Articles to retirement by rotation shall be disregarded.
- 16.2 **Removal by Directors.** A Director may be removed from office by resolution of the Directors (other than the Director proposed to be removed) to that effect or by notice in writing to that effect delivered to the Company's registered address and signed by a majority of the other Directors. This is subject to any agreement to the contrary contained in the Investment Agreement.
- 16.3 **Removal by shareholders.** A Director may be removed from office by notice in writing to that effect delivered to the Company's registered address signed by either: (i) a Shareholder or Shareholders alone or together holding more than 50 per cent of the voting rights attaching to the issued Shares of the Company; or (ii) a Shareholder or Shareholders alone or together who have that right pursuant to the Investment Agreement. This is subject to any agreement to the contrary contained in the Investment Agreement.
- 16.4 **Removal of a delinquent director by the holder or holders of more than 50 per cent of either the Puma Shares or the Other Investor Shares in issue from time to time.** A Director may be removed from office by (i) the Board; or (ii) by the holder or holders of more than 50 per cent of the Puma Shares in issue from time to time; or (iii) by the holder or holders of more than 50 per cent of the Other Investor Shares in issue from time to time, by notice in writing to that effect, delivered to the Company's registered address if the Director shall:
- 16.4.1 be unable to pay their debts within the meaning of sections 267 and 268 of the Insolvency Act 1986 or if they make an application for an interim order or otherwise manifests their intention to seek an Individual Voluntary Arrangement under Part VIII of that Act;
  - 16.4.2 be convicted of any serious criminal offence (other than a motoring offence);
  - 16.4.3 be prevented by law from holding office as a director;
  - 16.4.4 being an Employee, be in material breach of their contract of employment or contract for services (as the case may be) by reason of fraud or a serious or repeated breach of their obligations (where appropriate, after having first been given reasonable opportunity to remedy such breach) such that the Company (and/or any of its subsidiaries as appropriate) would be entitled to lawfully summarily dismiss or lawfully summarily terminate the services of the Director pursuant to the terms of such contract of employment or contract for services; or
  - 16.4.5 (such Director not being an Employee) knowingly, with the intention or consequence of causing damage to the Company, commit any breach of

their fiduciary duties to the Company or threatening to commit any breach of their fiduciary duties to the Company.

**16.5 Board decisions.** Any decision of the Directors must be:

16.5.1 a majority decision at a Directors' meeting; or

16.5.2 in the form of a Directors' written resolution.

**16.6 Board quorum.** The quorum for Directors' meetings is two Directors, or one Director if only one Director is in office, provided that the Puma Director, one Significant Executive Shareholder Director and, if in office, the NEDF Director must always be present at the meeting. If a quorum is not present, the meeting shall be adjourned for not less than 48 hours and the quorum at such adjourned meeting shall be two Directors, or one Director if only one Director is in office, provided that the Puma Director and, if in office, the NEDF Director must always be present at the adjourned meeting.

**16.7 Board notices.** Notices of all Board meetings must be served on the Directors and the Puma Representative and NEDF in accordance with Article 21.3 at least ten Business Days prior to such meeting.

**16.8 Casting vote.** In the case of an equality of votes, the chairman shall have a casting vote.

**16.9 Number of Directors.** Unless otherwise specified the maximum number of Directors shall be 8. The Board may resolve to alter this maximum provided that the prior written consent of the Puma Representative and, if in office, the NEDF Director is obtained.

**17 DIRECTORS' CONFLICTS OF INTEREST**

**17.1** Regulation 16 of the Model Articles does not apply.

**17.2 Authorising situational conflicts of interest.** The Directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a Director infringing their duty to avoid a situation in which such Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties). The Directors may do so subject to such terms and conditions, if any, as they may think fit from time to time to impose and subject always to their right to vary or terminate such authorisation.

**17.3 Conditions for the authorisation to be effective.** The authorisation referred to in Article 17.2 is only effective if:

17.3.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director;

17.3.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted; and

17.3.3 the matter is agreed to in writing by the Puma Representative and NEDF.

**17.4 Conflicts of interest of a Puma Director.** A Puma Director may hold office as a Director from time to time despite any matter arising from any of the following circumstances, which would otherwise result in the Puma Director infringing their duty to avoid a situation in which the Puma Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company:

17.4.1 any office, employment or position in any Puma Investor or any Associate of a Puma Investor and/or in the fund manager, investment adviser or management company of any Puma Investor which was held by them at the time of such person's appointment as a Director;

17.4.2 any office, employment or position in any other company to which the Puma Director was nominated by any Puma Investor (including without limitation in relation to any company whose business competes or may compete with that of the Company) which was held by them at the time of such person's appointment as a Director; and

17.4.3 any carried interest or other co-investment, profit-share, bonus or commission arrangement or entitlement in which the Puma Director had an interest at the time of such person's appointment as a Director and which is or may be affected by any Puma Investor's investment in the Company and/or the Company's performance;

and the general duties of a Puma Director pursuant to sections 171 to 177 of the Act shall, to the extent legally permissible, have effect subject to the authority conferred by this Article.

**17.5 Conflicts of interest of a NEDF Director.** A NEDF Director may hold office as a Director from time to time despite any matter arising from any of the following circumstances, which would otherwise result in the NEDF Director infringing their duty to avoid a situation in which the NEDF Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company:

17.5.1 any office, employment or position in NEDF or any NEDF Affiliate or Associate of NEDF and/or in the fund manager, investment adviser or management company of NEDF which was held by them at the time of such person's appointment as a Director;

17.5.2 any office, employment or position in any other company to which the NEDF Director was nominated by NEDF (including without limitation in relation to any company whose business competes or may compete with that of the Company) which was held by them at the time of such person's appointment as a Director; and

17.5.3 any carried interest or other co-investment, profit-share, bonus or commission arrangement or entitlement in which the NEDF Director had an interest at the time of such person's appointment as a Director and which is or may be affected by any NEDF's Investor's investment in the Company and/or the Company's performance;

and the general duties of a NEDF Director pursuant to sections 171 to 177 of the Act shall, to the extent legally permissible, have effect subject to the authority conferred by this Article.

17.6 **Effect of authorisation.** If a matter has been authorised by the Directors in accordance with Article 17.2 or is permitted under Article 17.4 (an **approved matter**) then the relevant Director:

17.6.1 shall not be required to disclose any confidential information relating to the approved matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by them in relation to or in connection with that approved matter;

17.6.2 may absent themselves from discussions, whether in meetings of the Directors or otherwise, and exclude themselves from information, which may be relevant to the approved matter; and

17.6.3 shall not, by reason of such person's office as a Director, be accountable to the Company for any benefit which such Director derives from the approved matter.

17.7 **Interests in transactions or arrangements with the Company.** The provisions of Articles 17.2 to 17.5 (inclusive) shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this Article 17.7 and Article 17.8 shall apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that such Director complies with the Act.

17.8 **Effect of declaring an interest in a transaction or arrangement with the Company.** Without prejudice to the obligation of each Director to declare an interest in accordance with sections 177 and 182 of the Act, a Director may vote at a meeting of the Board on any resolution concerning a matter in which that Director has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which the Director has a duty. Having so declared any such interest or duty such Director may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if such Director votes on such resolution the vote of that Director shall be counted. Such Director may also retain for their own absolute use and benefit all profits and advantages directly or indirectly accruing to them under or in consequence of such transaction or arrangement. Article 18 of the Model Articles shall not apply.

17.9 **Interests under Articles 7, 8 and 9.** Despite the above provisions of this Article 17, any Director (other than a Puma Director or NEDF Director) shall be regarded as having



an interest which is material and which conflicts with the interests of the Company in (and accordingly shall not be entitled to vote in relation to) any matter which requires to be determined or decided by the Directors under Article 7 (Pre-emption rights on transfers of Shares), Article 8 (Compulsory Sale of Shares) or Article 9 (Leaver) to the extent the matter relates to any Share held by that Director or any Associate of that Director or in which that Director is otherwise interested.

- 17.10 **Quorum in the event of conflicts of interest.** If at any meeting of Directors there is only one Director entitled to vote on the business of the meeting, or any item of business at the meeting, because of a conflict of interest of the other Directors, then the quorum for that meeting or that item of business shall be one.

## 18 **DIRECTOR AND OBSERVER APPOINTMENT RIGHTS**

- 18.1 PIML shall be entitled at its discretion to appoint, remove and replace from time to time up to one Director of the Company (**Puma Director**) and one person as an observer to the board (**Puma Observer**). The Puma Director shall not be removed in any circumstances without the prior written consent of the Puma Representative. Upon the request of PIML the Company shall procure that such persons are similarly appointed in relation to the board of directors of any Group Company. The Puma Observer shall be entitled to receive notice of, attend and speak (but not vote) at meetings of the relevant board(s) of Directors.

- 18.2 For so long as Bharat Kumar Jatania and his Permitted Transferees together hold not less than 5% of the fully diluted share capital of the Company, except where: (i) Bharat Kumar Jatania and/or the Significant Executive Shareholder is a Restricted Member; and / or (ii) the Significant Executive Shareholder is no longer an employee of a Group Company, either of (but not both) Bharat Kumar Jatania or the Significant Executive Shareholder shall be entitled to appoint up to two (in aggregate) Directors of the Company (with such directors being known as the **Significant Executive Shareholder Directors**) by notice in writing to the Company and shall not be removed other than pursuant to Article 16.4, provided that Puma Representative consent and Other Investor Consent will be required in respect of the appointment if either: (i) it is proposed that a Significant Executive Shareholder Director is an individual other than the Significant Executive Shareholder or Bharat Kumar Jatania; or (ii) it is proposed that a Significant Executive Shareholder director is the Significant Executive Shareholder in circumstances where he is otherwise no longer an employee of a Group Company. The first Significant Executive Shareholder Director shall be the Significant Executive Shareholder himself and no second Significant Executive Shareholder Director shall be appointed as at the date of this Agreement.

- 18.3 For so long as Concentric (and any of its Permitted Transferees) holds any shares in the capital of the Company it shall be entitled at any time and from time to time by the delivery of a written notice to the Company to appoint and maintain in office one person as a non-executive director of the Company (**Concentric Director**) and Concentric shall be entitled to remove such person from office by giving written notice of such to the Company and the Company shall give effect to the provisions of any such notice

as soon as practicable. Upon any such removal, Concentric shall be entitled to appoint another person to act as the Concentric Director in his place.

- 18.4 Notwithstanding Article 18.3, for so long as Concentric (and any of its Permitted Transferees) holds any shares in the capital of the Company it shall have the right to appoint an observer (**Concentric Observer**) who shall be entitled to:

18.4.1 receive notice of each Board meeting of the Company together with the agenda and all accompanying documents and papers provided to the directors which shall be despatched to such observer at the same time as the same are despatched to the directors; and

18.4.2 attend and speak (but not vote) at any Board meeting of the Company.

- 18.5 Concentric may at any time and from time to time by giving written notice to the Company remove any Concentric Observer appointed by it and appoint another person in his place. No fees shall be payable in respect of any Concentric Observer.

- 18.6 For so long as NEDF (and any of its Permitted Transferees) holds any shares in the capital of the Company it shall be entitled at any time and from time to time by the delivery of a written notice to the Company to appoint and maintain in office one person as a non-executive director of the Company (**NEDF Director**). NEDF shall be entitled to remove such person from office by giving written notice of such to the Company and the Company shall give effect to the provisions of any such notice as soon as practicable. Upon any such removal, NEDF shall be entitled to appoint another person to act as an NEDF Director in his place.

- 18.7 Subject to having not exercised their rights of appointment pursuant to Article 18.6, for so long as NEDF (and any of its Permitted Transferees) holds any shares in the capital of the Company it shall have the right to appoint an observer (**NEDF Observer**) who shall be entitled to:

18.7.1 receive notice of each Board meeting of the Company together with the agenda and all accompanying documents and papers provided to the directors which shall be despatched to such observer at the same time as the same are despatched to the directors; and

18.7.2 attend and speak (but not vote) at any Board meeting of the Company.

NEDF may at any time and from time to time by giving written notice to the Company remove any NEDF Observer appointed by it and appoint another person in his place. No fees shall be payable in respect of any NEDF Observer.

- 18.8 Any appointment or removal under Article 18.1, 18.2 18.3 or 18.6 shall be by written notice signed by or on behalf of the Puma Representative, the Significant Executive Shareholder (or Bharat Kumar Jatania), Concentric or NEDF (as applicable) and delivered to the Company's registered address or emailed to the email address set out in Article 21.2.

- 18.9 No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.
- 18.10 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of a Puma Director under these Articles, if at any time a Puma Director has not been appointed, such action or matter shall require the consent of the Puma Representative and, if at any time a Puma Representative has not been appointed, such action or matter shall require the written consent of PIML.
- 18.11 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of a Significant Executive Director Shareholder Director under these Articles, if at any time there is no Significant Executive Director Shareholder Director, such action or matter shall require the consent of the Significant Executive Shareholder.
- 18.12 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of a NEDF Director under these Articles, if at any time a NEDF Director has not been appointed, such action or matter shall require the consent of the NEDF Observer and, if at any time a NEDF Observer has not been appointed, such action or matter shall require the consent of NEDF.
- 18.13 **Director Expenses.** The Company will reimburse the Directors with the reasonable costs and out of pocket expenses incurred by them in respect of attending meetings of the Company, the Board, any committee of the Board, any Subsidiary or the board of directors of any Subsidiary or carrying out authorised business on behalf of the Company.

## 19 **EIS AND VCT**

- 19.1 With effect from the date of adoption of these Articles:

19.1.1 the Company shall ensure that (i) the Company does nothing which will cause the Company to cease to be a qualifying company as that expression is defined in section 180 of ITA; (ii) the Company shall carry on a qualifying trade for the purposes of Chapter 4 of Part 6 of ITA; (iii) that the Shares or securities in the Company are and continue to be eligible shares for the purposes of sections 173(2) and 285(3) of ITA; and (iv) that neither the Company, nor any of its subsidiaries, shall take any action that will prejudice relief claimed by any Shareholder under Part 5 or Part 6 of ITA or exemption or relief available under sections 150A, 150C, 151A and Schedules 5B and 5C of the Taxation of Chargeable Gains Act 1992 (together, such reliefs and exemptions the **EIS/VCT Reliefs**); and

- 19.1.2 the Company undertakes to notify the Puma Representative and NEDF of any action or intended action of the Company that the Company knows will or are likely to result in the Company or the Shares ceasing to satisfy the requirements of Part 5 or Part 6 of ITA, the Company ceasing to be a qualifying company or ceasing to operate a qualifying trade as mentioned in Article 19.1.1 or any one or more of the EIS/VCT Reliefs being prejudiced in respect of any Shareholder for the time being and in the event that any such action has been taken, the Company undertakes to take such other action as may be required to ensure that the breach is remedied as soon as reasonably practicable.

## **20 TRANSMITTEES**

These Articles shall be binding upon and shall apply for the benefit of each transmittee of a Shareholder.

## **21 MEANS OF COMMUNICATION TO BE USED**

- 21.1 The address for service of the Company shall be the office or such other place as the Directors may appoint. The address for service of each Shareholder shall be their address in the register of members within the United Kingdom or such other address for service, which may include an electronic address, as the addressee may from time to time notify to the Company for the purposes of this Article 21. In the absence of such address the Shareholder shall not be entitled to receive from the Company notice of any meeting.
- 21.2 The Company's email address is [virraj@pocket.com](mailto:virraj@pocket.com) and may be amended to another email address from time to time by notice in writing to all Shareholders.
- 21.3 All notices of Board meetings must be sent to the Puma Representative by letter and by email at [PPENotices@PumaInvestments.co.uk](mailto:PPENotices@PumaInvestments.co.uk).
- 21.4 All notices of Board meetings must be sent to NEDF by letter and by email at [David.Nixon@mavencp.com](mailto:David.Nixon@mavencp.com).
- 21.5 In the case of joint holders of a Share, a notice or other document or information shall be sent or given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice or other documents or information so sent or given shall be sufficiently sent to all the joint holders.
- 21.6 Notices or other documents or information will be deemed to be received:
- 21.6.1 if personally delivered, at the time of delivery and, in proving service, it shall be sufficient to produce a receipt for the notice or other document or information signed by or on behalf of the addressee;
- 21.6.2 if by letter, at noon two days after such letter was posted and, in proving service, it shall be sufficient to prove that the letter was properly prepaid or stamped first class, addressed and delivered to the postal authorities; and

21.6.3 if by electronic communication to an electronic address, on the same day it is sent and, in proving service, it shall be sufficient to prove that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators from time to time.

21.7 For the purposes of this Article, no account shall be taken of any part of a day that is not a Business Day.

## **22 PURCHASE OF OWN SHARES**

22.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

22.1.1 £15,000; and

22.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

## **23 INDEMNITIES AND INSURANCE**

23.1 Subject to the provisions of and so far as may be permitted by, the Act:

23.1.1 every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by them in the actual or purported execution or discharge of their duties or the exercise or purported exercise of their powers or otherwise in relation to or in connection with their duties, powers or office, provided that no current or former director of the Company or any associated company is indemnified by the Company against:

(a) any liability incurred by the director to the Company or any associated company; or

(b) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or

(c) any liability incurred by the director:

(A) in defending any criminal proceedings in which they are convicted;

(B) in defending civil proceedings brought by the Company or any associated company in which final

judgment (within the meaning set out in section 234 of the Act) is given against them; or

- (C) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant them relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 23.1.1(a), 23.1.1(c)(B) and 23.1.1(c)(C) applying; and

- 23.1.2 the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such current or former Director or other officer against any liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to the Company, or any associated company including (if they is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

## 24 SECRETARY

Subject to the provisions of the Act, the Directors (including the Puma Representative and any NEDF Director) may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

## 25 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 25.1 The Board may, if authorised to do so by an ordinary resolution (with the consent of the Puma Representative, the Significant Executive Shareholder Director and Other Investor Consent):

- 25.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's reserves (including the share premium account and capital redemption reserve); and

- 25.1.2 appropriate any sum which they so decide to capitalise (a **Capitalised Sum**) to such Shareholders and in such proportions as the Board may in their absolute discretion (with the consent of the Puma Representative, the Significant Executive Shareholder Director and the NEDF Director) deem appropriate (the **Shareholders Entitled**).

- 25.2 Article 36 of the Model Articles shall not apply to the Company.

- 25.3 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board, provided it has the prior written consent of the Puma Representative, the Significant Executive Shareholder Director and the NEDF Director, deem appropriate.
- 25.4 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 25.5 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 25.6 Subject to the Articles the Board may:
- 25.6.1 apply Capitalised Sums in accordance with Articles 33.3 and 33.4 partly in one way and partly another;
  - 25.6.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 33; and
  - 25.6.3 authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 33.