

**Execution**

**COMPANIES ACT 2006**



**A PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

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(Adopted by Written Resolution passed on 21 February 2023)

of

**IMMJ SYSTEMS LIMITED**  
**(Company Number 09434716)**

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**IMMJ SYSTEMS LIMITED**

**1. INTRODUCTION**

- 1.1 The articles contained in the Model Articles apart from Articles 5 (Directors may delegate), 6 (Committees), 7 (Directors to take decisions collectively), 8 (Unanimous decisions), 10(1) and (2) (Participation in directors' meetings), 11(2) and (3) (Quorum for directors' meeting), 12 (Chairing of directors' meetings), 13 (Casting vote), 14 (Conflicts of interest), 17 (Methods of appointing directors), 19 (Directors Remuneration), 21 (All shares to be fully paid up), 22 (Powers to issue different classes of shares), 26(5) (Share transfers), 41 (Adjournment), 42 (Voting), 44(4) (Poll Votes), 49(3) and (4) (Company Seal), 50 (No right to inspect accounts and other records), 52 (Indemnity) and 53 (Insurance) shall apply to the Company except insofar as they are inconsistent with the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

**2. DEFINITIONS**

- 2.1 In these Articles the following words and expressions shall have the following meanings:

<b>"AA Ordinary Shares"</b>	the AA ordinary shares of £0.000001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles and <b>"AA Ordinary Share"</b> shall be construed accordingly;
<b>"AA Ordinary Shareholders"</b>	the holders for the time being of the issued AA Ordinary Shares and <b>"AA Ordinary Shareholder"</b> shall be construed accordingly;
<b>"A Ordinary Shares"</b>	the A ordinary shares of £0.001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles and <b>"A Ordinary Share"</b> shall be construed accordingly;
<b>"A Ordinary Shareholders"</b>	the holders for the time being of the issued A Ordinary Shares and <b>"A Ordinary Shareholder"</b> shall be construed accordingly;

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<b>"A2 Ordinary Shares"</b>	the A2 ordinary shares of £0.001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles and <b>"A2 Ordinary Share"</b> shall be construed accordingly;
<b>"A2 Ordinary Shareholders"</b>	the holders for the time being of the issued A2 Ordinary Shares and <b>"A2 Ordinary Shareholder"</b> shall be construed accordingly;
<b>"Acceptance Period"</b>	the period during which an offer made under Article 11.8 is open for acceptance;
<b>"Adjustment Event"</b>	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;
<b>"Adoption Date"</b>	the date of adoption of these Articles;
<b>"Asset Sale"</b>	the disposal by the Company of all or substantially all of its undertaking and assets;
<b>"Available Profits"</b>	profits available for distribution within the meaning of part 23 of the CA 2006;
<b>"Auditors"</b>	the auditors for the time being of the Company or such other firm of chartered accountants appointed in accordance with article 11.5;
<b>"Bad Leaver"</b>	any Leaver who was but has now ceased to be an Employee by reason of: <ul style="list-style-type: none"> <li>(a) fraud, malfeasance, gross misconduct, summary dismissal or conduct involving dishonesty (other than, in the case of dishonesty, a trivial matter in the opinion of the Investor Director, acting reasonably); or</li> <li>(b) breach of any of their obligations under the Investment Agreement or a material breach of their service agreement with the Company.</li> </ul>
<b>"Beneficial Owner"</b>	as defined in Article 10.3;
<b>"Board"</b>	the board of Directors of the Company;
<b>"B Ordinary Shares"</b>	the B Ordinary Shares of £0.001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles;
<b>"B Ordinary Shareholders"</b>	the holders for the time being of the issued B Ordinary Shares;

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<b>"B2 Ordinary Shares"</b>	the B2 Ordinary Shares of £0.001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles;
<b>"B2 Ordinary Shareholders"</b>	the holders for the time being of the issued B2 Ordinary Shares;
<b>"Business Day"</b>	a day (other than a Saturday or Sunday or bank holiday) on which the clearing banks in the City of London are open for business;
<b>"C Shares"</b>	the C1 Ordinary Shares, the C2 Ordinary Shares and the C3 Ordinary Shares;
<b>"C Share Hurdle Amount"</b>	a specified hurdle amount which applies to a particular class of C Share, below which that particular class of C Share shall have no entitlement to share in proceeds available to Members as set out in Articles 4.2 and 4.3. For the avoidance of doubt, the C Share Hurdle Amount shall be the same for all shares of a particular class of C Share. The specific hurdle amount for each class of C Share shall be determined by the Remuneration Committee with the prior written consent of the Investor Majority prior to the issue and allotment of any C Shares of a particular class, as evidenced by the minutes of the relevant meeting of the Remuneration Committee and/or any C Share Subscription Agreement, provided that the C Share Hurdle Amount may be adjusted from time to time by the Remuneration Committee with the prior written consent of the Investor Majority 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 affects the Company's share capital or the value thereof), in each case, which occurs after the Adoption Date;
<b>"C Share Subscription Agreement"</b>	any agreement entered into between the Company and any person pursuant to which the Company agrees to allot and issue C Shares or pursuant to which the Company agrees to grant an option to acquire C Shares or which the Remuneration Committee has designated or elects to treat as a C Share Subscription Agreement for the purposes of these Articles;
<b>"C1 Ordinary Shares"</b>	the C1 Ordinary Shares of £0.001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles;
<b>"C1 Ordinary Shareholders"</b>	the holders for the time being of the issued C1 Ordinary Shares;

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<b>"C2 Ordinary Shares"</b>	the C2 Ordinary Shares of £0.001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles;
<b>"C2 Ordinary Shareholders"</b>	the holders for the time being of the issued C2 Ordinary Shares;
<b>"C3 Ordinary Shares"</b>	the C3 Ordinary Shares of £0.001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles;
<b>"C3 Ordinary Shareholders"</b>	the holders for the time being of the issued C3 Ordinary Shares;
<b>"CA 2006"</b>	the Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force;
<b>"Chairman"</b>	such person as is appointed as a Director and chairman of the Company pursuant to Article 21.1;
<b>"company"</b>	includes any body corporate;
<b>"Company"</b>	IMMJ Systems Limited, a private limited company incorporated in England with the registered number 09434716;
<b>"Conflict Situation"</b>	any situation or matter (other than one which cannot reasonably be regarded as likely to give rise to a conflict of interest) in which any Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company including (without limitation) any such situation or matter which relates to the exploitation of any property, information or opportunity (irrespective of whether the Company could take advantage of the property, information or opportunity);
<b>"Connected"</b>	as defined by Section 1122 of the Corporation Tax Act 2010 provided however that any determination of fact as to whether two or more persons are acting together shall, in the absence of any ruling by HM Revenue & Customs, be made by the tax advisers appointed by the Investor acting as experts and not as arbitrators and whose certificate or certificates from time to time shall be final and binding on the Company and all shareholders;
<b>"Contracted" or "Contract"</b>	a binding agreement between the Company or one of its subsidiaries and a third-party company or government entity, covering the provision of services and software by the Company;
<b>"Deed of Adherence"</b>	a deed of adherence to the terms of the Investment Agreement in such form as may be reasonably approved by the Investor Director;

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<b>"the Directors"</b>	the directors for the time being of the Company or (as the context shall require) any of them (each a <b>"Director"</b> ) acting as the Board of the Company;
<b>"the Drag Along Price"</b>	as defined in Article 16.1;
<b>"the Drag Along Right"</b>	as defined in Article 16.1;
<b>"Eligible Shareholders"</b>	as defined in Article 15.1.1;
<b>"Employee"</b>	an individual who is employed by or who provides consultancy services to the Company or any member of the Group, excluding Thomas Price;
<b>"Employee Member"</b>	any Employee who is a Member;
<b>"Employee Options"</b>	<p>equity incentives (granted as options or the direct issue of shares) in respect of:</p> <ul style="list-style-type: none"> <li>(i) B Ordinary Shares conferring in aggregate no more than 5.8% (this assumes that there are 105,800 B Ordinary Shares in issue);</li> <li>(ii) B2 Ordinary Shares conferring in aggregate no more than 16%; and</li> <li>(iii) C Shares conferring in aggregate no more than 2%;</li> </ul> <p>in each case of the Company's economic and voting rights to the Company's Employees or Directors from time to time, to be: (i) issued directly; or (ii) granted as options under an employee share incentive scheme approved by the Investor Director;</p>
<b>"Employee Trust"</b>	a trust approved by the Board with the approval of the Investor Director and whose beneficiaries are Employees of the Company;
<b>"Equity Shareholders"</b>	the holders for the time being of issued Equity Shares and <b>"Equity Shareholder"</b> shall be construed accordingly;
<b>"Equity Shares"</b>	the A2 Ordinary Shares, the A Ordinary Shares, the AA Ordinary Shares, the Ordinary Shares, the B Ordinary Shares, the B2 Ordinary Shares and the C Shares in issue from time to time;
<b>"Equity share capital"</b>	shall have the meaning set out in section 548 of the CA 2006;
<b>"Excess Shares"</b>	as defined in Article 11.11.1;
<b>"Excluded Person"</b>	(i) any Member (or other person entitled to a Share in the manner set out in Article 12.1) whom the Directors are entitled under Article 10.5, Article 12.1 or Article 14 to require to give a Transfer Notice (but only throughout

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such time as the Directors are entitled to require him to give a Transfer Notice); or

- (ii) any Member or other person who has been required to give a Transfer Notice under Article 10.5, Article 12.1 or Article 14 (whether or not that requirement has been complied with);

**“Exit”** a Sale, Listing or disposal by the Investor of their Equity Shares and Preference Shares;

**“Family Company”** in relation to any person or deceased person, any company which is wholly beneficially owned by that person and/or the Family Members of that person;

**“Family Member”** in relation to any person or deceased person, such person’s spouse or civil partner and parents and every child and remoter descendant of such person (including stepchildren and adopted children);

**“Family Trusts”** in relation to any person or deceased person means trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Equity Shares in question is for the time being vested in any person other than that person and/or a Family Member of that person. For these purposes a person shall be deemed to be beneficially interested in an Equity Share if that Equity Share or the income derived from it is or may become liable to be transferred or paid or applied or appointed to or for the benefit of that person;

**“Financial Year”** has the meaning set out in section 390 of CA 2006;

**“FMV”** fair market value as agreed between the Employee Member and the Directors (acting with the consent of the Investor Director) or as determined in accordance with Article 11.6;

**“Good Leaver”** any Leaver who:

- (a) ceases to be an Employee at any time by reason of:
  - (i) death;
  - (ii) permanent incapacity or serious illness (not caused by illegal drug or alcohol dependence) which in the opinion of the Board and the Investor Director is sufficiently serious to prevent him from carrying out normal duties in accordance with his contract of employment;



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	<p>(iii) retirement on or beyond the age of 60 years old; or</p> <p>(iv) circumstances constituting wrongful dismissal; or</p> <p>(b) the Investor Director, or if none is appointed, the written consent of an Investor Majority, determines in their absolute discretion, to be a Good Leaver;</p>
<b>"Group"</b>	the Company and its subsidiaries from time to time and "Group Company" shall be construed accordingly;
<b>"Intermediate Leaver"</b>	any person who ceases to be an Employee at any time in circumstances where they are not a Bad Leaver or a Good Leaver;
<b>"Investment Agreement"</b>	the investment agreement between (1) the Investors (2) Foresight Fund Managers Limited (3) the Executives (4) the Other Shareholders and (4) the Company (in each case as defined therein) entered into on 4 December 2020;
<b>"Investor Director"</b>	such person as is appointed by the Investors as a Director of the Company pursuant to Article 21.1;
<b>"Investor Group"</b>	in relation to any corporate Investor, that Investor and its Associated Companies from time to time;
<b>"Investor Majority"</b>	person or persons together holding in aggregate at least 50% of the A Ordinary Shares and AA Ordinary Shares (as if such classes constituted a single class of share) for the time being in issue;
<b>"Investors"</b>	shall have the meaning given in the Investment Agreement and shall include the Nominee (as defined in the Investment Agreement) and <b>"Investor"</b> shall be construed accordingly;
<b>"Issue Price"</b>	the aggregate price paid for the relevant Shares whether by purchase or subscription and including any premium paid on subscription;
<b>"Foresight Loan Note Instrument"</b>	shall have the meaning given in the Investment Agreement;
<b>"Foresight Loan Notes"</b>	the unsecured loan notes held by the Investors pursuant to the terms of the Foresight Loan Note Instrument;
<b>"ITEPA"</b>	Income Tax (Earnings and Pensions) Act 2003;
<b>"Leaver"</b>	any Employee Member (but excluding Thomas Price) who ceases to be an Employee at any time following 4 December 2020;

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<b>"Listed or Listing"</b>	<p>the admission of all or any of the Equity share capital (or securities representing those Equity Shares) of the Company to trading on:</p> <ul style="list-style-type: none"> <li>(i) the main market of the London Stock Exchange plc; or</li> <li>(ii) the AIM Market of the London Stock Exchange plc; or</li> <li>(iii) any other recognised investment exchange (as defined by Section 285 of the Financial Services and Markets Act 2000) (as amended) and such admission becoming effective in accordance with the rules of the relevant investment exchange;</li> </ul>
<b>"Listing Shares"</b>	the issued equity share capital of the Company immediately prior to a Listing (excluding any equity share capital to be subscribed and issued on such Listing other than new shares to be paid up by way of capitalisation of reserves or arising from any subdivision, consolidation or conversion of shares)
<b>"Listing Value"</b>	in the event of a Listing, the market value of the Listing Shares determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangement relating to the Listing, all as determined by the financial advisers to the Company or, if none, the broker appointed by the Board to advise in connection with the Listing;
<b>"Lower Hurdle C Share"</b>	by reference to any C Share (a <b>"Specific C Share"</b> ), all other C Shares which are subject to a C Share Hurdle Amount which is lower than the C Share Hurdle Amount applying to that Specific C Share;
<b>"Mandatory Transfer"</b>	a transfer of shares pursuant to a Transfer Notice that is deemed to have been given pursuant to Article 12;
<b>"Mandatory Transfer Date"</b>	in respect of an Employee Member the date on which that person's employment or consultancy with the Group terminates;
<b>"Member"</b>	a holder of Equity Shares;
<b>"a Member of the same Group"</b>	as regards any company, a company which is for the time being a holding company or a subsidiary of that company or of any such holding company;
<b>"Model Articles"</b>	the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229);
<b>"Offer"</b>	either:

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- (i) an offer to purchase all the Equity Shares other than those already held by the Offeror and/or any persons acting in concert with him (as defined in the City Code on Take-overs and Mergers); or
- (ii) the entering into of one or more agreements which will result in any persons who are acting in concert (as defined above) acquiring all the Equity Shares, which agreements are unconditional or subject only to conditions in the sole control of any or all of the persons who are acting in concert;

in each case being an offer or agreement which is approved by the Investors as being an offer or an agreement to which Article 16 does not apply;

<b>"the Offeror"</b>	as defined in Article 16.1;
<b>"Ordinary Shares"</b>	the Ordinary Shares of £0.001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles and <b>"Ordinary Share"</b> shall be construed accordingly;
<b>"Ordinary Shareholders"</b>	the holders for the time being of the issued Ordinary Shares and <b>"Ordinary Shareholder"</b> shall be construed accordingly;
<b>"Penn Place Loan Note Instrument"</b>	shall have the meaning given in the Investment Agreement;
<b>"Penn Place Loan Notes"</b>	the unsecured loan notes held by Penn Place Investments Limited pursuant to the terms of the Penn Place Loan Note Instrument;
<b>"Preference Dividend"</b>	as defined in Article 4.1.2;
<b>"Preference Shares"</b>	the preference shares of £0.0001 each in the capital of the Company and having the rights ascribed thereto as set out in these Articles and <b>"Preference Share"</b> shall be construed accordingly;
<b>"Preference Shareholders"</b>	the holders for the time being of the issued Preference Shares;
<b>"the Prescribed Price"</b>	<ul style="list-style-type: none"> <li>(i) with regards to Sale Shares, the price per Sale Share agreed or determined pursuant to Article 11.5; or</li> <li>(ii) with regards to Shares subject to a Transfer Notice given by a Leaver, as or determined pursuant to Article 12.5;</li> </ul>
<b>"Proposing Transferee"</b>	as defined in Article 15.1;

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<b>“Proposing Transferor”</b>	a Member proposing to transfer or dispose of Equity Shares or any interest therein;
<b>“Purchase of Own Share Option”</b>	has the meaning given in Article 11.10.1;
<b>“Purchaser”</b>	a Member willing to purchase Equity Shares comprised in a Transfer Notice;
<b>“Remuneration Committee”</b>	as defined in the Investment Agreement;
<b>“Relevant Interest”</b>	as defined in Article 15.3.1;
<b>“the Relevant Transaction”</b>	as defined in Article 15.1;
<b>“Sale”</b>	completion of the transaction(s) by which an Offer has arisen;
<b>“the Sale Shares”</b>	all Equity Shares comprised in a Transfer Notice;
<b>“Shares”</b>	means issued shares in the capital of the Company;
<b>“subsidiary” and “holding company”</b>	shall have the meanings set out in Sections 1159 to 1162 of the CA 2006;
<b>“Supplemental Investment Agreement”</b>	the supplemental investment agreement relating to the Company to be entered into between (1) the Investors (2) Foresight Funds Managers Limited (3) the Subscribers (4) the New Executives (5) the Non-Executive (6) the Company to be entered into on or around the Adoption Date;
<b>“Tag Notice”</b>	a written notice served by a Member of the Company in accordance with Article 15.1 and Article 15.2;
<b>“Tax Act”</b>	the Income Tax Act 2007, as amended;
<b>“Transfer Notice”</b>	a written notice served by a Member on the Company, in accordance with Article 11 or deemed to have been served pursuant to Article 13;
<b>“Transferee Company”</b>	a company for the time being holding shares in consequence of a transfer or series of transfers of shares between Members of the same Group (the relevant Transferor Company in the case of a series of transfers being the first transferor in that series);
<b>“Transferor Company”</b>	a company (other than a company which is also a Transferee Company in respect of the same shares) which has transferred shares to a Member of the same Group;
<b>“VCT Legislation”</b>	section 450 of the Corporation Tax Act 2010 and Part 6 of the Tax Act; and

**"Warrants"**

the warrants to subscribe for 8,670 Ordinary Shares in force as at the Adoption Date.

3. **SHARE CAPITAL**

3.1 The issued share capital of the Company at the Adoption Date shall, following the issue of shares pursuant to the Supplemental Investment Agreement, comprise A2 Ordinary Shares, A Ordinary Shares, B Ordinary Shares, Ordinary Shares and Preference Shares.

3.2 In these Articles, unless the context requires otherwise, references to Equity Shares shall include shares of those respective classes created and/or issued after the Adoption Date.

4. **SHARE RIGHTS**

The Equity Shares shall have, and be subject to, the following rights and restrictions:

4.1 **Income**

4.1.1 In respect of each Financial Year ending after the second anniversary following 4 December 2020, the Company's Available Profits will be applied as set out in this Article 4.1.

4.1.2 Subject to Article 4.1.6, the Company will, before application of any Available Profits to reserve or for any other purpose pay in respect of each Preference Share a fixed non-cumulative cash preferential dividend (the "**Preference Dividend**") at the annual rate of 9% of the Issue Price per Preference Share as to:

4.1.2.1 99.9999% of such amount to the holders of the Preference Shares in proportion to the number of Preference Shares held; and

4.1.2.2 the balance to the holders of Equity Shares *pari passu* (as if the Equity Shares constituted one class of Share) in proportion to the number of Equity Shares held

and such amounts shall be paid in cash in quarterly instalments on 31 March, 30 June, 30 September, 31 December in each year starting on the quarter day following 4 December 2023. Should there be insufficient Available Profits in any Financial Year to pay the full amount of the Preference Dividend, the Preference Dividend will be payable in such part as will utilise all Available Profits for the relevant Financial Year.

4.1.3 Other than in respect of the Preference Dividend, the distribution of any profits of the Company shall require the prior approval of the Investor Director or if none appointed, with Investor Majority consent.

4.1.4 Subject to Articles 4.1.5, 4.1.6 and 4.1.7, any Available Profits of the Company after the payment of the Preference Dividend, which the Company may so resolve to distribute, shall be distributed as to:

4.1.4.1 99.9999% of such amount amongst the holders of Equity Shares (but excluding the B2 Ordinary Shares and the C Shares *pari passu* (as if such Shares constituted one class of shares) in proportion to the number of such Shares held; and

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4.1.4.2 the balance to the holders of the Preference Shares, the B2 Ordinary Shares and the C Shares in proportion to the number of Preference Shares, B2 Ordinary Shares and C Shares held (as if such Shares constituted one class of shares).

4.1.5 No dividend other than the Preference Dividend shall be payable, (unless the consent of an Investor Majority is obtained in writing) on the Equity Shares if on the proposed payment date any amounts of capital and interest on the Foresight Loan Notes remains outstanding.

4.1.6 In order to comply with the VCT Legislation no single company which is a holder of Shares shall (together with any Connected person) be entitled to receive, if the whole of the income of the Company were in fact distributed among its participators (without regard to any rights which any holder has as a loan creditor or by reason of that holder's possession of, or entitlement to acquire relevant fixed-rate preference shares), more than 50% of the amount so distributed. For these purposes, the expression "participator" and "loan creditor" shall bear the meanings respectively give to them by Section 253 of the Tax Act and the expression "relevant fixed rate preference shares" shall bear the meaning given by Chapter 4, Part 6 of the Tax Act.

4.1.7 The maximum sum which the holders of the:

4.1.7.1 B Ordinary Shares as a class shall be entitled to receive shall be in aggregate 5.8% of any sum distributed pursuant to Article 4.1.1 and between the holders of the B Ordinary Shares such sum shall be distributed amongst the holders of the B Ordinary Shares pari passu in proportion to the number of B Ordinary Shares held;

4.1.7.2 B2 Ordinary Shares as a class shall be entitled to receive shall be in aggregate 16% of any sum distributed pursuant to Article 4.1.1 and between the holders of the B2 Ordinary Shares such sum shall be distributed amongst the holders of the B2 Ordinary Shares pari passu in proportion to the number of B2 Ordinary Shares held; and

4.1.7.3 C Shares (as if such shares constituted a single class) shall be entitled to receive shall be in aggregate 2% of any sum distributed pursuant to Article 4.1.1 and between the holders of the C Shares such sum shall be distributed amongst the holders of the C Shares pari passu in proportion to the number of C Shares held;

4.1.8 Model Article 30 to Model Article 35 (inclusive) shall be subject to this Article 4.1 and, in the event of any inconsistency, the provisions of this Article 4.1 shall prevail.

## 4.2 **Proceeds of Sale**

On a Sale, immediately following the exercise of any Employee Options, subject to Article 4.3.2, the proceeds of such Sale shall be distributed amongst the holders of Shares as follows:

4.2.1 First, if the full amount of any Preference Dividend has not been paid in accordance with Article 4.1.2 before the date of the Sale (or has only been partly paid) due to a lack of Available Profits, an amount equal to the shortfall calculated as at the date of the Sale, plus an aggregate amount equal to the Issue Price for each Preference

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Share, and such sums shall be paid to the Preference Shareholders pro rata to the number of Preference Shares held by them;

- 4.2.2 second, each A2 Ordinary Share shall be entitled to an amount equal to twice the Issue Price paid thereon;
- 4.2.3 third, each A Ordinary Share and AA Ordinary Share shall be entitled to an amount equal to the Issue Price paid thereon; and
- 4.2.4 thereafter, and subject to Article 4.2.5 the remaining balance of such sale proceeds (the **"Remaining Amount"**) shall be distributed proportionally amongst the holders of the Equity Shares (as if they were one and the same class) according to the number of Equity Shares held save that:
  - 4.2.4.1 the percentage of the Remaining Amount which would otherwise be distributable to the A Ordinary Shareholders under this Article 4.2.4 shall be increased by 10 absolute percentage points, with the 10 absolute percentage points adjusted down by the percentage of the issued shares for the A2 Ordinary Shares, B2 Ordinary Shares, and C Ordinary Shares, and the percentage points of the Remaining Amount distributable to the Ordinary Shareholders and B Ordinary Shareholders under this Article 4.2.4 shall be accordingly decreased by 10 absolute percentage points, with the 10 absolute percentage points adjusted down by the percentage of the issued shares for the A2 Ordinary Shares, B2 Ordinary Shares, and C Ordinary Shares; and
  - 4.2.4.2 the holders of a particular class of C Share (the **"Relevant C Share"**) shall have no entitlement to distributions of the Remaining Amount unless the holders of the A2 Ordinary Shares, A Ordinary Shares, AA Ordinary Shares, Ordinary Shares, B Ordinary Shares, B2 Ordinary Shares and all Lower Hurdle C Shares (if any) together shall have received the C Share Hurdle Amount applicable to that Relevant C Share.
- 4.2.5 The maximum sum of any Remaining Amount which the holders of the:
  - 4.2.5.1 B Ordinary Shares shall be entitled to receive under Article 4.2.4, shall be in aggregate 5.8% of the Remaining Amount (determined prior to the adjustment outlined in clause **Error! Reference source not found.**) with such sum being distributed to the holders of the B Ordinary Shares in proportion to the number of B Ordinary Shares held;
  - 4.2.5.2 B2 Ordinary Shares shall be entitled to receive under Article 4.2.4, shall be in aggregate 16% of the Remaining Amount with such sum being distributed to the holders of the B2 Ordinary Shares in proportion to the number of B2 Ordinary Shares held; and
  - 4.2.5.3 C Shares shall be entitled to receive under Article 4.2.4, shall be in aggregate 2% of the Remaining Amount with such sum being distributed to the relevant holders of the C Shares in proportion to the number of C Shares held.
- 4.2.6 In the event that the proceeds of a Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so

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distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 4.2.

**4.3 Return of Capital**

4.3.1 Subject to Article 4.3.2 and 4.3.3, on a return of assets on a liquidation or capital reduction or similar, the assets of the Company remaining after the payment of its liabilities shall be shared amongst the holders of Equity Shares and Preference Shares *pari passu* as if all classes constituted one and the same class of share and in proportion to the number of Shares held, save that:

4.3.1.1 the entitlement of the holders of the Preference Shares shall be limited to a sum equal to the Issue Price of each Preference Share held; and

4.3.1.2 the holders of a particular class of C Share (the “**Relevant C Share**”) shall only have an entitlement to 0.0001% of distributions prior to the holders of the A2 Ordinary Shares, A Ordinary Shares, AA Ordinary Shares, Ordinary Shares, B Ordinary Shares, B2 Ordinary Shares and all Lower Hurdle C Shares (if any) together having received the C Share Hurdle Amount applicable to that Relevant C Share.

4.3.2 In order to comply with the VCT Legislation no single company which is a holder of Shares shall (together with any Connected person) be entitled (otherwise than by reason of that holder’s possession of, or entitlement to acquire relevant fixed-rate preference shares) on a return of assets on liquidation or capital reduction or otherwise to receive more than 50% of the capital available for payment to all members. For those purposes the expression “relevant fixed-rate preference shares” shall bear the meaning given by Chapter 4, Part 6 of the Tax Act.

4.3.3 The maximum sum which the holders of the:

4.3.3.1 B Ordinary Shares as a class shall be entitled to receive shall be in aggregate 5.8% of any sum distributed pursuant to Article 4.3.1 and between the holders of the B Ordinary Shares such sum shall be distributed amongst the holders of the B Ordinary Shares *pari passu* in proportion to the number of B Ordinary Shares held;

4.3.3.2 B2 Ordinary Shares as a class shall be entitled to receive shall be in aggregate 16% of any sum distributed pursuant to Article 4.3.1 and between the holders of the B2 Ordinary Shares such sum shall be distributed amongst the holders of the B2 Ordinary Shares *pari passu* in proportion to the number of B2 Ordinary Shares held; and

4.3.3.3 C Shares (as if such shares constituted a single class) shall be entitled to receive shall be in aggregate 2% of any sum distributed pursuant to Article 4.3.1 and between the holders of the C Shares such sum shall be distributed amongst the relevant holders of the C Shares *pari passu* in proportion to the number of C Shares held.

**4.4 Listing**

4.4.1 Immediately prior to or conditionally upon a Listing, the holders of any Shares shall enter into such reorganisation of the share capital of the Company as they may agree



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or, in default, as the Board may reasonably specify, to ensure that the Listing Value is allocated between the holders of any Shares in the same proportions as these Articles would provide on a Sale or other distribution of assets, at the Listing Value.

**4.5 Voting**

Subject to the provisions of Article 12.8:

- 4.5.1 on a show of hands every holder of Equity Shares who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote;
- 4.5.2 on a poll every holder of Equity Shares who is present in person or by a proxy or (being a corporation) by a representative shall have one vote for every Equity Share of which he is the holder;
- 4.5.3 notwithstanding the foregoing in order to comply with the VCT Legislation no single company which is a holder of Equity Shares shall (together with any Connected person) be entitled to exercise more than 50% of the voting rights attaching to the equity share capital of the Company; and
- 4.5.4 notwithstanding the foregoing, the holders of the:
  - 4.5.4.1 B Ordinary Shares in aggregate shall not be entitled to exercise more than 5.8% of the voting rights attaching to the equity share capital of the Company;
  - 4.5.4.2 B2 Ordinary Shares in aggregate shall not be entitled to exercise more than 16% of the voting rights attaching to the equity share capital of the Company; and
  - 4.5.4.3 C Shares in aggregate (as if such shares constituted a single class) shall not be entitled to exercise more than 2% of the voting rights attaching to the equity share capital of the Company.
- 4.5.5 The Preference Shares shall not carry any voting rights.

**5. ISSUE OF NEW SHARES: PRE-EMPTION**

- 5.1 Subject to Articles 5.2, 5.3 and 6.3, the following pre-emption process shall apply before any new Equity Shares are issued:
  - 5.1.1 any new Equity Shares from time to time created shall before they are issued to any third party be offered to the holders of A2 Ordinary Shares, A Ordinary Shares, AA Ordinary Shares and Ordinary Shares pro-rata in proportion to the number of A2 Ordinary Shares, A Ordinary Shares, AA Ordinary Shares and Ordinary Shares held (and for the purposes of this Article 5.1, the A2 Ordinary Shares, A Ordinary Shares, the AA Ordinary Shares and the Ordinary Shares shall be treated as if they were the same class of Share) save that under this pre-emption process, each AA Ordinary Shareholder, A Ordinary Shareholder and A2 Ordinary Shareholder will only ever be offered AA Ordinary Shares, A Ordinary Shares and/or A2 Ordinary Shares (at such shareholder's discretion) and each Ordinary Shareholder will only ever be offered Ordinary Shares ("**Pre-Emption Offer**"). By way of illustrated example, if the Company wishes to issue 125,000 new Equity Shares and the following shares are in issue:

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- 50,000 Ordinary Shares
- 25,000 A Ordinary Shares
- 25,000 AA Ordinary Shares
- 25,000 A2 Ordinary Shares

the A Ordinary Shareholders, AA Ordinary Shareholders and A2 Ordinary Shareholders would be together be offered 75,000 new AA Ordinary Shares, A Ordinary Shares and/or A2 Ordinary Shares (pro rata to the number of AA Ordinary Shares, A Ordinary Shares and A2 Ordinary Shares they hold as if such shares constituted a single class) and the Ordinary Shareholders would be offered 50,000 new Ordinary Shares (pro rata to the number of Ordinary Shares they hold).

5.1.2 The Pre-Emption Offer shall be made by notice in writing specifying:

- (a) the number and class of shares offered ("**Relevant Securities**");
- (b) the price per share (which shall be the same price per share), and

stating a time (not being less than thirty days or greater than forty-two days) within which the offer, if not accepted, will be deemed to be declined and stipulating that any offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under Article 5.1 shall, in his acceptance, state the number of excess Relevant Securities ("**Excess Securities**") for which he wishes to subscribe.

5.1.3 Any Relevant Securities not accepted by offerees pursuant to an offer made in accordance with Article 5.1.1 and Article 5.1.2 shall be used to satisfy any requests for Excess Securities. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Equity Shares held by each such applicant bears to the total number of Equity Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Equity Shareholder beyond that applied for by him).

5.2 The provisions of Article 5.1 shall not apply to the issue of shares pursuant to any Employee Options, Warrants and/or the Investment Agreement or the Supplemental Investment Agreement, and may in any event be disapplied in relation to any class of shares by special resolution (subject to Article 6.3.9).

5.3 **Emergency Fundraising**

5.3.1 If an event occurs as set out in Article 23.1.1 or if in the reasonable opinion of the Board (acting with the consent of the Investor Director), the Company resolves that it needs to raise emergency funds by way of subscription for shares (having regard to the financial position of the Group for the next three months) ("**Emergency Funding Requirement**"), the provisions of this Article 5.3 shall apply unless a special resolution has been passed to the contrary.

5.3.2 Where the Board has resolved that there is an Emergency Funding Requirement in accordance with Article 5.3.1, prior to allotting any shares to any person, the Company shall first make an offer to its Members in accordance with Article 5.1, save that the

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time period in Article 5.1 of thirty days shall be replaced with ten days and if Members do not accept the offer and take up their pro-rata share within ten days, the issue of Equity Shares to the Members who have accepted or any willing third party shall proceed regardless (**"Emergency Funding Shares"**)(**"Initial Emergency Funding Round"**).

- 5.3.3 Following the completion of the Initial Emergency Funding Round, all Members who did not take up their pro-rata entitlement to the Emergency Funding Shares pursuant to Article 5.3.2 shall have the right to subscribe for such number of Equity Shares that would maintain their percentage shareholding in the Company at the level it was immediately prior to the issue of the Emergency Shares and shall be entitled to a further twenty-one days (or such longer period agreed by the Board with the consent of the Investor Director) in which to complete such subscription following the close of the Initial Emergency Funding Round (**"Emergency Funding Catch-up Right"**).
- 5.3.4 Where some but not all shareholders participate in the Initial Emergency Funding Round (**"Emergency Funding Round Participants"**) and some shareholders who do not participate in the Initial Emergency Funding Round exercise their Emergency Funding Catch-up Right under Article 5.3.3, all Emergency Funding Round Participants will have the right to subscribe for such additional number of Equity Shares that would maintain their percentage shareholding in the Company at the level it was immediately prior to the issue of the Emergency Funding Shares and shall be entitled to a further twenty-one days (or such longer period agreed by the Board with the consent of the Investor Director) in which to complete such subscription from the close of the last subscription pursuant to the Emergency Funding Catch-up Right. For the avoidance of doubt, the valuation of such shares shall be the same as those offered as part of the Initial Emergency Funding Round.
- 5.3.5 It is a principle of these Articles that unless a special resolution is passed to the contrary, no shareholder shall be diluted by the operation of an Initial Emergency Funding Round without having had the opportunity to avoid such dilution whether by participating in the Initial Emergency Funding Round itself, exercising their Emergency Funding Catch-up Right or exercising their further catch-up right pursuant to Article 5.3.4 provided that such subscription rights are exercised within the requisite timeframes.

5.4 Subject to this Article 5.4 and Articles 5.1, 5.2 and 5.3, for the purposes of sections 549 and 551 of the CA 2006, the shares in the capital of the Company shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that:

- 5.4.1 no shares shall be issued at a discount to their nominal value;
- 5.4.2 the allotment or grant to that person must be approved in writing by the Investor Director except where it is required pursuant to any Employee Options or Warrants or pursuant to the Investment Agreement or the Supplemental Investment Agreement;
- 5.4.3 no shares to which Article 5.1 applies shall be issued more than three months after the expiry of the period for acceptance of the last offer of such shares made under Article 5.1 unless the procedure set out in Article 5.1 is repeated in respect of such shares (and so that the time limit set out in this Article 5.4.3 shall apply equally to any repetition of that procedure);

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- 5.4.4 no shares shall be issued at a price less than that at which they were offered to the Members in accordance with Article 5.1 and if the Directors are proposing to issue such shares wholly or partly for a non-cash consideration the cash equivalent of such consideration for the purposes of this sub-paragraph shall be as reasonably determined by the Auditors who shall act as experts and not as arbitrators and whose determination shall be final and binding on the Company and each of its members. For the avoidance of doubt this Article 5.4.4 shall not apply to the issue of any shares pursuant to Employee Options and pursuant to the Investment Agreement, or the Supplemental Investment Agreement;
- 5.4.5 no Equity Shares shall be allotted to any person who is not already a party to the Investment Agreement unless that person has first executed and delivered to the Company a Deed of Adherence or unless it is otherwise agreed by an Investor Majority that a Deed of Adherence is not required;
- 5.4.6 no Equity Shares shall be allotted to any employee, director, prospective employee or prospective director unless such person has entered into a joint section 431 ITEPA election with the Company or unless this requirement is waived by the Board acting with the consent of the Investor Director.
- 5.5 The provisions of Section 561(1) and 562(1) to (6) inclusive and 568(3) CA 2006 shall not apply to the allotment of equity securities made by the Company.
- 5.6 Any Investor shall be entitled to offer any right (in whole or in part) under this Article 5 to subscribe for Equity Shares to any venture capital trust, venture capitalist, investment trust, investment company, limited partnership, EIS fund (approved or unapproved) or other such like entity, in each case which is advised or managed by the same investment adviser/manager as the relevant Investor.
- 6. **VARIATION OF CLASS RIGHTS**
- 6.1 Whenever the share capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up:
  - 6.1.1 in the case of the A2 Ordinary Shares with the consent in writing of the Investor Director or an ordinary resolution passed in writing or at a separate meeting of the holders of the A2 Ordinary Shareholders;
  - 6.1.2 in the case of the A Ordinary Shares with the consent in writing of the Investor Director or with the sanction of a unanimous resolution passed in writing at a separate meeting of the A Ordinary Shareholders;
  - 6.1.3 in the case of the AA Ordinary Shares with the consent in writing of the Investor Director or with the sanction of a unanimous resolution passed in writing at a separate meeting of the AA Ordinary Shareholders;
  - 6.1.4 in the case of the Preference Shares, with the consent in writing of the Investor Director or with the sanction of a unanimous resolution passed in writing at a separate meeting of the holders of the Preference Shareholders; or
  - 6.1.5 in the case of any class of Equity Shares other than the A2 Ordinary Shares, A Ordinary Shares and AA Ordinary Shares with an ordinary resolution passed in writing or at a separate meeting of the holders of the applicable class of Equity Shares.

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- 6.2 To every such separate meeting all the provisions of these Articles relating to general meetings of the Company shall apply (*mutatis mutandis*) except that:
- 6.2.1 the necessary quorum shall be at least two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class, but so that at any adjourned meeting of such holders at which such a quorum is not present the holder or holders present shall be a quorum; and
  - 6.2.2 the holders of shares of the class in question shall on a poll have one vote in respect of every share of the class held by them respectively.
- 6.3 Without prejudice to the generality of this Article, it is a term of issue of the A2 Ordinary Shares, A Ordinary Shares, AA Ordinary Shares and the Preference Shares that the following events shall be deemed to be an attempted variation of the rights attaching to such shares and shall therefore require class consent in accordance with Article 6.1:
- 6.3.1 any alteration or variation of any of the rights attached to any of the shares for the time being in the capital of the Company;
  - 6.3.2 any resolution to wind-up the Company or any subsidiary of the Company;
  - 6.3.3 any increase in the issued capital of the Company, save for the Employee Options or pursuant to the Investment Agreement or Supplemental Investment Agreement;
  - 6.3.4 any reduction (other than pursuant to a Purchase of Own Share Option) or sub-division or consolidation of the issued share capital of the Company;
  - 6.3.5 the grant by the Company of a right to subscribe for or to convert securities into shares in the capital of the Company, save for Employee Options, pursuant to the Investment Agreement and the Warrant Instrument;
  - 6.3.6 the application by way of capitalisation of any sum in or towards paying up any debenture or debenture stock of the Company;
  - 6.3.7 the redemption of any of the Company's shares or the entering into of a contract by the Company to purchase any of its shares other than pursuant to a Purchase of Own Share Option;
  - 6.3.8 any alteration of the Company's memorandum or articles of association;
  - 6.3.9 the passing of any special resolution pursuant to Article 5.2;
  - 6.3.10 the calling of a meeting of the Company to effect or approve any matter which would by virtue of this Article 6 be a variation of such class rights;
  - 6.3.11 registration as a public company;
  - 6.3.12 the subscription for or other acquisition of shares in any company, the acquisition of all or substantially all of the assets of any other company or of any unincorporated business, the disposal of any share in any other company, the disposal of the Company's undertaking and assets or any substantial part thereof or the making of any capital investment in any partnership or the disposal of any such interest; or
  - 6.3.13 any act or transaction committed or proposed to be committed by a Director within the terms of Article 22.

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### 7. LIEN

- 7.1 The Company shall have a first and paramount lien on every share, which is not fully paid, for all and any indebtedness of any holder thereof to the Company (whether a sole holder or one of two or more joint holders) in respect of the shares concerned.
- 7.2 The Company's lien over a share takes priority over any third party's interest in that share and extends to any dividend or other money payable by the Company in respect of that share, and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.
- 7.3 The Directors (with the consent of the Investor Director) may at any time decide that a Share, which is or would otherwise be subject to the Company's lien will not be subject to it, either wholly or in part.

### 8. REGISTRATION OF TRANSFERS

- 8.1 Subject to Article 8.2, the Directors shall be required to register promptly any transfer of Shares made in accordance with the provisions of these Articles provided in all cases where the transferee is not already a party to the Investment Agreement, a Deed of Adherence duly executed by all relevant parties is laid before the meeting at which the transfer is to be approved (unless such requirement has been waived by the Investor Director), but shall not register any transfer of shares otherwise.
- 8.2 The Directors may refuse to register a transfer of a Share:
  - 8.2.1 which is not fully paid up (as to nominal value or premium) and a transfer of a share on which the Company has a lien;
  - 8.2.2 if it is in favour of more than four transferees;
  - 8.2.3 unless it is lodged at the office or such other place as the Directors may determine and is accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
  - 8.2.4 unless it is in respect of one class of Share only.
- 8.3 In addition the Directors may refuse to register a transfer of a Share to a bankrupt, a minor or a person of unsound mind.

### 9. TRANSFERS PURSUANT TO OFFERS MADE UPON A CHANGE OF CONTROL OR WITH INVESTOR MAJORITY CONSENT

- 9.1 Subject to the provisions of Article 10, any Shares may at any time be transferred by any Member:
  - 9.1.1 pursuant to acceptance of any offer made to that Member under the requirements of Article 15 (Tag Along);
  - 9.1.2 pursuant to Article 16 (Drag Along); or
  - 9.1.3 with the consent of the Remuneration Committee.

## 10. PERMITTED TRANSFERS

- 10.1 Subject to the provisions of Article 8, any Share (other than any Equity Share in respect of which the holder shall have been required by the Directors under these Articles to give a Transfer Notice or shall be deemed to have given a Transfer Notice) may at any time but subject to the written consent of the Board and the Investor Director (if appointed) (such consent not to be unreasonably withheld in the case of transfers to Family Members, Family Trusts or Family Companies) be transferred:
- 10.1.1 by an individual Member (subject to the provisions of Article 12 in respect of Employee Members) to trustees to be held on Family Trusts or by a Family Company of such a Member, or to a Family Member of such Member, but the voting rights of such shares shall be exercised by the Directors save where the Remuneration Committee otherwise confirms that such Member may exercise such votes;
  - 10.1.2 in the event of the death of any Member (subject to the provisions of Article 12 in respect of Employee Members) by his personal representative to trustees to be held on Family Trusts of such Member, or to a Family Member of such Member, but the voting rights of such shares shall be exercised by the Directors save where the Remuneration Committee otherwise confirms that such Member may exercise such votes;
  - 10.1.3 by any Member, being a company, to a Member of the same Group as such Member, save that the transferee can only hold the Shares for so long as it is a Member of the same Group as the original Member and on the transferee ceasing to be a Member of the same Group the transferee will transfer the Shares back to the original Member.
  - 10.1.4 by any C Shareholder to the Company (or any person nominated by the Company) pursuant to the terms of a C Share Subscription Agreement.
- 10.2 Any Investor may transfer any Shares to another party who is (i) a venture capital trust, venture capitalist, investment trust, investment company, limited partnership, EIS Fund (approved or unapproved) or such like entity, in each case managed or advised by the same investment manager or adviser, (ii) an Investor or (iii) an acquirer of an Investor or (iv) the fund manager/adviser to an Investor or an employee, member or partner of the fund manager/adviser to an Investor.
- 10.3 Any Shares held by a nominee for their beneficial owner ("**the Beneficial Owner**") may be transferred by the nominee to the Beneficial Owner or to another person shown to the reasonable satisfaction of the Directors to be a nominee for the Beneficial Owner only. Any Shares may be transferred by the Beneficial Owner to a person shown to the reasonable satisfaction of the Directors to be a nominee for the Beneficial Owner only. Where any person to whom any Shares have been transferred as a nominee ceases to hold such Shares as nominee for the Beneficial Owner only he shall forthwith transfer such Shares to the Beneficial Owner or to another person shown to the reasonable satisfaction of the Directors to be a nominee for the Beneficial Owner only and in default of doing so he shall be deemed to have given a Transfer Notice in respect of all such Shares.
- 10.4 Where Shares have been transferred to trustees under Article 10.1.1 or 10.1.2, on any change of trustees, the Relevant Shares (as defined below) may be transferred to the trustees for the time being of the trust concerned.

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- 10.5.1 a Transferee Company holding Relevant Shares ceases to be a Member of the same Group as the Transferor Company from which (whether directly or by a series of transfers under Article 10.1.3) the Relevant Shares were derived; or
- 10.5.2 any Relevant Shares held by trustees cease to be held on a Family Trust or by a Family Company of the Member;

the relevant Transferee Company, Family Company or trustees of the relevant Family Trust shall immediately transfer the Relevant Shares for nil consideration to the Member from whom they originally acquired any such Shares and are deemed to have appointed any Director as their attorney with full power and authority to execute any documentation required in order to effect such transfer.

For this purpose the expression “**the Relevant Shares**” means (so far as the same remain held by the trustees of a Family Trust or by any Transferee Company) the shares originally transferred to the trustees or to the Transferee Company and any additional shares issued to such trustees or Transferee Company by way of a capitalisation or acquired by such trustees or Transferee Company in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred.

**11. PRE-EMPTION RIGHTS ON TRANSFERS**

- 11.1 The right to transfer Shares or any interest therein shall, subject to and without prejudice to the provisions of Article 9 (Change of Control) and Article 10 (Permitted Transfers) be subject to the following restrictions, save that such restrictions shall not apply to any transfer of Shares pursuant to Article 9.1, the acceptance of an offer made pursuant to Article 15 (Tag Along) or to the proposed sale pursuant to Article 16.1 of the Shares for the time being in issue where the Vendors (as defined in Article 16 (Drag Along)) comply with their obligations under Article 16).
- 11.2 Before transferring or disposing of any Shares (or any interest in Shares) the Proposing Transferor shall serve a notice on the Company specifying:
  - 11.2.1 the number and class of Shares in question;
  - 11.2.2 the proposed price for such Shares; and
  - 11.2.3 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee.
- 11.3 The Transfer Notice shall constitute the Company his agent for the sale of those Shares at the Prescribed Price to any Member or Members. A Transfer Notice shall not be served without the approval of the Investor Director. Except as provided in these Articles, a Transfer Notice once given or deemed to be given shall not be revocable except with the consent of the Directors (which shall include the consent of the Investor Director or, if none is appointed, an Investor Majority).
- 11.4 A Transfer Notice may comprise Shares of more than one class and shall, if the Proposing Transferor has received any offer to purchase Shares (whether or not an offer capable of becoming legally binding upon acceptance) within the period of three months prior to service of the Transfer Notice, give the name of the offeror, the number and class of Shares concerned and the price offered in respect of each such Equity Share. A Transfer Notice may not be given



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by an Excluded Person or an Employee Member unless required by the Directors under Article 10.5, Article 12 or Article 16.

- 11.5 The Directors will endeavour to agree the Prescribed Price with the Proposing Transferor. If the Directors fail to agree the Prescribed Price with the Proposing Transferor within 14 days of receipt of the Transfer Notice by the Company or, as applicable, a Transfer Notice having been deemed to have been served, the Directors shall request the Auditors (or if they are unable or decline to act, an independent firm of chartered accountants appointed by the Directors or, in the event of disagreement appointed on the application of the Proposing Transferor or by the Directors by the President of the Institute of Chartered Accountants in England & Wales and the provisions relating to Auditors in this Article 11 shall apply to such independent firm of chartered accountants (acting as experts and not as arbitrators)) to certify the Prescribed Price.
- 11.6 The Auditors shall (acting as experts and not arbitrators) within 14 days of such a request certify to the Company the Prescribed Price, being the value of each Sale Share (or, where appropriate of each Sale Share of each class) calculated on the following basis:
- 11.6.1 by determining the sum which a willing purchaser would offer to a willing vendor for all the issued Shares;
  - 11.6.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - 11.6.3 that the Sale Shares are capable of being transferred without restriction;
  - 11.6.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued Shares which they represent;
  - 11.6.5 reflect any other factors which the Auditors reasonably believe should be taken into account provided that such factors shall not override the above assumption and bases;
  - 11.6.6 by dividing the resultant figure between the holders of Shares by applying the provisions of Article 4.3.1 as if that sum were the proceeds of a Sale; and
  - 11.6.7 where Article 12.5 applies, the value of such Sale Shares shall be certified as at the date at which the relevant Employee Member becomes a Leaver.
- 11.7 The Auditors' certificate as to the Prescribed Price shall be final and binding, save in the event of manifest error.
- 11.8 Within 21 days following receipt of the Transfer Notice or (where relevant) the date on which the Transfer Notice is deemed to have been given or where the Prescribed Price is certified by the Auditors the date of certification of the Prescribed Price, the Company shall offer the Sale Shares to each Member (other than the Proposing Transferor and any Excluded Person) in accordance with the provisions of Article 11.11 for purchase at the Prescribed Price. All offers shall be made by notice in writing and state a time (being between 30 and 42 days inclusive following the date of such notice) within which the offer must be accepted or, in default, will be deemed to have been declined ("**Acceptance Period**"). A copy of such offer shall at the same time be sent by the Company to the Proposing Transferor.

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- 11.9 If the Sale Shares are A2 Ordinary Shares, A Ordinary Shares and/or AA Ordinary Shares, the Company shall offer such Sale Shares firstly to the A2 Ordinary Shares and/or A Ordinary Shareholders and in the case of each Investor's allocation it shall be entitled to nominate any other entity which is managed by the same fund manager or investment adviser as the Investor, and thereafter to the Ordinary Shareholders, the B Ordinary Shareholders, the B2 Ordinary Shareholders and the C Shareholders (as if the Ordinary Shares, the B Ordinary Shares, the B2 Ordinary Shares and the C Shares constituted one and the same class) pro rata in proportion to the number of Shares held.
- 11.10 If the Sale Shares are Ordinary Shares, B Ordinary Shares, B2 Ordinary Shares or C Shares the Company shall offer such Sale Shares:
- 11.10.1 Firstly and subject to the consent of an Investor Majority, to the Company to buy back under chapter VII of Part V of the CA 2006 to the extent that it is lawfully able to do so ("**Purchase of Own Share Option**"); and
- 11.10.2 secondly, to either:
- (a) an Employee Trust or such other trust as approved by the Remuneration Committee to hold the Shares until an incoming employee or director joins the Company, and the Remuneration Committee resolves such Sale Shares shall be transferred to that person; or
- (b) to an incoming or current Employee or Director where the Remuneration Committee resolves that such Sale Shares shall be transferred to that person; and
- 11.10.3 thirdly, to the holders of Equity Shares *pari passu* (as if the Equity Shares constituted one class of shares) according to the number of Equity Shares held.
- 11.11 The Sale Shares shall be offered on the following basis:
- 11.11.1 any Member to whom the Sale Shares are offered may accept all or some only of the Sale Shares offered to him, and shall be invited to indicate whether, if he accepts all such Sale Shares, he wishes to purchase any Sale Shares which other Members decline to accept ("**Excess Shares**") and, if so, the maximum number of Excess Shares which he wishes to purchase;
- 11.11.2 any Excess Shares shall be allocated between the Members who have indicated that they wish to purchase Excess Shares pro rata to the proportion of the total number of Shares held by those Members but so that no Member shall be required or entitled to receive more than the maximum number indicated by him pursuant to Article 11.11.1;
- 11.11.3 subject to the provisions of this Article 11.11.3 and Article 11.8, the Purchasers shall be bound to purchase the Sale Shares properly allocated to them at the Prescribed Price in accordance with the provisions of Article 11.
- 11.12 Not later than 7 days following the expiration of the Acceptance Period the Company shall give written notice to the Proposing Transferor stating:
- 11.12.1 if it is the case, that no Member has sought to purchase any of the Sale Shares; or, otherwise

**Execution**

- 11.12.2 the number of Sale Shares which Members have sought to purchase, giving the name and address of each Purchaser and the number of Sale Shares to be purchased by him.
- 11.13 If within the Acceptance Period, Purchasers have been found for only some of the Sale Shares or if no Purchaser has been found for any of the Sale Shares, the Proposing Transferor may within 7 days of service on him of notice under this Article revoke his Transfer Notice by written notice to the Company **PROVIDED THAT** this Article 11.13 shall not apply to a Mandatory Transfer.
- 11.14 If the Proposing Transferor is given notice under Article 11.12 (and subject to his not revoking his Transfer Notice in accordance with Article 11.13) he shall be bound on payment of the Prescribed Price to transfer the Sale Shares in question to the respective Purchasers. The sales and purchases shall be completed at the registered office of the Company during normal business hours on the first Business Day after the expiry of 14 days following the date of service of notice by the Company under Article 11.12.
- 11.15 If a Proposing Transferor fails to transfer any Sale Shares to a Purchaser after becoming bound to do so, the Directors may authorise any person to execute on behalf of and as attorney for the Proposing Transferor any necessary instruments of transfer and shall register the Purchaser as the holder of the relevant Sale Shares. The Company's receipt of the purchase money shall be a good discharge to the Purchaser and the Company shall thereafter hold the purchase money on trust for the Proposing Transferor. After the name of the Purchaser has been entered in the Register of Members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.
- 11.16 If the Company fails before the end of the Acceptance Period to find a Purchaser or Purchasers for any of the Sale Shares, the Proposing Transferor may (subject to Articles 8 and 11.18) sell all or any of the Sale Shares to any third party/parties **PROVIDED THAT** this Article 11.16 shall not apply to a Mandatory Transfer.
- 11.17 If before the end of the Acceptance Period the Company finds a Purchaser or Purchasers for some (but not all) of the Sale Shares and serves notice accordingly under Article 11.12 the Proposing Transferor may (subject to Articles 8 and 11.18) sell all or any of the Sale Shares for which no Purchaser has been found to any third party/parties unless he revokes his Transfer Notice pursuant to Article 11.12 in which case he may sell all (but not some only) of the Sale Shares to any third party/parties.
- 11.18 The right of the Proposing Transferor to sell Sale Shares pursuant to Article 11.16 or Article 11.17 shall be subject to the following restrictions:
- 11.18.1 Sale Shares may not be sold after the expiry of three months after the date on which notice is given by the Company under Article 11.12;
- 11.18.2 Sale Shares must be sold on a bona fide sale at a price not less than the Prescribed Price and without any deduction, rebate or allowance whatsoever to the Purchaser;
- 11.18.3 the provisions of Article 15 (if applicable); and
- 11.18.4 no Shares may be transferred, or disposed of, pursuant to this Article 11.18 by any person who is an Excluded Person unless the Directors resolve to approve such transfer or disposal.

**Execution**

- 11.19 The costs of the Auditors shall be borne as Auditors may direct or, if they decline to do so, as the Investor Director may direct.
- 11.20 The restrictions imposed by this Article 11 may be waived in relation to any proposed transfer of Shares with the consent of all Members who, but for such waiver, would or might have been entitled to have such shares offered to them in accordance with Article 11.11.
- 11.21 For the purposes of Article 11.18.2 and calculating whether or not a price to be paid for the Sale Shares is more or less than the Prescribed Price, then the cash value of any non-cash consideration shall be that agreed between the Proposing Transferor and the Company, or if the Proposing Transferor and the Company fail to agree such cash value within 15 Business Days following the earlier of any request by the Proposing Transferor to so value any non-cash consideration and the submission to the Company of the relevant stock transfer form(s) relating to a transfer of the Sale Shares for non-cash consideration, the cash value shall be the amount certified as such as at the date of the earlier of the request for valuation and the purported transfer of the Sale Shares at the request of the Directors, by the Auditors (acting as experts and not arbitrators). Their certificate shall be final and binding.
- 11.22 Any Investor shall be entitled to offer any right (in whole or in part) under this Article 12 to subscribe for or acquire Shares to any venture capital trust, venture capitalist, investment trust, investment company, limited partnership, EIS fund (approved or unapproved) or other such like entity, in each case which is advised or managed by the same investment adviser/manager to the relevant Investor or to any company in which the Investor is a shareholder.
- 12. MANDATORY TRANSFERS**
- 12.1 A person entitled to a share in consequence of the bankruptcy, receivership or liquidation of a Member shall be bound if required in writing to do so by the Directors or the Investor Director to give a Transfer Notice in respect of all the Shares then registered in the name of the Member in bankruptcy, receivership, or liquidation, within 2 weeks of receipt of the relevant request.
- 12.2 A Director shall be entitled to give a Transfer Notice in respect of all the Shares then registered in the name of the Member where Article 12.1 applies.
- 12.3 If a Transfer Notice is given pursuant to Article 12.1 or 12.2 the Sale Shares shall be offered in accordance with the provisions of Article 11.10 and in such circumstances the Sale Shares shall be transferred at the Prescribed Price (as defined in Article 11.5).
- 12.4 If any person who is an Employee Member becomes a Leaver, within 12 months following the date on which the Investor Director, or if none is appointed the Investor Majority, becomes aware that the relevant Employee Member has become a Leaver, the Remuneration Committee with the prior written consent of the Investor Director, or where no Investor Director is appointed, the Remuneration Committee with Investor Majority, may serve a written notice on the Company referring to this Article 12.4 confirming that such Leaver (and, any person to whom he has directly or indirectly transferred Shares pursuant to Article 10.1) shall be deemed to have given a Transfer Notice at the date on which he ceased to be an Employee of the Company in respect of:
- 12.4.1 if the Leaver is a Good Leaver, and subject to Article 12.4.3, such portion of Shares registered in the name of such Leaver (and any person to whom he has directly or indirectly transferred Shares pursuant to Article 11.1 as at the Mandatory Transfer

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Date) as indicated in the table below and 100% of all Shares which may be capable of being issued as the result of the options granted to the Leaver and vested in the Leaver as at the Mandatory Transfer Date:

<b>Mandatory Transfer Date</b>	<b>Percentage of Shares to be transferred</b>
In respect of any Shares issued prior to the Adoption Date, at any time on or after 4 December 2020	25%
In respect of any Shares issued on or after the Adoption Date, within 24 months following the Adoption Date	25%
In respect of any Shares issued on or after the Adoption Date, on or after the date falling 24 months after the Adoption Date	0%

- 12.4.2 subject to Article 12.4.3, 100% of the Shares registered in the name of the Leaver (and any person to whom he has directly or indirectly transferred Shares pursuant to Article 11.1 as at the Mandatory Transfer Date) and 100% of all Shares which may be capable of being issued as the result of the options granted to the Leaver and vested in the Leaver as at the Mandatory Transfer Date, if the Leaver is a Bad Leaver;
- 12.4.3 100% of the C Shares registered in the name of the Leaver (and any person to whom he has directly or indirectly transferred Shares pursuant to Article 11.1 as at the Mandatory Transfer Date), if they are a Leaver; and
- 12.4.4 if the Leaver is an Intermediate Leaver, and subject to Article 12.4.3, such portion of Shares registered in the name of such Leaver (and any person to whom he has directly or indirectly transferred Shares pursuant to Article 11.1 as at the Mandatory Transfer Date) as indicated in the table below and 100% of all Shares which may be capable of being issued as the result of the options granted to the Leaver and vested in the Leaver as at the Mandatory Transfer Date:

<b>Mandatory Transfer Date</b>	<b>Percentage of Shares to be transferred</b>
In respect of any Shares issued prior to the Adoption Date within 12 months of 4 December 2020	100%
In respect of any Shares issued on or after the Adoption Date within 12 months of the Adoption Date	
In respect of any Shares issued prior to the Adoption Date, on or after the date falling 12 months after 4 December 2020 but before the date falling 24 months after 4 December 2020	50%

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In respect of any Shares issued on or after the Adoption Date, on or after the date falling 12 months after the Adoption Date but before the date falling 24 months after the Adoption Date	
In respect of any Shares issued prior to the Adoption Date, on or after the date falling 24 months after 4 December 2020 but before the date falling 48 months after 4 December 2020	37.5%
In respect of any Shares issued prior to the Adoption Date, on or after the date falling 48 months after 4 December 2020	25%
In respect of any Shares issued on or after the Adoption Date, on or after the date falling 24 months after the Adoption Date	0%

12.5 The Prescribed Price for the Sale Shares under Article 12.4 shall be:

12.5.1 where the relevant Leaver is a Good Leaver, the Prescribed Price shall be FMV;

12.5.2 where the relevant Leaver is an Intermediate Leaver, and/or where Article 12.4.3 applies and the C Shareholder is not a Bad Leaver, the Prescribed Price shall be:

12.5.2.1 the lower of FMV and £10.726 per Sale Share in respect of all Sale Shares that were in issue prior to the Adoption Date; and

12.5.2.2 Issue Price in respect of all Sale Shares that were issued on or after the date of the Adoption Date,

in each case subject to adjustment for any share splits and consolidations after 4 December 2020,

12.5.3 where the relevant Leaver is a Bad Leaver, the Prescribed Price shall be:

12.5.3.1 the lower of FMV and £10.726 per Sale Share in respect of all Sale Shares that were in issue prior to the Adoption Date; and

12.5.3.2 £1 (in aggregate) in respect of all Sale Shares in respect of all Sale Shares that were issued on or after the date of the Adoption Date,

in each case subject to adjustment for any share splits and consolidations after 4 December 2020.

12.6 If a Transfer Notice is given or deemed to have been given pursuant to Articles 12.1, 12.2 or 12.4 the Sale Shares shall be offered in accordance with the provisions of Article 11.10.

12.7 If a Transfer Notice has been given or deemed to be given under this Article 12, the Directors may authorise any person to execute on behalf of and as attorney for the person or entity

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who has given or is deemed to have given the Transfer Notice an appropriate contract and/or stock transfer form and, in the absence of the relative share certificate, any indemnity in respect thereof requested by the Directors and may deliver it or them on his or its behalf. The Company shall send a cheque in respect of the Prescribed Price to the person or entity who has given or is deemed to have given the Transfer Notice at his registered address and after appropriate entries have been made in the Register of Members in purported exercise of this power, the validity of the proceedings shall not be questioned by any person.

- 12.8 As from the point in time when any Employee Member becomes a Leaver and notwithstanding whether or not the Investor Director, or if none is appointed the Investor Majority, have given a written notice pursuant to Article 12.4, that Leaver shall:

12.8.1 before the transfer provisions of this Article 12 have been operated and notwithstanding any other provision of these Articles;

12.8.2 in respect of any Shares retained by that Leaver notwithstanding that they have become a Leaver,

cease to have the right to attend or to vote at general meetings or to vote on a written resolution (unless otherwise determined by the Directors (with the consent of the Investor Director) and all voting rights conferred by their Shares shall be exercised by the Board (with the consent of the Investor Director) provided always that any Sale Shares purchased from such Leaver shall have their voting rights re-instated on a transfer of such Sale Shares.

- 12.9 If any person or entity (or their personal representatives) in respect of whose Shares (whether some or all) a Transfer Notice was given or deemed to be given pursuant to this Article 12, acquires Shares pursuant to an employee share option scheme, he shall be deemed to have given a Transfer Notice pursuant to this Article 12 in respect of such Shares as at the acquisition date of those Shares (or such later date as the Board determines in writing with the consent of the Investor Director).

13. **EVIDENCE OF COMPLIANCE**

In any case where the Directors require a Transfer Notice to be given and it is not duly given within a period of two weeks of notice being given requiring the Transfer Notice to be given, a Transfer Notice in respect of the Shares in question shall be deemed to have been given at the expiration of that period. Any Transfer Notice deemed to have been given or required to be given under any provision of these Articles shall not be capable of revocation and (notwithstanding any of the provisions of these Articles) shall extend not just to the Shares registered in the name of the Member concerned but to any person Connected to him and/or to whom he has directly or indirectly transferred Shares pursuant to Article 10.1.

14. **EVIDENCE OF AUTHORISATION**

For the purpose of ensuring that a transfer of Shares is duly authorised under these Articles or that no circumstances have arisen requiring a Transfer Notice to be given, the Directors may require any Member or the personal representatives or trustee in bankruptcy, receiver or liquidator of any Member or any person named as transferee in any instrument of transfer lodged for registration to provide to the Company such information as the Directors reasonably think fit regarding any matter which they consider relevant. If such information is not provided to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in

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respect of the Shares concerned. If the information discloses (in the reasonable opinion of the Directors) that a Transfer Notice ought to have been given in respect of any Shares the Directors may by notice in writing require that a Transfer Notice be given in respect of the Shares concerned.

**15. TAG ALONG**

15.1 Notwithstanding the provisions of Article 10 no sale or transfer of the legal or beneficial interest in any Shares ("**the Relevant Transaction**") (other than one made pursuant to Article 9) may be made or validly registered if as a result of such sale or transfer a Relevant Interest is obtained by a person (or persons acting in concert) where such person(s) did not have a Relevant Interest immediately prior to the Relevant Transaction), unless the Proposing Transferor:

15.1.1 shall have procured a written offer complying with the provisions of Article 15.4 to have been made by the proposed transferee (or any person or persons acting in concert with it) ("**the Proposing Transferee**") to the holders of all the other issued Shares to acquire their entire holding of Shares (the "**Eligible Shareholders**"); and

15.1.2 shall have served a written notice on the Eligible Shareholders in respect of such proposed offer (the "**Tag Notice**").

15.2 The Tag Notice will specify:

15.2.1 that Eligible Shareholders are entitled to transfer all of their shareholdings to the Proposing Transferee;

15.2.2 the terms of sale to which the Eligible Shareholders are required to adhere and enclose copies of the tag along documents (if any) relating to the sale;

15.2.3 the identity of the Proposed Transferee;

15.2.4 the Specified Price and/or type of consideration being offered (including non-cash consideration) for each class of Shares held by the Eligible Shareholders; and

15.2.5 the proposed place, date and time of completion.

15.3 For the purpose of this Article 15:

15.3.1 the expression a "**Relevant Interest**" shall mean an interest in more than 50% of the Equity Shares in issue for the time being;

15.3.2 the expressions "transfer" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment and the renouncement under any such letter of allotment; and

15.3.3 the expression "acting in concert" shall bear the meaning ascribed to it in the City Code on Take-overs and Mergers (as amended from time to time).

15.4 The offer referred to in Article 15.1 above shall be on terms that:

15.4.1 it will be open for acceptance in England and Wales for a period of at least 28 days following the making of the offer;



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- 15.4.2 each Member to whom it is made shall be entitled to receive for each of the Shares held by him a sum per Share equal to the Specified Price (or otherwise on the same terms for non-cash consideration where relevant);
  - 15.4.3 the purchase of any Shares in respect of which such offer is accepted shall be completed at the same time as the Relevant Transaction;
  - 15.4.4 and otherwise on the same terms for all Members (and for this purpose any offer which provides for any warranties or indemnities (other than warranties as to title and capacity) or restrictive covenants from some, but not all, Members shall be deemed to comply with this Article 15.4);
  - 15.4.5 in the case of an offer made to an Investor, that offer must also provide for the immediate repayment of that Foresight Loan Notes in full with any interest thereon and the immediate repayment of the Issue Price of each Preference Share and any unpaid Preference Dividends.
- 15.5 The expression "**the Specified Price**" shall mean:
- 15.5.1 a price per Share which shall be determined by valuing the entire issued share capital of the Company ("**the Sale Value**") by reference to the aggregate of:
    - 15.5.1.1 the amount offered or paid or payable by the Proposed Transferee or transferees or his or their nominees respectively for each of the Shares comprised in the Relevant Interest to the holder or holders thereof or, if higher, the highest amount paid or payable for an Equity Share in any related or previous transaction within the 12 months preceding the offer by the same Proposing Transferee or any person acting in concert with the Proposing Transferee; plus
    - 15.5.1.2 an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holder or holders of the Shares comprised in the Relevant Interest which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Relevant Interest (and, for the avoidance of doubt and without prejudice to the generality of the foregoing, any additional consideration which is linked to future profits, turnover or some other measure of the future performance of the Company shall be regarded as consideration which is an addition to the price paid or payable for the Relevant Interest); and
  - 15.5.2 the Specified Price which each Member shall be entitled to receive in respect of each Share held by him shall then be determined by applying the provisions of Article 4.3.1 as if the Sale Value were the proceeds of a Sale.
- 15.6 Any disagreement as to the calculation of the Specified Price which each Member is entitled to receive in respect of each Share held by him for the purposes of this Article shall be referred to the Auditors or if a Member objects or they are unable to act or decline to act, an independent firm of chartered accountants appointed by the Directors, or in the event of disagreement, appointed on the application of the Proposing Transferor or the Directors by the President of the Institute of Chartered Accountants in England and Wales and the provisions relating to the Auditors in this Article 15 shall apply to such independent firm of chartered accountants (acting as experts and not arbitrators) whose decision shall be final and

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binding (in the absence of manifest error) and the costs of the Auditors shall be borne by the Company.

**16. DRAG ALONG**

**16.1 If:**

16.1.1 at any time one or more Members holding between them 75% of the Company's voting rights for the time being in issue (and acting with the consent of an Investor Majority) propose to sell the legal or beneficial interest in their entire holdings of Shares; or

16.1.2 on the fifth year anniversary of the adoption of these Articles, there has been no Exit, the holders of more than 50% of the A2 Ordinary Shares, A Ordinary Shares and AA Ordinary Shares, propose to sell the legal and beneficial interest in their entire holdings of Shares,

(in each case the "**Vendors**") to a person with whom none of them is Connected or one or more such persons acting in concert (the "**Offeror**") then the Vendors acting pursuant to Article 16.1.1 or 16.1.2 shall have the right to require the holders of all other issued Shares in the Company (the "**Called Shareholders**") to sell and transfer their entire holdings of Shares (for the same consideration as the Vendors whether this be cash or non-cash consideration) to the Offeror (or as the Offeror shall direct) in accordance with this Article 16.1 (the "**Drag Along Right**") at a price (the "**Drag Along Price**") to be determined on the basis set out in Article 15.5 (or if the cash is non-cash consideration having a value equal to the Drag Along Price) and otherwise on the terms specified in Article 16 (as if the Vendors' proposed sale was a Relevant Transaction), provided that where any of the Investors are Called Shareholders, they may only be required to sell and transfer pursuant to an exercise of the Drag Along Right if, upon completion of the sale and transfer, the Foresight Loan Notes and the Penn Place Loan Notes are repaid in full together with any accrued or unpaid interest thereon.

16.2 The Drag Along Right may be exercised by the Vendors serving written notice to that effect (a "**Drag Along Notice**") on the Called Shareholders at any time before the transfer of the Vendors' Shares to the Offeror.

16.3 A Drag Along Notice shall specify that the Called Shareholders are, or will in accordance with this Article 16 be, required to sell and transfer all their Shares to the Offeror on or about the date specified in the Drag Along Notice (which shall be not less than 7 days after the date of the Drag Along Notice or (if no such date is specified in the Drag Along Notice) on or about such date as the Vendors may subsequently specify by notice in writing to the Called Shareholders (which shall be not less than 7 days after the date of the Drag Along Notice).

16.4 A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Vendors do not transfer their entire holdings of Shares to the Offeror or the Offeror's nominee not later than the date specified as the date for completion of the sale and purchase of Shares pursuant to exercise of the Drag Along Notice.

16.5 Upon any person, following the giving of a Drag Along Notice, becoming a Member pursuant to the exercise of a pre-existing option to subscribe for or otherwise acquire Shares in the Company (a "**New Member**"), a Drag Along Notice shall be deemed to have been given to the New Member forthwith on the same terms as the previous Drag Along Notice and the New Member shall thereupon be bound to sell and transfer all such Shares acquired by him to the

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Offeror or as the Offeror may direct and the provisions of this Article shall apply mutatis mutandis to the New Member save that completion of the sale of such Shares shall take place forthwith upon the Drag Along Notice being deemed to have been given to the New Member.

- 16.6 If the Vendors exercise the Drag Along Right, it shall not be necessary for them first to have given Transfer Notices pursuant to Article 11.
- 16.7 If any of the Called Shareholders shall fail to comply with the terms of Article 16.3 in any respect (each a “**Defaulting Shareholder**”):
- 16.7.1 the Company shall be unconditionally constituted the agent of each Defaulting Shareholder for the sale of the Shares referred to in their Drag Along Notice in accordance with that notice and shall be authorised to transfer, and complete the transfer of, those Shares (including, without limitation of the generality of the foregoing, to execute and deliver any necessary stock transfer form);
  - 16.7.2 the Company may receive the necessary purchase money in trust for each Defaulting Shareholder and the receipt by the Company of that purchase money shall constitute a good and valid discharge to the Offeror;
  - 16.7.3 against receipt by the Company of the purchase money (in trust for the Defaulting Shareholder), and notwithstanding (if such is the case) that the Defaulting Shareholder has failed to deliver up the relevant share certificate(s), the Company shall cause the Offeror to be registered as the holder of the relevant Shares and, after such registration, the validity of the proceedings shall not be questioned by any person; and
  - 16.7.4 the Company shall not be required to pay the purchase monies to a Defaulting Shareholder until they shall, in respect of the Shares subject to the Drag Along Notice, have delivered a share certificate or suitable indemnity and necessary transfers to the Company.

**17. PROCEEDINGS AT GENERAL MEETINGS**

- 17.1 Save as herein otherwise provided two Equity Shareholders present in person or by proxy (or, being a corporation, by representative), one of whom must be a proxy or duly authorised representative of the Investor shall be a quorum.
- 17.2 If a quorum is not present within half an hour from the time appointed for a general meeting or ceases to be present the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.
- 17.3 If at any adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall form a quorum.
- 17.4 In the case of any equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of the meeting shall not be entitled to a second or casting vote.

**18. ALTERNATE DIRECTORS**

No meeting of the Directors shall be invalid because notice thereof or of any business to be transacted at that meeting was not given to any alternate director if his appointer attends such meeting.

**Execution****19. APPOINTMENT AND RETIREMENT OF DIRECTORS**

19.1 The Directors shall not be required to retire by rotation.

19.2 The Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.

19.3 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of directors.

**20. PROCEEDINGS OF THE DIRECTORS**

20.1 The number of Directors shall not be less than two or more than eight.

20.2 Subject to Article 20.5, the quorum necessary for the transaction of business of the Directors shall be two, at least one of whom shall be an Investor Director if at the time of the meeting an Investor Director has been appointed.

20.3 At any meeting of the Directors each Director (or his alternate director) present at the meeting shall be entitled to one vote.

20.4 In the case of an equality of votes at any meeting of the Directors the chairman of such meeting shall not be entitled to a second or casting vote.

20.5 Any Director including an alternate Director may participate in a meeting of the Directors or a committee of the Directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the CA 2006, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

20.6 Model Article 9(3) and 9(4) shall be deleted and replaced with:

“Notice of every meeting of the directors shall be given to each director and his alternate, including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom or an e-mail address or a facsimile number outside the United Kingdom for service”.

**21. INVESTOR DIRECTOR**

21.1 Notwithstanding any other provisions of these Articles, so long as the Investor or any of them are holders(s) of at least 5% of the Share(s) in the Company and/or are a holder of Foresight Loan Notes (as defined in the Investment Agreement), they shall have the right (acting by an Investor Majority) to appoint one person as a Director of the Company (“**Investor Director**”) and (following appropriate consultation with the Board as to the identity and terms of appointment of such person) one independent person not connected with any Investor as a Director and chairman of the Company (“**Chairman**”) and to remove from office any person so appointed and (subject to such removal) to appoint another person in his place.

21.2 An Investor Director or Chairman shall not be required to hold any Shares.

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- 21.3 Any appointment or removal of an Investor Director and/or Chairman shall be by notice in writing to the Company which will take effect on delivery at the registered office of the Company or at any meeting of the Board.
- 21.4 For so long as the Investors are the holders of any Shares, on any resolution to remove an Investor Director and/or Chairman the Shares held by the Investor who appointed such director shall together carry at least one vote in excess of 75% of the votes exercisable in respect of that resolution at the general meeting at which such resolution is to be proposed and if any such director is removed pursuant to Section 168 of the CA 2006 the Investor who appointed such director may reappoint him or any other person as an Investor Director or Chairman (as relevant).
- 21.5 Notwithstanding any other provisions of these Articles, so long as the Investors or any of them are holders(s) of any Share(s) in the Company, in the event that the Investors have not appointed an Investor Director or Chairman, they shall have the right (acting by an Investor Majority) to appoint one person as an observer at board meetings of the Company and to remove from office any person so appointed and (subject to such removal) to appoint another person in his place.
- 21.6 Such observer shall be entitled to receive the same information concerning the business and affairs of the Company, as the Directors of the Company receive, and at the same time, but shall not be entitled to vote at meetings of the Directors and shall not be counted towards the quorum.
- 21.7 Any appointment or removal of such observers shall be by notice in writing to the Company which will take effect on delivery at the registered office of the Company or at any meeting of the Board.
- 22. DIRECTORS' CONFLICTS OF INTERESTS**
- 22.1 *If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is in any way directly or indirectly interested, that Director shall be counted as participating in the decision making process for quorum and voting purposes provided that the relevant interest either:*
- 22.1.1 has been duly declared in accordance with section 177 or section 182 CA 2006, as the case may require, or
- 22.1.2 is not required by the terms of either of those sections to be declared.
- 22.2 So long as the relevant interest falls within Article 21.1 or 21.2, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction with the Company:
- 22.1.1 may be a party to, or otherwise interest in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 22.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of any such matter or proposed matter in which he is interested;
- 22.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; and

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22.1.5 may be a Director, or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested.

22.3 The Directors are hereby empowered for the purposes of section 175 of the CA 2006 to authorise any Conflict Situation that may arise and to amend or vary any such authorisation so given. Any such authorisation, amendment or revocation shall be given by resolution of the directors made in accordance with these Articles and, in the case of such authorisation, that section. The Directors may give any such authorisation subject to such terms as they shall consider appropriate and reasonable in the circumstances.

22.4 For the purposes of sections 175 and 180(4) of the CA 2006 and for all other purposes, it is acknowledged that an Investor Director may be or become subject to a Conflict Situation or Conflict Situations as a result of his also being or having been or being party to an agreement or understanding or circumstances under which he may become an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or a director or indirect investor in and/or otherwise commercially involved with or economically interested in any of the following:

22.4.1 an Investor; and/or

22.4.2 any Investor affiliate, which for these purposes means any person who or which, as regards any Investor or any other Investor affiliate of that Investor:

22.4.3 a company or entity which is a member of the Investor Group; and/or

22.4.4 is an investment manager or investment adviser to or of it and/or another Investor affiliate; and/or

22.4.5 is a Person in which the Investor and/or any Investor affiliated may have or acquire a direct or indirect economic interest, including without limitation any portfolio company investee; and/or

22.4.6 controls or is controlled, managed, advised (in an investment adviser capacity) or promoted by the Investor and/or such Investor affiliate; and/or

22.4.7 a trustee, manager, beneficiary, shareholder, partner, unit holder or other financier or any participant in or of it and/or that Investor affiliate, and/or

22.4.8 any carried interest or similar incentive arrangement associated with any Person or arrangement referred to in paragraph 22.4.1 or 22.4.2 of this Article,

where for these purposes "Person" shall mean any individual, body corporate, fund, trust, partnership or other entity whether or not having separate legal status.

22.4.9 An Investor Director's duties to the Company arising from his holding office as director shall not be breached or infringed as a result of any Conflict Situation envisaged by Article 22.4 and he shall be entitled to:

- (a) receive notice (including any relevant board papers) of, attend, count in the quorum towards and vote at board meeting relating in any way to, and deal generally with, matters concerning, connected with or arising from the Conflict Situation concerned; and

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- (b) keep confidential and not disclose to the Company any information which comes into his possession as a result of such Conflict Situation where such information is confidential as regards any third party.

### 23. STEP-IN RIGHTS

23.1 Subject to Article 23.2, where:

23.1.1 there has been proposed a resolution for the winding up of the Company (other than voluntarily by its members for the purposes of an amalgamation or reconstruction) or the Company is unable to pay its debts as they fall due pursuant to section 123 of the Insolvency Act 1986 or where any mortgage, charge, pledge, lien, encumbrance or other security interest over the Company or the assets of the Company becomes enforceable as a result of financial distress; and

23.1.2 the Investor Director has given written notice to the Directors that the provisions of this Article 23 should have effect,

then, until such time as written notice is given by the Investor Director that the provisions of this Article 23 shall cease to have effect in relation to the matter in question (which will be given as soon as the relevant circumstances prompting the giving of the notice is/are no longer applicable), the Investor Director alone shall count as a quorum at any meeting of Directors and shall be entitled at any meeting of Directors to cast such number of votes which exceeds the votes cast for a resolution to which the Investor Director is opposed or which exceeds the votes cast against a resolution which the Investor Director has proposed.

23.2 For so long as the step-in rights in Article 23.1 are in force, no Director other than the Investor Director will be held responsible for any decisions taken by the Investor Director pursuant to the exercise of such rights.

### 24. CONSENT MATTERS

24.1 Where the consent of an Investor Majority is required in these Articles, such consent may be given by the Investor Director or such other person as is nominated by an Investor Majority provided that such consent is given in writing.

24.2 Where the consent of the "Investor Director" is referred to in these Articles, if there is no Investor Director appointed, such consent may instead be given by an Investor Majority.

### 25. DIRECTORS' BORROWING POWERS

25.1 Subject as hereinafter provided, and as set out in the Investment Agreement, the Directors may exercise all the powers of the Company (whether express or implied) of borrowing or securing the payment of money, of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts, and of mortgaging or charging the undertaking, property, assets and uncalled capital of the Company and (subject to Section 551 of the CA 2006) of issuing debentures.

25.2 Except with the prior sanction of the Investor Director no mortgage or charge shall be created on any part of the undertaking, property, assets or uncalled capital of the Company or any subsidiary of the Company except for the purpose of securing money borrowed from bankers together with interest thereon and costs and expenses relating thereto.

**26. INDEMNITY**

- 26.1 Subject to the provisions of the CA 2006 every Director (including an alternate Director) or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court, and no Director (including an alternate Director) or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the lawful execution of the duties of his office or in relation thereto.
- 26.2 The Directors shall have power to purchase and maintain for any Director (including an alternate Director), officer or auditor of the Company, insurance against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director (including as an alternate Director), officer or auditor.
- 26.3 The Directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director (including an alternate director), other officer or auditor of such company in respect of such liability, loss or expenditure as is referred to in Article 26.2.