

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF
HOPSCOTCH CONSULTING LIMITED**

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**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
HOPSCOTCH CONSULTING LIMITED ("the company")**

(amended by written special resolution dated 23 September 2022)

PART 1: INTRODUCTION

1. INTRODUCTION

- 1.1 The articles constituting Schedule 1 to the Companies (Model Articles) Regulations 2008 ("**Schedule 1**") shall apply to the company except in so far as they are excluded or varied by these articles.
- 1.2 Any expression defined in article 1 of Schedule 1 shall bear the same meaning in these articles unless the context requires otherwise.

2. DEFINITIONS

"Act" means the Companies Act 2006;

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

"Adjustment Event" means any issue of shares or other securities of the Company by way of capitalisation of profits or reserves, or any consolidation or sub-division of shares, in each case, which takes place after the Adoption Date;

"Adoption Date" means the date of adoption of these Articles

"Articles" means these articles of association as amended from time to time;

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);

"B Growth Shares" means the B growth shares of £0.0001 each in the capital of the Company;

"Board" means the board of directors of the Company;

"Business Day" means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London and New York, USA are generally open for business;

"C Growth Shares" means the C growth shares of £0.0001 each in the capital of the Company;

"Controlling Interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;

"Exit" means a Share Sale, an Asset Sale or an IPO;

"Group" means the Company and its subsidiaries (if any) from time to time and "Group Company" shall be construed accordingly;

"Growth Share Subscription Agreement" means any agreement entered into between the Company and any person from time to time pursuant to which the Company agrees to allot and issue Growth Shares or pursuant to which the Company agrees to grant an option to acquire Growth Shares or which the Board has designated or elects to treat as a Growth Share Subscription Agreement for the purposes of these Articles;

"Holding Company" means a company which is the registered holder or beneficial owner of not less than 90 per cent in nominal value of the issued shares of the Company giving the right to vote at general meetings of the Company on all, or substantially all, matters;

"Holding Company Director" means any director of the Company appointed by the Holding Company pursuant to Article 4.3;

"Hurdle Amount" means £500,000 in respect of B Growth Shares and £2,500,000 in respect of C Growth Shares provided that the Hurdle Amount may be adjusted from time to time by the Board in such manner as it may determine, acting fairly and reasonably, in order to take into account any Adjustment Event, acquisition, disposal, distribution or sale of less than all of the outstanding Shares of the Company (or any other event or circumstance which relates to or affect the Company's share capital or value thereof), in each case which occurs after the Adoption Date;

"IPO" means the admission of all or any of the Shares or securities representing those shares (including, without limitation, depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised stock exchange (as defined in section 1005 Income Tax Act 2007);

"Model Articles" means the model articles for private companies limited by shares contained or incorporated in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the Adoption Date;

"Ordinary Shares" ordinary shares of £0.0001 each in the capital of the Company;

"Proceeds of Sale" means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale;

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;

"Shareholder" means any holder of Shares;

"Shares" means Ordinary Shares, B Growth Shares and C Growth Shares or any other shares in the equity share capital of the Company and any shares derived therefrom whether by conversion, consolidation or subdivision or by way of rights or bonus issue or otherwise for the time being in issue;

PART 2: DIRECTORS

3. DIRECTORS' DECISIONS

- 3.1 In article 14 of Schedule 1, in paragraph (1) there shall be substituted for words following "in which a director is interested" the words "that director is to be counted as participating in the decision-making process for quorum or voting purposes provided that the director discloses the interest in accordance with either Section 177 or Section 182 of the Act (as the case may be)".
- 3.2 On the occasion of each vote at a meeting of the Board the Holding Company Director(s) participating in the meeting shall have three votes in aggregate, such votes to be divided equally between the Holding Company Directors participating in the meeting and so that, if there is only one Holding Company Director participating in the meeting, that Holding Company Director has three votes.
- 3.3 No decision taken at a Directors' meeting is valid unless at least one Holding Company Director has voted in favour of it.

3.4 In article 11 of Schedule 1, paragraph (2) shall be substituted with the words 'The quorum for Directors' meetings is one Holding Company Director'.

3.5 A Directors' written resolution is adopted when all the Directors who would have been entitled to vote on the resolution had it been proposed at a Directors' meeting (and whose vote would have been counted) have:

(a) signed one or more copies of it; or

(b) otherwise indicated their agreement to it in writing,

provided that those Directors would have formed a quorum at such a meeting.

4. **APPOINTMENT AND RETIREMENT OF DIRECTORS**

4.1 The number of directors is not subject to any maximum, unless the company by ordinary resolution decides otherwise. The minimum number of directors is one. A sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these articles. Where there is a sole director then the quorum for a directors' meeting shall be one and article 11 of Schedule 1 shall be construed accordingly.

4.2 In article 18 of Schedule 1, in paragraph (f) there shall be substituted for the words "notification is received by the company from the director" the words "the director leaves at the company's registered office notification".

4.3 The Holding Company may at any time and from time to time, by giving notice to the Company in writing, appoint any person or persons to be a director or directors of the Company. Any such appointment shall take effect immediately upon the giving of such notice or, if later, the date specified in the notice.

PART 3: TRANSFER AND TRANSMISSION OF SHARES - PRE-EMPTION RIGHTS

5. **THE TRANSFER NOTICE**

5.1 This article applies to any proposed transfer of shares.

5.2 Any person wishing to transfer any shares in the company or any interest therein. ("the **transferor**") must first give to the company notice in writing ("the **transfer notice**") stating that he wishes to sell those shares ("the **relevant shares**").

5.3 The transfer notice must specify the price at which he is prepared to sell the relevant shares and constitute the company as his agent for the sale of those shares to any of the other members at the specified price.

- 5.4 Once the company has received the transfer notice, the transferor may not revoke it without the directors' prior consent.

6. THE OFFER NOTICE

- 6.1 On receipt of the transfer notice, the company must send a written notice ("the offer notice") to all the members of the company holding shares (other than the transferor) ("the relevant member").
- 6.2 The offer notice must be sent by pre-paid post to the relevant members at their respective addresses or to a valid email address for the relevant member.
- 6.3 The offer notice must offer the relevant shares to the relevant members:
- (a) at the price specified in the transfer notice or, if none was specified, at the price to be fixed in accordance with article 7.4 ("the prescribed price");
 - (b) on the terms that if more than one desired to purchase the relevant shares then the shares will be sold to members accepting the offer in proportion (as nearly as may be) to their existing holdings of shares.
- 6.4 The offer notice must set a deadline (not being less than 21 days) by which the offer must be accepted or be treated as declined.

7. THE SALE NOTICE

- 7.1 This article applies where the transferor has specified a price for the relevant shares in the transfer notice.
- 7.2 In this article, "purchaser" means any member willing to purchase the relevant shares at the specified price, and "purchasers" is to be construed accordingly.
- 7.3 Where the company finds a purchaser or purchasers for all of the relevant shares specifies in the transfer notice within the period of 1 month of receiving that notice, it must give notice ("the same notice") to the transferor, stating this fact together with the name and address of each purchaser and the number of shares which each purchaser is willing to purchase.
- 7.4 The sale notice:
- (a) must be accompanied by appropriate instruments of transfer for the transferor to execute;
 - (b) must specify a time and a place for the transferor to complete the purchase (not being more than 2 months after the date on which the sale notice is given).

7.5 Upon payment of the specified price, the transferor shall be bound to transfer the appropriate number of shares to the relevant purchaser.

7.6 For the purpose of determining the right of any purchaser to any distribution by the Company, the transferor shall be deemed to have sold the relevant shares at the date of the completion of the purchase.

8. **THE INTERIM SALE NOTICE**

8.1 This article applies where the transferor has not specified a price for the relevant shares in the transfer notice or where the relevant member(s) has rejected the specified price in the transfer notice.

8.2 In this article, "prospective purchaser" means any member willing to purchase subject to the prescribed price proving to be acceptable, and "prospective purchasers" is to be construed accordingly.

8.3 Where the company finds a prospective purchaser or purchasers for all of the relevant shares specified in the transfer notice within the period of 1 month of receiving that notice, it must give written notice ("the interim sale notice") to the transferor, stating this fact together with the name and address of each prospective purchaser and the number of shares which each prospective purchaser is willing to purchase.

8.4 The interim sale notice must state that;

- (a) the transferor has one month from the receipt of the notice ("the negotiation period") to use his best endeavours to agree the price for each share with each prospective purchaser;
- (b) if the transferor succeeds in agreeing the price in accordance with article 8.4(a) during the negotiation period, he must forthwith give written notice of the fact to the company (such notice may be by email to a valid email address for the company), which must then proceed to issue a final sale notice under article 10.
- (c) if the transferor fails to agree the price in accordance with article 8.4(a) by the end of the negotiation period, the fair market value for the shares ("the prescribed price") shall be determined by the auditors for the time being of the company or, if none, by some other independent chartered accountant to be nominated by the directors of the company for the time being whose decisions shall be final.
- (d) the company auditor or other nominated chartered accountant must determine the prescribed price by the end of the period of one month beginning immediately after the last day of the negotiation period ("the valuation period")

9. THE PRESCRIBED PRICE

- 9.1 In determining the prescribed price under article 8.4(c) the company auditor or other nominated chartered accountant:
- (a) shall act as an expert and not as an arbitrator;
 - (b) the sale is between a willing seller and a willing buyer;
 - (c) the shares are sold free of all restrictions, liens, charges and other encumbrances;
 - (d) the sale is taking place on the date the company auditor or other nominated chartered accountant was requested to determine the prescribed price; and
 - (e) shall have power to determine how the costs of fixing the fair value of the shares shall be borne.
- 9.2 Where the prescribed price has been determined, the company must give written notice of the fact to each prospective purchaser and inform him that he has a period of one month from the receipt of the notice ("the acceptance period") to:
- (a) withdraw his application to purchase the shares, or
 - (b) signify his consent to proceed with the purchase.
- 9.3 A prospective purchaser shall be deemed to have signified his consent under article 9.2(b) unless he informs the company in writing within the acceptance period that he no longer desires to purchase the shares.
- 9.4 If all of the prospective purchasers signify or are deemed to signify their consent to proceed with the purchase, the Company must give the transferor notice of the fact by issuing a final sale notice under article 10.
- 9.5 If some but not all of the prospective purchasers signify or are deemed to signify their consent to proceed with the purchase:
- (a) the company must offer the shares which have been rejected to those prospective purchasers which have signified or are deemed to have signified their consent, and
 - (b) if by doing so buyers can be found for all of the shares specified in the transfer notice, the company must give the transferor notice of the fact by issuing a final sale notice under article 10
- 9.6 For the avoidance of doubt, if some but not all of the prospective purchasers signify or are deemed to signify their consent to the purchase of the shares at the prescribed price, the

transferor shall be under no obligation to sell the relevant shares specified in the transfer notice unless those prospective purchasers who are prepared to purchase shares agree to purchase all of the shares specified in the transfer notice.

10. THE FINAL SALE NOTICE

10.1 The final sale notice must:

- (a) give the name and address of each prospective purchaser and the number of shares which each is willing to purchase;
- (b) state the price which each prospective purchaser has agreed with the transferor or the prescribed price which each has signified his consent (as the case may be);
- (c) be accompanied by appropriate instruments of transfer for the transferor to execute;
- (d) specify a time and a place for the transferor to complete the purchase (not being more than 28 days after the date on which the final sale notice is given).

10.2 Upon payment of the agreed or prescribed price, the transferor shall be bound to transfer the appropriate number of shares to the relevant prospective purchaser.

10.3 For the purpose of determining the right of any prospective purchaser to any distribution by the company, the transferor shall be deemed to have sold the relevant shares at the date of the completion of the purchase.

11. TRANSFEROR'S FAILURE TO TRANSFER SHARES

11.1 If the transferor fails to transfer any shares in accordance with the sale notice or the final sale notice (as the case may be):

- (a) the directors may authorise some person to sign an instrument of transfer on behalf of the transferor in favour of the purchaser or prospective purchaser;
- (b) the company may receive the purchase money to be held in trust for the transferor and cause the name of the purchaser or prospective purchaser (as applicable) to be entered in the register as the holder of the shares.

11.2 The company's receipt of the purchase money shall be good discharge to the purchaser or prospective purchaser, who shall not be bound to see to its application.

11.3 After a purchaser's or prospective purchaser's name have been entered into the register, the validity of the proceedings shall not be questioned by any person.

11.4 For the purpose of determining the right of any purchaser or prospective purchaser to any distribution by the company, the transferor shall be deemed to have sold the relevant shares at the date of the completion of the purchase.

12. **TRANSFEROR'S RIGHT TO TRANSFER SHARES WHERE PRE-EMPTION PROCEDURE FAILS**

12.1 This article applies on the occurrence of any of the following events:

- (a) The expiry of the period of 2 months beginning with the company's receipt of the transfer notice without the company having found purchasers or prospective purchasers for the relevant shares specified in the transfer notice;
- (b) The company giving notice before the end of the period referred to in article 12.1(a) that it has not found purchasers or prospective purchasers for the relevant shares specified in the transfer notice and has no prospects of doing so;
- (c) The expiry of the acceptance period referred to in article 9.2 without buyers having been found for the shares specified in the transfer notice in accordance with either article 9.4 or 9.5.

12.2 For the period of three months beginning with the relevant event described in article 12.1, the transferor shall be at liberty to transfer all or any of the shares specified in the transfer notice to any person, provided that he does so at a price no lower than the price specified in the transfer notice or agreed under article 8.4(a) or prescribed under article 8.4(c) (as the case may be).

12.3 If the transferor wishes to transfer all or any of the shares specified in the transfer notice after the expiry of the period of three months referred to in article 12.2 then he must give a new transfer notice to the company in accordance with article 5.

13. **DEATH OF A MEMBER**

13.1 This article applies where a member of the company dies and shares remain registered in his name ("the remaining shares") after the date of his death.

13.2 The directors may give written notice to the personal representatives of the deceased member requiring them, before the expiry of a period of 21 days beginning with the date of receipt of the notice, to deal with the remaining shares by giving a transfer notice in accordance with article 5.

13.3 If the personal representatives fail to comply with the notice, they shall be deemed at the expiration of the 21-day period referred to in article 13.2 to have given a transfer notice in relation to the remaining shares in accordance with article 5.

14. **BANKRUPTCY OF A MEMBER**

- 14.1 If a bankruptcy order or insolvency event is made or occurs in relation to any member, his trustee in bankruptcy, insolvency practitioner or the like, must immediately give to the company a transfer notice in accordance with article 5 in respect of all the shares registered in the name of the bankrupt/insolvent member at the date of his bankruptcy/insolvency.
- 14.2 If the trustee in bankruptcy, or insolvency practitioner or relevant similar person, fails to give a transfer notice within one month of the bankruptcy/insolvency event, he shall be deemed to have given it at the end of that period.
- 14.3 The provisions of article 5 to 11 (inclusive) will apply to any transfer notice given or deemed to be given under this article and article 13 except that the transfer notice shall be deemed not to contain a specified price for the shares and the price shall be the fair value for the shares determined in accordance with article 8.4(c).

PART 4: DRAG ALONG RIGHTS

15.

- 15.1 If a majority of shareholders who for the time being hold shares that together confer not less than 70% of the total voting rights exercisable in general meetings of the company ("**Majority**") wish to transfer all (but not some only) of their respective shares to a bona fide purchaser on arm's length terms ("**Proposed Buyer**"), the Majority may require all other shareholders ("**Called Shareholders**") to sell and transfer their shares ("**Called Shares**") to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article ("**Drag Along Option**").
- 15.2 The Majority may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders ("**Drag Along Notice**") at any time before the transfer of the Majority's shares to the Proposed Buyer. The Drag Along Notice shall specify:
- (a) that the relevant Called Shareholders are required to transfer all of their Called Shares pursuant to this article 15;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the purchase price payable for the Called shares which shall, for each Called Shares, be an amount each Called Shareholder would be entitled to receive if the total purchase price to be paid, allotted or transferred by the Proposed Buyer to the Majority and the Called Shareholders (the "**Drag Consideration**") were distributed to the holders of the Called Shares and the Majority in accordance with the provisions of Article 18.1 (which could be nil or nominal consideration); and
 - (d) the proposed date of the transfer.

- 15.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Majority have not sold their respective shares to the Proposed Buyer within 150 days of serving the Drag Along Notice. The Majority may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 15.4 No Drag Along Notice shall require the Called Shareholders to agree to any terms which conflict with those set out in this article 15.
- 15.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Majority's shares unless:
- (a) the Majority and the Called Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or
 - (b) the date is less than 7 days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 10th business day (being days when banks in the City of London are open for business) after service of the Drag Along Notice.
- 15.6 Neither the proposed sale of the Majority's shares to the Proposed Buyer nor the sale of the Called Shares by the Called Shareholders shall be subject to the rights of pre-emption set out in Part 3 of these articles.
- 15.7 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificated (or a suitable indemnity for any lost share certificate(s)) to the company. On the Completion Date, the company shall pay the Called Shareholders, on behalf of the Proposed Buyer; the amounts due pursuant to article 15.2 to the extent that the Proposed Buyer has put the company in the requisite funds. The company's receipt for the price shall be good discharge to the Proposed Buyer. The company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 15.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of their stock transfer forms and share certificated (or suitable indemnity) for the relevant called Shares and the Called Shareholders shall have no further rights or obligations under this Article 15 in respect of their shares (unless further Drag Along Notices are subsequently served).
- 15.9 If any Called Shareholders does not, on or before the Completion Date, execute and deliver (in accordance with Article 15.7) a transfer in respect of all of the Called Shares held by him, that Called Shareholder shall be deemed to have irrevocable appointed any person nominated for the purpose by the Majority to be his agent to execute all necessary transfer(s) on his behalf, against receipt by the company (on trust for such holder) of the

purchase price payable for the Called Shares and to deliver such transfer(s) to the Proposed Buyer (or as he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceeds shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article 15.9.

- 15.10 Any transfer of shares by way of sale that is required to be made under Part 3 or Part 4 of these articles shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

PART 5: RIGHTS ATTACHING TO SHARES

16. VOTING RIGHTS

- 16.1 Each Shareholder of Ordinary Shares shall be entitled to receive notice of, attend and vote at general meetings of the Company.
- 16.2 B Growth Shares and C Growth 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 the shareholder an eligible member for the purposes of, proposed written resolutions of the Company.

17. DIVIDENDS

- 17.1 Any amounts that the Company may decide to distribute shall be distributed amongst the holders of Ordinary Shares pro rata to the aggregate number of such Shares held by each of them.
- 17.2 For the avoidance of doubt, B Growth Shares and C Growth Shares shall not be entitled to receive dividends.

18. LIQUIDATION PREFERENCE

- 18.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so) in paying on a pari passu basis the holders of the Ordinary Shares and 8 Growth Shares and C Growth Shares pro rata based on such shareholders' respective holdings of Ordinary Shares and B Growth Shares and C Growth (as if such shares constituted one and the same class), SAVE THAT:
- (a) the holders of B Growth Shares shall have no entitlement prior to holders of Ordinary Shares as a class having received an amount pursuant to this Article equal to the Hurdle Amount of that B Growth Share and thereafter that B Growth

Share shall participate pari passu with Ordinary Shares in distributions in excess of such Hurdle Amount; and

- (b) the holders of C Growth Shares shall have no entitlement prior to holders of Ordinary Shares and B Growth Shares as a class (as if such shares constituted one and the same class) having received an amount pursuant to this Article equal to the Hurdle Amount of that C Growth Share and thereafter that C Growth Share shall participate pari passu with Ordinary Shares in distributions in excess of such Hurdle Amount.

19. EXIT PROVISIONS

- 19.1 In the event of a Share Sale, notwithstanding anything to the contrary in the terms and conditions governing such Share Sale, the selling holders of shares shall immediately prior to such Share Sale procure that the Proceeds of Sale (whenever received) shall be distributed amongst such selling holders of shares in such amounts and in such order of priority as would be applicable on a return of capital pursuant to Article 18.1. On a Share Sale involving less than all the shares in issue, the value of the Company as a whole shall be calculated using the value implied by the Share Sale and shall be notionally distributed to all shares in issue or issuable using the order of priority in Article 18.1 in order to calculate the distribution of the Proceeds of Sale payable in respect of those Shares being sold.
- 19.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 18.1 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by an Investor Majority (including, but without prejudice to the generality of this Article 19.2, creating distributable profits or reserves by way of reduction of capital or such action as may be necessary to put the Company into voluntary liquidation so that Article 18 applies).

20. AUTHORITY FOR BUY BACK

Subject to the Act, the Company may purchase its own Shares in accordance with section 692(1)(ZA) of the Act (as amended from time to time).