

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

OMASS THERAPEUTICS LIMITED

(Adopted by a special resolution passed on 14 April 2023)



## Table of Contents

1. Introduction .....	4
2. Definitions.....	5
3. Share capital .....	15
4. Dividends.....	16
5. Liquidation preference.....	16
6. Exit provisions .....	17
7. Votes in general meeting and written resolutions .....	19
8. Consolidation of Shares.....	20
9. Conversion .....	20
10. Anti-Dilution protection – Series B Shares.....	23
11. Anti-Dilution protection – Series A Shares.....	25
12. Vesting and conversion of Incentive Shares .....	26
13. Deferred Shares .....	28
14. Variation of rights .....	29
15. Allotment of new shares or other securities: pre-emption .....	29
16. Transfers of Shares – general .....	31
17. Permitted Transfers .....	33
18. Transfers of Shares subject to pre-emption rights .....	34
19. Valuation of Shares .....	37
20. Compulsory transfers – general .....	38
21. Tag Along .....	39
22. Co-Sale right.....	40
23. Drag-along .....	41
24. General meetings.....	44
25. Proxies.....	45
26. Directors' borrowing powers.....	45
27. Alternate Directors .....	45
28. Number of Directors .....	47
29. Appointment of Directors .....	47
30. Disqualification of Directors.....	48
31. Proceedings of Directors .....	48
32. Directors' interests .....	49
33. Notices.....	52
34. Indemnities and insurance.....	54
35. Data Protection.....	55

36. Secretary .....55

37. Lien.....55

38. Call Notices.....57

39. Forfeiture of Shares .....58

40. Surrender of Shares .....60

41. Authority to capitalise and appropriation of capitalised sums .....60

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1. Introduction

1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "Model Articles") shall apply to the Company, save insofar as they are varied or excluded by, or 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.

1.3 In these Articles:

1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;

1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;

1.3.3 Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company;

1.3.4 reference to "issued Shares" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and

1.3.5 reference to the "holders" of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.

1.4 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect ("Consent") of an Investor Director appointed by any Investor (the "Appointing Investor") under these Articles, if at any time that Investor Director has not been appointed or declares in writing to the Company that they consider that providing such Consent gives rise or may give rise to a conflict of interest to their duties as a Director, such Consent may instead be provided (or withheld) by the Appointing Investor. The Consent of an Investor Director may be given where:

1.4.1 resolutions of the Board are passed in writing and have been signed by the relevant Investor Director(s); or

- 1.4.2 the matter or matters requiring Consent are considered and approved at a meeting of the Board attended by the relevant number of Investor Directors and the minutes of such meeting specifically record such approval.
- 1.5 With respect to the calculation of any number of Series B Shares or Series A Shares under these Articles, (i) each Series B Preferred Share shall be counted as a number of Shares (including fractional entitlements) equal to one multiplied by the then applicable Series B Conversion Ratio; and (ii) each Series A Preferred Share shall be counted as a number of Shares (including fractional entitlements) equal to one multiplied by the then applicable Series A Conversion Ratio.
- 1.6 Where a sum in any currency is required to be converted into any other currency, for the purposes of performing any calculation pursuant to these Articles then that sum shall be converted:
  - 1.6.1 on a day (to be determined by the Board acting in good faith) not more than 10 Business Days in advance of the date on which the relevant calculation is to be made; and
  - 1.6.2 at the closing mid-point rate for conversion of the first currency into the other currency on the day specified in Article 1.6.1 as set out in the London edition of the Financial Times containing exchange rates applicable to the relevant Business Day (or, if that day is not a Business Day, the following Business Day).

## 2. Definitions

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

"Act" means the Companies Act 2006 (as amended from time to time);

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

"Anti-Dilution Shares" means Series A Anti-Dilution Shares and Series B Anti-Dilution Shares;

"Arrears" means in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay such dividend or sums, together with all interest and other amounts payable on that Share;

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

"Associate" in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);
- (b) any Member of the same Group;
- (c) any Member of the same Fund Group; and
- (d) any other person if, and for so long as, the Board (acting with Investor Director Consent) determines them to be closely connected with that person (including, if so determined by the Board and without limitation, any Permitted Transferee of that person);

"Associated Government Entity" means any:

- (a) UK government department, including its executive agencies, other subsidiary bodies and other parts of UK government;
- (b) company wholly owned or controlled by a UK government department and any of its subsidiaries;
- (c) non-departmental public body, other public body, public corporation and any of its subsidiary bodies sponsored by a UK government department; and/or
- (d) any successor to any of the entities set out in (a), (b) and (c) above or any new body which falls within the same criteria;

"Auditors" means the auditors of the Company from time to time;

"Available Profits" means profits available for distribution within the meaning of part 23 of the Act;

"Bad Leaver" means a person who (X) ceases to be a Service Provider at any time:

- (a) as a consequence of that person's dismissal or termination as a Service Provider for cause, where "cause" shall mean the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct, material breach of contract or any other grounds for summary termination or termination without notice set out in that contract; and/or
- (b) where, in the case of an individual whose services are made available to the Company or any member of its Group under the terms of an agreement between the Company (or any member of its Group) and any third party (the "Contract Counterparty"), the Service Provider's services cease to be made available to the Company or any member of its Group in circumstances where:
  - (i) the Service Provider's employer was entitled to dismiss the Service Provider for cause (as defined in paragraph (a) above);
  - (ii) the Contract Counterparty or any of its Associates was entitled to terminate without notice the agreement under which the Service Provider's services are made available to the Contract Counterparty or any of its Associates; or
  - (iii) the Company (or the relevant member of its Group) has terminated for cause (as defined in paragraph (a) above) the agreement with the Contract Counterparty under which the Service Provider's services were made available to the Company;

or (Y) after ceasing to be a Service Provider, commits a material breach of any non-compete obligations to the Company applicable under any shareholders' agreement relating to the Company or under such person's terms of engagement or employment as a Service Provider or otherwise, even if such Service Provider did not cease to be a Service Provider by reason of being a Bad Leaver on their Effective Termination Date;

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

"BPC" means British Patient Capital Limited (company number 11271076) a private limited company incorporated under the laws of England whose registered office is at Steel City House, West Street, Sheffield, S1 2GQ together with its Permitted Transferees who hold Shares from time to time;

"BPC Put Option" means any put option in favour of BPC set out in any shareholders' agreement or similar document in force between (amongst others) the Investors, the Founder and the Company from time to time;

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);

"Capital Reorganisation" means any: (i) issue of shares or other securities in the capital of the Company fully or partly paid up pursuant to a capitalisation of profits or reserves, but excluding any Permitted Capitalisation Issue, (ii) sub-division or consolidation of shares in the capital of the Company, (iii) redesignation or re-classification of any shares in the capital of the Company, (iv) the redemption or repurchase of any shares in the capital of the Company (other than the purchase of Deferred Shares by the Company), or (v) any other reorganisation of the share capital of the Company;

"Chief Executive Officer" means the Chief Executive Officer of the Company from time to time;

"Civil Partner" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

"Commencement Date" means:

- (a) in respect of any Incentive Share allotted pursuant to the exercise of any option granted under any Share Option Plan, the date of grant of such option or such other date as may be specified by the Board with Investor Director Consent; and
- (b) in respect of any other Incentive Share, the date on which such Incentive Share was allotted;

"Common Liabilities" means any actual and/or potential liabilities (including any settlement or compromise of any liability) under the terms of a Sale Agreement with respect to any representations and/or warranties (given by any person(s)) concerning, and/or any indemnities (given by any person(s)) in respect of any liabilities of, any of the business and affairs of the Group (and/or any other undertakings, liabilities and arrangements with respect to which all Shareholders are subject to common obligations);

"Company" means OMass Therapeutics Limited, registered in England under company number 10028228;

"Company's Lien" has the meaning given in Article 37.1;

"Compulsory Transfer Price" means, in respect of any Share, the lower of the Subscription Price and the Fair Value of that Share;

"Contribution Obligations" means any obligation(s) and arrangements with respect to Common Liabilities (whether by means of milestone payment, escrow, holdback, reduction of deferred consideration, indemnification, obligation to contribute to the costs of any relevant insurance, obligation to contribute to the costs, liabilities and expenses incurred in connection with any investigation, proceedings, defence, settlement or compromise, and/or any other relevant arrangement(s));

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

"CTA 2010" means the Corporation Tax Act 2010;

"Date of Adoption" means the date on which these Articles were adopted;

"Defaulting Investor" has the meaning given to it in any Pay-to-Play Agreement;

"Deferred Shares" means deferred shares of £0.001 each in the capital of the Company from time to time having the rights set out in these Articles;

"Director(s)" means a director or directors of the Company from time to time;

"Effective Termination Date" means the date on which the Service Provider's employment by, or provision (or engagement in the provision) of consultancy services to, the Company or any member of the Group terminates;

"electronic address" has the same meaning as in section 333 of the Act;

"electronic form" and "electronic means" have the same meaning as in section 1168 of the Act;

"Eligible Director" means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;

"Employee" means an individual who is employed by the Company or any member of the Group;

"Encumbrance" means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected, other than liens arising by operation of law);

"Entitled Holders" has the meaning given in Article 15.3;

"Entitled Shares" has the meaning given in Article 15.3;

"Equity Securities" has the meaning given in sections 560(1) to (3) inclusive of the Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;

"Equity Shares" means all Shares other than the Deferred Shares;

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

"Expert Valuer" has the meaning given in Article 19.1.1;

"Fair Value" has the meaning given in Article 19.3;

"Family Trusts" means as regards any particular individual member or deceased or former individual member, 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 shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

"Financial Year" has the meaning set out in section 390 of the Act;

"Founder" means Professor Dame Carol Robinson;

"Fractional Holders" has the meaning given in Article 9.19;



"Fund Manager" means a person whose principal business is to make, manage or advise upon investments in securities;

"Good Leaver" means a person who ceases to be a Service Provider and who is not a Bad Leaver and shall include, without limitation, when the Board (acting with Investor Director Consent) determines that a person is not a Bad Leaver;

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

"GV" means GV 2021, L.P, a limited partnership whose principal place of business is at 1600 Amphitheatre Parkway, Mountain View, CA 94043, United States;

"hard copy form" has the same meaning as in section 1168 of the Act;

"Holding Company" means a holding company of the Company newly incorporated in any jurisdiction which has no previous trading history and has resulted from a Pre-IPO Restructuring;

"Hurdle Amount" means, in respect of any Incentive Share, the amount specified as being the Hurdle Amount in respect of that Incentive Share in any award letter or other written notice given by the Board (with Investor Director Consent) to the relevant Service Provider on or prior to the date on which that Incentive Share was issued (or such other amount as may otherwise be agreed to in writing from time to time between the Board (with Investor Director Consent) and the relevant Service Provider), provided that, if no such amount has been specified or agreed for any such Incentive Share, then the relevant Hurdle Amount for that Share shall be zero;

"Incentive Share Pool" means the pool of Incentive Shares available for issue or over which the Company may grant options as agreed from time to time between the Company and the Investors in any shareholders' agreement relating to the Company;

"Incentive Shares" means the incentive shares of £0.001 each in the capital of the Company from time to time having the rights set out in these Articles;

"Investor Director Consent" means the prior written consent of a majority of the Investor Directors;

"Investor Directors" means such directors of the Company nominated by the Investors under Article 29 and in office from time to time;

"Investors" means each of Syncona, OxSciences, Oxford University, GV, Northpond, Sanofi, BPC and their respective Permitted Transferees;

"IPO" means the admission of all or any of the Shares (or the shares of any new Holding Company) or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"IPO Value" means the price per share at which any ordinary shares of the Company (or the ordinary shares of any new Holding Company) are sold, offered to be sold or offered in connection with an IPO (in the case of an offer for sale, being the underwritten price or, if applicable, the minimum tender price, and in the case of a placing, being the price at which ordinary shares are sold under the placing) multiplied by the number of ordinary shares in issue immediately prior to the date on which the IPO becomes effective, after completion of any Pre-IPO Restructuring but excluding any other ordinary shares issued or to be issued by the Company (or any new Holding Company) pursuant to the IPO;

"ITEPA" means Income Tax (Earnings and Pensions) Act 2003;

"Lien Enforcement Notice" has the meaning given in Article 37.3;

"Lock-up Agreement" has the meaning given in Article 6.9;

"a Member of the same Fund Group" means if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an "Investment Fund") or is a nominee of that Investment Fund:

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any Investment Fund managed or advised by that Fund Manager;
- (c) any Parent Undertaking or Subsidiary Undertaking of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager; or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa;

"a Member of the same Group" means:

- (a) as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking; or
- (b) as regards Oxford University:
  - (i) Oxford University, and
  - (ii) any fund, partnership, company, syndicate or other entity in which Oxford University, directly or indirectly, holds the majority of the voting rights and is entitled, directly or indirectly, to receive the majority of any income and/or capital distributed by any such entity; or
- (c) as regards BPC, any Associated Government Entity;

"NASDAQ" means the NASDAQ Stock Market of the NASDAQ OMX Group Inc.;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

"Northpond" means Northpond Ventures III, LP a limited partnership established under the laws of Delaware whose registered address is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA;

"Ordinary Shares" means the ordinary shares of £0.001 each in the capital of the Company from time to time having the rights set out in these Articles;

"Original Shareholder" has the meaning set out in Article 17.1;

"Oxford University" means the Chancellor, Master & Scholars of the University of Oxford;

"OxSciences" means Oxford Science Enterprises plc, a company incorporated in England and Wales (registered no. 09093331), whose registered address is at 46 Woodstock Road, Oxford, United Kingdom, OX2 6HT, and its Permitted Transferees;

"Pay-to-Play Agreement" means any agreement in writing between the Company and the Investors (or any of them) in which the parties agree circumstances in which the provisions of Article 9.8 shall apply;

"Permitted Capitalisation Issue" means any issue of Shares by the Company credited as fully paid up as to nominal value from any share premium account of the Company (or otherwise lawfully paid up from a capitalisation of profits or reserves (including any capital redemption reserve)) that is required by the provisions of Article 9.18 or Article 10.2;

"Permitted Issue" means any:

- (a) allotment or issue of (or agreement to allot or issue) New Securities pursuant to any sub-division of Shares or Permitted Capitalisation Issue or a Pre-IPO Restructuring;
- (b) allotment or issue of Incentive Shares out of the Incentive Share Pool to Service Providers and their respective Associates in connection with the provision of services to the Company;
- (c) grant of options to subscribe for Incentive Shares out of the Incentive Share Pool under any Share Option Plan, and the allotment or issue of any Incentive Shares pursuant to the exercise of such Options;
- (d) allotment or issue or grant of New Securities in order for the Company to comply with its obligations under these Articles (including the issue of Deferred Shares and Anti-Dilution Shares);
- (e) allotment or issue of New Securities to strategic partners or in consideration of the acquisition by the Company of any non-cash assets, in each case which has been approved in writing by a Preferred Majority;
- (f) allotment or issue of New Securities as a result of a bonus issue of shares which has been approved in writing by a Preferred Majority; and
- (g) issue or grant of Shares or options for Shares to the Investors in accordance with the terms of any investment agreement or similar document in force between (amongst others) the Investors (or any of them) and the Company as at the Date of Adoption;

"Permitted Transfer" means a transfer of Shares permitted by and made in accordance with Article 17;

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of their Privileged Relations or Trustees;
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) means any Member of the same Group;
- (c) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group;
- (d) in relation to an Investor:
  - (i) any Member of the same Group;

- (ii) any Member of the same Fund Group; or
- (iii) any nominee of that Investor;

"Pre-IPO Restructuring" means any transaction involving the issue of shares in the capital of a new Holding Company to the Shareholders, the object or intent of which is to interpose the new Holding Company as the sole owner of the Company such that immediately subsequent to such transaction:

- (a) the membership, pro rata shareholdings and classes of shares comprised in the new Holding Company is substantially the same as that of the Company (excluding Treasury Shares) immediately prior to such transaction (save for the fact that such shares are issued by a different company);
- (b) the rights attaching to each class of share comprised in the new Holding Company are substantially the same as those rights attaching to the like class of share comprised in the share capital of the Company immediately prior to such transaction (save for the fact that such shares are issued by a different company and/or in a different jurisdiction with attendant differences in company law); and
- (c) the constitutional documents of and any shareholders' agreement relating to the new Holding Company are the same in substantive effect as the articles of association of and any shareholders' agreement relating to the Company immediately prior to such acquisition (save for the fact that they apply in respect of a different company, and as to matters and modifications to reflect that the new Holding Company may be incorporated in a jurisdiction other than England and Wales);

"Preferred Shares" means the Series A Shares and the Series B Shares;

"Preferred Majority" means the holder(s) of more than 50 per cent of Preferred Shares (by number) in issue from time to time including: (i) at least one of Syncona or OxSciences (in each case provided that it continues to hold Series A Shares); and (ii) a Series B Majority;

"Preferred Majority Consent" means the prior written consent of the Preferred Majority;

"Preferred Shareholders" means the Series A Shareholders and the Series B Shareholders from time to time;

"Privileged Relation" in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);

"Proceeds of Sale" means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale as approved in writing by a Preferred Majority;

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms;

"Proposed Reorganisation" has the meaning given in Article 6.4;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Qualifying IPO" means an IPO (i) where the price per ordinary share used to calculate the IPO Value is not less than 2x the Subscription Price of the Series B Shares; and (ii) in which the net aggregate subscription amount in respect of new ordinary shares issued at the time of the IPO is not less than US\$50,000,000;

"Qualifying Person" has the meaning given in section 318(3) of the Act;

"Relevant Interest" has the meaning set out in Article 32.5;

"Relevant Securities" means any shares(s) in the capital of the Company and any security, option, warrant, agreement or instrument which confers any right to subscribe for any share(s) in the capital of the Company (and the term "Relevant Security" shall be construed accordingly);

"Relevant Shareholder" has the meaning given in Article 22.1;

"Reorganisation Actions" has the meaning given in Article 6.4;

"Sale Shares" has the meaning set out in Article 18.2.1;

"Sanofi" means Sanofi Foreign Participations B.V., a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) established under the laws of the Netherlands (registered no. 33302572), whose registered address is at Paasheuvelweg 25, 1105BP Amsterdam, The Netherlands;

"Seller" has the meaning set out in Article 18.2;

"Series A Anti-Dilution Shares" has the meaning given in Article 11.1;

"Series A Conversion Date" has the meaning given in Article 9.9, Article 9.10.1 and Article 9.12 (as applicable);

"Series A Conversion Ratio" has the meaning given in Article 9.13 (if applicable, adjusted as referred to in Article 9.16);

"Series A Majority" means the holder(s) of more than 50 per cent of Series A Shares (by number) in issue from time to time, provided that such majority must include each Shareholder who (together with its Permitted Transferees) holds 20 per cent or more of the Series A Shares in issue at the relevant time;

"Series A Majority Consent" means the prior written consent of the Series A Majority;

"Series A Shareholders" means the holders of the Series A Shares from time to time (but excludes the Company holding Treasury Shares);

"Series A Shares" means the series A shares of £0.001 each in the capital of the Company from time to time having the rights set out in these Articles;

"Series A Starting Price" means £1.30 (if applicable, adjusted as referred to in Article 11.3);

"Series B Anti-Dilution Shares" has the meaning given in Article 10.1;

"Series B Conversion Date" has the meaning given in Article 9.1, Article 9.3.1 and Article 9.4 (as applicable);

"Series B Conversion Ratio" has the meaning given in Article 9.5 (if applicable, adjusted as referred to in Article 9.16);

"Series B Majority" means the holder(s) of more than 50 per cent of Series B Shares (by number) in issue from time to time, including at least one of GV, Northpond, Sanofi or BPC (in each case provided that it continues to hold Series B Shares);

"Series B Majority Consent" means the prior written consent of the Series B Majority;

"Series B Shareholders" means the holders of the Series B Shares from time to time (but excludes the Company holding Treasury Shares);

"Series B Shares" means the series B shares of £0.001 each in the capital of the Company from time to time having the rights set out in these Articles;

"Series B Starting Price" means £1.71 (if applicable, adjusted as referred to in Article 10.3);

"Service Provider" means any (a) Employee, or (b) individual who provides consultancy services to the Company or any member of the Group (whether engaged directly or under a consultancy agreement with a third party through which the relevant person's services are provided) or who acts as a Director of the Company or any member of the Group;

"Shareholder" means any holder of any Shares (but excludes the Company holding Treasury Shares);

"Share Option Plan(s)" means the share option and/or award plan(s) or scheme(s) of the Company, the terms of and adoption of which have been approved in writing by a Preferred Majority;

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

"Shares" means the Ordinary Shares, the Incentive Shares, the Deferred Shares, the Series A Shares and the Series B Shares from time to time;

"SPAC" means a publicly-traded "special purpose acquisition company" or its subsidiary;

"SPAC Transaction" means a transaction or series of related transactions by merger, consolidation, share exchange or otherwise of the Company with a SPAC immediately following the consummation of which the common stock or share capital of the SPAC or its successor entity is listed on NASDAQ, the NYSE or another exchange or marketplace approved by the Board and pursuant to which the exchange ratio for calculating the number of shares of common stock or other share capital of the SPAC to be issued, allotted or transferred to Shareholders in respect of their Shares is based on a pre-money enterprise valuation of the Company equal to or greater than a valuation calculated as if the consideration payable for each Share was 2x the Subscription Price for the Series B Shares (subject to adjustment to reflect the impact of any Capital Reorganisation (other than a Permitted Capitalisation Issue));

"Subscription Price" means in relation to any Share, the amount paid up or credited as paid up thereon (including the full amount of any premium at which such Share was issued whether or not such premium is applied for any purpose thereafter) or, in the event of any Capital Reorganisation, such other amount as the Board, acting fairly and reasonably, may determine for the purpose of these Articles, provided that if a doubt or dispute arises concerning such adjustment, the Board shall, if requested by the Series A Majority (in the case of the Series A Shares) or the Series B Majority (in the case of the Series B Shares), refer the matter to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders (and the costs of the Auditors shall be borne by the Company);

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act;

"Syncona" means Syncona Portfolio Limited, a company registered in Guernsey (registered no. 62778), whose registered address is at PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3QL, and its Permitted Transferees;

"Transfer Notice" shall have the meaning given in Article 18.2;

"Transfer Price" shall have the meaning given in Article 18.2.3;

"Treasury Shares" means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;

"Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust; and

"Vesting Shares" in relation to a Service Provider means all Incentive Shares held by:

- (a) the Service Provider in question; and
- (b) any Permitted Transferee or Associate of that Service Provider, other than those Incentive Shares held by those persons that a Preferred Majority declares itself satisfied were not acquired directly or indirectly from the Service Provider or by reason of that person's relationship with the Service Provider.

### 3. Share capital

- 3.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued before, on and after the Date of Adoption and ranking *pari passu* in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 3.2 Except as otherwise provided in these Articles, the Series A Shares, the Series B Shares, the Ordinary Shares and the Incentive Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 3.3 Notwithstanding that different Hurdle Amounts may be applicable to the Incentive Shares, the Incentive Shares shall constitute one class of share.
- 3.4 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles.
- 3.5 Subject to Preferred Majority Consent and the Act (save for purchases pursuant to the BPC Put Option, which shall not require Preferred Majority Consent), the Company may purchase its own shares to the extent permitted by section 692(1ZA) of the Act.
- 3.6 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 3.7 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine".
- 3.8 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
  - 3.8.1 receive notice of or to attend or vote at any general meeting of the Company;
  - 3.8.2 receive or vote on any proposed written resolution; and
  - 3.8.3 receive a dividend or other distribution save as otherwise permitted by section 726(4) of the Act.

- 3.9 The Company shall be entitled to retain any share certificate(s) relating to Incentive Shares while any such Shares remain Vesting Shares.
4. Dividends
  - 4.1 No dividend or distribution (other than a Permitted Capitalisation Issue) shall be declared or paid to the holders of Shares in respect of any Financial Year without Preferred Majority Consent and any such dividend may then be paid to the Shareholders as determined by the Board with Investor Director Consent (including with respect to the amount of the dividend to be paid to the holders of each class of Shares), provided always that any dividends are declared and paid in the order of priority set out in Article 5.
  - 4.2 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
  - 4.3 If:
    - 4.3.1 a Share is subject to the Company's Lien; and
    - 4.3.2 the Directors are entitled to issue a Lien Enforcement Notice in respect of it, they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company by the holder of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share and/or used to discharge any other indebtedness owing from the holder of that Share to the Company (as the Board may decide). The Company shall notify the distribution recipient in writing of:
      - 4.3.2.1 the fact and sum of any such deduction;
      - 4.3.2.2 any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
      - 4.3.2.3 how the money deducted has been applied.
  - 4.4 Article 31(1) of the Model Articles shall be amended by:
    - 4.4.1 the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and  
  
the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".
5. Liquidation preference
  - 5.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):
    - 5.1.1 first, in paying to the holders of the Deferred Shares, if any, a total of £1 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares);



- 5.1.2 second, in paying to each Preferred Shareholder, in priority to any other classes of Shares, an amount per Preferred Share held (the "Preferred Priority Amount") equal to the greater of:
  - 5.1.2.1 the Subscription Price with respect to such Preferred Share; and
  - 5.1.2.2 the amount per Preferred Share held that would have been received had such Preferred Share been converted into Ordinary Shares at the Series B Conversion Ratio or the Series A Conversion Ratio (as the case may be) immediately prior to such distribution,

less the aggregate value of all distributions (if any) previously made by the Company in respect of such Preferred Share (provided that if there are insufficient surplus assets to pay the amounts per Preferred Share equal to the total Preferred Priority Amounts, the remaining surplus assets shall be distributed to the Preferred Shareholders pro rata to the Preferred Priority Amounts on the Preferred Shares respectively held by them); and
- 5.1.3 subject to Article 5.2, third, in paying the balance of any surplus assets (if any) to the holders of Ordinary Shares and the holders of Incentive Shares pro rata (as if the Ordinary Shares and the Incentive Shares constituted one and the same class) to the number of such Shares respectively held by them.
- 5.2 If an Incentive Share is subject to a Hurdle Amount, no sum shall be distributed on that Incentive Share until sums equal to that Hurdle Amount have been distributed pursuant to Article 5.1 on:
  - 5.2.1 each Series B Share;
  - 5.2.2 each Series A Share; and
  - 5.2.3 each Ordinary Share,

and then only amounts in excess of that Hurdle Amount shall be paid on that Incentive Share under Article 5.1.
- 5.3 The provisions of this Article 5 may not be waived or amended:
  - 5.3.1 with respect to the Series B Shares, except with Series B Majority Consent; and
  - 5.3.2 with respect to the Series A Shares, except with Series A Majority Consent.
- 6. Exit provisions
  - 6.1 On a Share Sale (other than a SPAC Transaction) the Proceeds of Sale shall be distributed in the order of priority set out in Article 5 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale, provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:
    - 6.1.1 the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 5; and
    - 6.1.2 the Shareholders shall take any action required by a Preferred Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 5.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so 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 5.

- 6.2 On an Asset Sale, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 5 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by a Preferred Majority (including, but without prejudice to the generality of this Article 6.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 5 applies.
- 6.3 The provisions of Article 6.1 and Article 6.2 may not be waived or amended:
  - 6.3.1 with respect to the Series B Shares, except with Series B Majority Consent; and
  - 6.3.2 with respect to the Series A Shares, except with Series A Majority Consent.
- 6.4 In the event of a Pre-IPO Restructuring approved by the Board (acting with Preferred Majority Consent) (a "Proposed Reorganisation"), each of the Shareholders shall (i) consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Reorganisation; and (ii) take all such actions to tender their Shares as required pursuant to the Proposed Reorganisation (the "Reorganisation Actions"). The Shareholders shall be required to take all Reorganisation Actions with respect to the Proposed Reorganisation as are required by the Board to facilitate the Proposed Reorganisation.
- 6.5 The Company shall procure that the shares issued by the new Holding Company to the Shareholders (or any subsequent holder, as the case may be) pursuant to the Pre-IPO Restructuring will be credited as fully paid as to the amount determined in accordance with this Article 6.5. Such new Holding Company shares shall be subject to the constitutional documents of the new Holding Company and otherwise (subject to the express provisions of such constitutional documents) shall have the same rights and obligations as all other new Holding Company shares of the same class in issue at the time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of allotment and issue of such new Holding Company shares).
- 6.6 On any person, following the date of completion of a Pre-IPO Restructuring, becoming a Shareholder pursuant to any Relevant Securities or otherwise (a "Post-Reorganisation Shareholder"), the Post-Reorganisation Shareholder shall then be bound to do all such acts and things necessary in order to transfer to the new Holding Company all such resulting shares held by the Post-Reorganisation Shareholder, and the provisions of Articles 6.4 to 6.7 shall apply with the necessary changes to the Post-Reorganisation Shareholder.
- 6.7 If any Shareholder fails to comply with the provisions of Articles 6.4 to 6.6, the Board may nominate any officer of the Company, as agent of any Shareholder, to sign on behalf of that Shareholder such resolutions, consents, agreements, stock transfer forms, share certificate indemnities or other documents as may be approved by the Board (acting with Investor Director Consent) for the purpose of giving effect to a Pre-IPO Restructuring.
- 6.8 If, in an Investor's reasonable opinion following written advice from its counsel, accountant or tax advisor (as the case may be), such Investor determines that any taxes will be payable and/or any tax filings will be required to be submitted by such Investor or its underlying partners, members, shareholders and/or other beneficial owners as a direct result of the transfer of its Shares to the new Holding Company:
  - 6.8.1 such Investor shall as soon as reasonably practicable notify the Company in writing and provide a copy of such written advice from its counsel, accountant or tax advisor (as the case may be) to the Company on a non-reliance basis; and
  - 6.8.2 the Company and each relevant Investor will discuss in good faith for a period of up to 15 Business Days (as may be extended between the Company and such

Investor) following receipt of such written notice in Article 6.8.1 to find alternative ways to assess how to structure such Proposed Reorganisation in a manner acceptable to each of them in writing.

- 6.9 Each Shareholder shall, in the event of an IPO or a SPAC Transaction, enter into a separate lock-up agreement in respect of the IPO or the shares to be held by them in a SPAC Transaction for a period of up to 180 days following the IPO or consummation of a SPAC Transaction in a form approved by the Board (with Preferred Majority Consent), with similar terms for each Investor if and to the extent required by the Company's underwriters in order to facilitate the IPO or the SPAC in connection with a SPAC Transaction (the "Lock-Up Agreement"), provided that: (i) each Director that is a Shareholder and each holder of 1% or more of the issued share capital of the Company enters into a Lock-Up Agreement; and (ii) the Lock-Up Agreements to be entered into by the other Shareholders are on no more onerous terms in all material respects to those which are entered into by each Director that is a Shareholder and each other holder of 1% or more of the issued share capital of the Company; (iii) the Lock-Up Agreement shall apply only to Shares held by the relevant Shareholder immediately prior to the IPO or held as a direct result of the SPAC Transaction (excluding any Shares to be acquired by the Shareholder in the IPO or any shares in a SPAC Transaction to be acquired in a financing of the SPAC that is separate to the SPAC Transaction); and (iv) any such Lock-Up Agreement shall provide that if any provision of any similar agreement entered into by any other person for any discretionary release, waiver or termination of the restrictions contained in it is exercised by the Company or the underwriters (a "Release"), to the extent that the Company or the underwriters provide such a Release to any other person in respect of all or a proportion of the securities held by such other person, the Company and the underwriters must provide a Release of the obligations of each other person who is a party to a Lock-Up Agreement in respect of the same proportion of the securities held by them.
- 6.10 If any Shareholder (excluding the Investors) fails to comply with the provisions of Article 6.9, the Company shall be constituted the agent of each defaulting Shareholder for taking such actions as are necessary to effect compliance with such article and the Directors may authorise an officer of the Company or a Director to execute and deliver on behalf of such defaulting Shareholder the necessary documents to effect the lock-up, including, without limitation, a Lock-Up Agreement, in a form approved by the Board (acting with Preferred Majority Consent).
7. Votes in general meeting and written resolutions
- 7.1 The Series B Shares, the Series A Shares and the Ordinary Shares shall confer on each holder thereof the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.2 The Incentive Shares and the Deferred Shares (if any) shall not entitle the holders thereof to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 7.3 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by them.
- 7.4 No voting rights attached to a share which is nil paid or partly paid may be exercised:
- 7.4.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
- 7.4.2 on any proposed written resolution,
- unless all of the amounts payable to the Company in respect of that share have been paid.

## 8. Consolidation of Shares

- 8.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall their title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 8.2 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

## 9. Conversion

### Series B Shares into Ordinary Shares

- 9.1 Subject to Article 9.2, any holder of Series B Shares shall be entitled by notice in writing to the Company ("Series B Conversion Notice") to require conversion into Ordinary Shares of all of the fully paid Series B Shares held by them at any time and those Series B Shares shall convert automatically on the date of such notice (the "Series B Conversion Date"). The holder may in such notice, state that conversion of its Series B Shares into Ordinary Shares is conditional upon the occurrence of one or more events, in which case (subject to Article 9.2) if such conditions have not been satisfied or waived by the relevant holder by the Series B Conversion Date such conversion shall be deemed not to have occurred.
- 9.2 No holder of Series B Shares shall be entitled to serve a Series B Conversion Notice prior to the earlier of:
- 9.2.1 31 December 2024, or such later date as may be determined by resolution of the Board (acting with Series B Majority Consent) for the purposes of this Article 9.2.1; or
  - 9.2.2 the date on which any conditional obligation of the relevant Series B Shareholder to subscribe for Series B Shares, contained in any agreement between that Series B Shareholder and the Company (among others) entered into on or prior to the Date of Adoption, has been satisfied in full by that Series B Shareholder.
- 9.3 All of the fully paid Series B Shares shall automatically convert into Ordinary Shares:
- 9.3.1 on the date of a notice given by the Series B Majority (which date shall be treated as the "Series B Conversion Date");
  - 9.3.2 immediately upon the occurrence of a Qualifying IPO; or
  - 9.3.3 immediately prior to the consummation of a SPAC Transaction.
- 9.4 In the case of (i) Articles 9.1 and 9.3.1, not more than five Business Days after the Series B Conversion Date or (ii) in the case of Articles 9.3.2 and 9.3.3, at least five Business Days prior to the occurrence of the Qualifying IPO or SPAC Transaction (as the case may be), each holder of the relevant Series B Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series B Shares being converted to the Company at its registered office for the time being. Where conversion is mandatory on the occurrence of a Qualifying IPO or SPAC Transaction (as the case may be), that conversion will be effective only immediately prior to and conditional upon such Qualifying IPO or SPAC Transaction (as the case may be) (and "Series B Conversion Date" shall be construed

accordingly) and, if such Qualifying IPO or SPAC Transaction (as the case may be) does not become effective or does not take place, such conversion shall be deemed not to have occurred.

- 9.5 On the Series B Conversion Date, the relevant Series B Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Series B Share held (the "Series B Conversion Ratio"), and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.
- 9.6 The Company shall on the Series B Conversion Date enter the holder of the converted Series B Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, save where conversion is in connection with a SPAC Transaction, subject to the relevant holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series B Shares in accordance with this Article, the Company shall within 10 Business Days of the Series B Conversion Date forward to such holder of Series B Shares by post to their address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.
- 9.7 On the Series B Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will pay to holders of the Series B Shares falling to be converted all accruals of dividends in relation to those Series B Shares that remain unpaid as at the Conversion Date. If the Company has insufficient Available Profits to pay all such amounts in full then it will pay the same to the extent that it is able to do so and any amounts that remain outstanding shall continue to be a debt due from and immediately payable by the Company.

#### Defaulting Investors

- 9.8 If, in accordance with and subject to the terms of any Pay-to-Play Agreement, any Investor becomes a Defaulting Investor (as defined therein) and is subject to this Article 9.8 then the following shall apply (unless otherwise determined by the Board acting with Preferred Majority Consent, excluding any Defaulting Investor and its Permitted Transferees):
- 9.8.1 such Defaulting Investor will be deemed, upon the date of any such default, to have served an irrevocable and unconditional Series B Conversion Notice on the Company in respect of the conversion of its entire holding of Series B Shares into Ordinary Shares in accordance with Article 9.5 but on the basis that, for the purposes of applying the Series B Conversion Ratio in Article 9.5, for each 10 Ordinary Shares that the Defaulting Investor would otherwise have received on conversion of its Series B Shares, it shall instead receive 1 Ordinary Share and 9 Deferred Shares (provided that if the number of Ordinary Shares that the Defaulting Investor would otherwise have received on conversion of its Series B Shares is not divisible by 10, the remainder shall be Deferred Shares);
- 9.8.2 where such Defaulting Investor would otherwise have a right to appoint any Investor Director and/or observer to the Board under the terms of these Articles, the Defaulting Investor shall irrevocably forfeit such Investor Director and/or observer appointment right (and immediately procure that the currently appointed Investor Director resigns and/or that notification is given to the relevant observer that they are no longer appointed); and
- 9.8.3 such Defaulting Investor will be deemed, upon the date of any such default, to have served an irrevocable and unconditional written notice on the Company of its unconditional waiver of any entitlement to any Arrears in respect of any Series B Shares.

#### Series A Shares into Ordinary Shares

- 9.9 Any holder of Series A Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the fully paid Series A Shares held by them at any

time and those Series A Shares shall convert automatically on the date of such notice (the "Series A Conversion Date"). The holder may in such notice, state that conversion of its Series A Shares into Ordinary Shares is conditional upon the occurrence of one or more events, in which case (subject to Article 9.10) if such conditions have not been satisfied or waived by the relevant holder by the Series A Conversion Date such conversion shall be deemed not to have occurred.

- 9.10 All of the fully paid Series A Shares shall automatically convert into Ordinary Shares:
- 9.10.1 on the date of a notice given by the Series A Majority (which date shall be treated as the "Series A Conversion Date");
  - 9.10.2 immediately upon the occurrence of a Qualifying IPO; or
  - 9.10.3 immediately prior to the consummation of a SPAC Transaction.
- 9.11 In the case of (i) Articles 9.9 and 9.10.1, not more than five Business Days after the Series A Conversion Date or (ii) in the case of Articles 9.10.2 and 9.10.3, at least five Business Days prior to the occurrence of the Qualifying IPO or the SPAC Transaction as the case may be, each holder of the relevant Series A Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series A Shares being converted to the Company at its registered office for the time being.
- 9.12 Where conversion is mandatory on the occurrence of a Qualifying IPO or SPAC Transaction (as the case may be), that conversion will be effective only immediately prior to and conditional upon such Qualifying IPO or SPAC Transaction (as the case may be) (and "Series A Conversion Date" shall be construed accordingly) and, if such Qualifying IPO or SPAC Transaction (as the case may be) does not become effective or does not take place, such conversion shall be deemed not to have occurred.
- 9.13 On the Conversion Date, the relevant Series A Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Series A Share held (the "Series A Conversion Ratio"), and the Ordinary Shares resulting from that conversion shall in all other respects rank pari passu with the existing issued Ordinary Shares.
- 9.14 The Company shall on the Series A Conversion Date enter the holder of the converted Series A Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, save where the conversion is in connection with a SPAC Transaction, subject to the relevant holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series A Shares in accordance with this Article, the Company shall within 10 Business Days of the Series A Conversion Date forward to such holder of Series A Shares by post to their address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.
- 9.15 On the Series A Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will pay to holders of the Series A Shares falling to be converted all accruals of dividends in relation to those Series A Shares that remain unpaid as at the Conversion Date. If the Company has insufficient Available Profits to pay all such amounts in full then it will pay the same to the extent that it is able to do so and any amounts that remain outstanding shall continue to be a debt due from and immediately payable by the Company.

#### Adjustments

- 9.16 In the event of a Capital Reorganisation (other than a Permitted Capitalisation Issue) the Board shall determine whether it is fair and reasonable to adjust the Series B Conversion Ratio and/or the Series A Conversion Ratio and, if so determined, the Series B Conversion Ratio and/or the Series A Conversion Ratio shall be adjusted in such manner as is determined by the Board to be fair and reasonable. If a doubt or dispute arises concerning an adjustment of the Series B Conversion Ratio or the Series A Conversion Ratio in accordance with this Article 9.16, or if so

requested by a Series B Majority or a Series A Majority (respectively), the Board shall refer the matter to the Auditors for determination who shall make available to all Shareholders their report and whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company.

- 9.17 If the aggregate nominal value of any Preferred Shares converted into Ordinary Shares exceeds the aggregate nominal value of the Ordinary Shares into which such Preferred Shares have been converted, then the excess amount of such nominal value shall be converted into Deferred Shares.
- 9.18 If the aggregate nominal value of those Preferred Shares converted into Ordinary Shares is less than the aggregate nominal value of the Ordinary Shares then, to the extent it is lawful to do so (and provided the Company has sufficient reserves), the shortfall shall be paid up as to nominal value by capitalisation of reserves and the Board are authorised to issue Ordinary Shares so paid up. If it is unlawful for the Company to so capitalise reserves (or such reserves are insufficient), such number of Ordinary Shares as can lawfully be paid up by the capitalisation of such reserves shall be issued as fully paid up and the holder of the Preferred Shares converted shall have the right to subscribe at nominal value for the balance of such number of Ordinary Shares as would have been acquired by way of capitalisation issue had such capitalisation been permitted/sufficient. Any right to so subscribe for Shares under this Article 9.18: (i) may be exercised by written notice to the Company and the subscription price shall be paid in cash (as defined in the Act); and (ii) shall expire, to the extent not previously exercised, on expiry of the period of 21 days commencing on the date on which the Company first serves written notice on the relevant Shareholder stating that such subscription right is exercisable and setting out details of the number of shares which may be subscribed by such Shareholder and the subscription price payable for those Shares).
- 9.19 If any Preferred Shareholders become entitled to fractions of an Ordinary Share as a result of conversion ("Fractional Holders"), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the Directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holders. For the purposes of completing any such sale of fractions, the Chair of the Company or, failing them, the secretary will be deemed to have been appointed the Fractional Holders' agent for the purpose of the sale.
10. Anti-Dilution protection – Series B Shares
- 10.1 Subject to Articles 10.6 and 10.7, if New Securities are issued by the Company at a price per New Security which equates to less than the Series B Starting Price (in this Article 10, a "Qualifying Issue") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall issue to each Series B Shareholder a number of new Series B Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 10.3 (the "Series B Anti-Dilution Shares"):

$$N = \left( \left( \frac{SIP}{WA} \right) x Z \right) - Z$$

Where:

N= Number of Series B Anti-Dilution Shares to be issued to the Series B Shareholder

$$WA = \frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$$

SIP = Series B Starting Price

ESC = the number of Equity Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbitrators as being in their opinion the current cash value of the non cash consideration for the allotment of the New Security)

NS = the number of New Securities issued pursuant to the Qualifying Issue

Z = the number of Series B Shares held by the Series B Shareholder prior to the Qualifying Issue.

## 10.2 The Series B Anti-Dilution Shares shall:

10.2.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or the Series B Majority shall agree otherwise, in which event the Series B Shareholders shall be entitled to subscribe for the Series B Anti-Dilution Shares in cash at par (being the par value approved in advance by Investor Director Consent) and the entitlement of such Series B Shareholders to Series B Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 10.1 so that the Series B Shareholders shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Series B Shareholder as to the effect of Article 10.1 or this Article 10.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Series B Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the relevant Series B Shareholder; and

10.2.2 subject to the payment of any cash payable pursuant to Article 10.2.1(if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Series B Shares, within five Business Days of the expiry of the offer being made by the Company to the Series B Shareholder and pursuant to Article 10.2.1.

10.3 In the event of any Capital Reorganisation or issue of Series B Anti-Dilution Shares, the Series B Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company (acting with Investor Director Consent) with the Series B Majority within 10 Business Days after any such Capital Reorganisation or issue. If the Company and the Series B Majority cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.

10.4 For the purposes of this Article 10 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

10.5 If any Relevant Securities confer any right to subscribe, exchange for, convert into or otherwise acquire a number of Shares which is not then ascertainable (because, for example but without limitation, the exercise or conversion rate is variable according to a formula) then, for the purpose of any calculation under this Article 10, such Relevant Securities shall be deemed to confer a right to acquire such number of Shares (if any) as the Board (acting reasonably and in



good faith and with Investor Director Consent) shall estimate to be the number of Shares reasonably likely to be issued thereunder.

10.6 The rights of the Series B Shareholders under this Article 10 may be waived in writing by Series B Shareholders constituting a Series B Majority, and any such waiver shall be binding on all Series B Shareholders.

10.7 The provisions of this Article 10 shall not apply to any Permitted Issue.

11. Anti-Dilution protection – Series A Shares

11.1 Subject to Articles 11.6 and 11.7, if New Securities are issued by the Company at a price per New Security which equates to less than the Series A Starting Price (in this Article 11, a "Qualifying Issue") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall issue to each Series A Shareholder a number of new Series A Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 11.3 (the "Series A Anti-Dilution Shares"):

$$N = \left( \left( \frac{SIP}{WA} \right) \times Z \right) - Z$$

Where:

N= Number of Series A Anti-Dilution Shares to be issued to the Series A Shareholder

$$WA = \frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$$

SIP = Series A Starting Price

ESC = the number of Equity Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbitrators as being in their opinion the current cash value of the non cash consideration for the allotment of the New Security)

NS = the number of New Securities issued pursuant to the Qualifying Issue

Z = the number of Series A Shares held by the Series A Shareholder prior to the Qualifying Issue.

11.2 The Series A Anti-Dilution Shares shall:

11.2.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or Series A Majority shall agree otherwise, in which event the Series A Shareholders shall be entitled to subscribe for the Series A Anti-Dilution Shares in cash at par (being the par value approved in advance by Investor Director Consent) and the entitlement of such Series A Shareholders to Series A Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 11.1 so that the Series A

Shareholders shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Series A Shareholder as to the effect of Article 11.1 or this Article 11.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Series A Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the relevant Series A Shareholder; and

- 11.2.2 subject to the payment of any cash payable pursuant to Article 11.2.1 (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Series A Shares, within five Business Days of the expiry of the offer being made by the Company to the Series A Shareholder and pursuant to Article 11.2.1.
- 11.3 In the event of any Capital Reorganisation or issue of Series A Anti-Dilution Shares, the Series A Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company (acting with Investor Director Consent) with the Series A Majority within 10 Business Days after any such Capital Reorganisation or issue. If the Company and the Series A Majority cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.
- 11.4 For the purposes of this Article 11 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.
- 11.5 If any Relevant Securities confer any right to subscribe, exchange for, convert into or otherwise acquire a number of Shares which is not then ascertainable (because, for example but without limitation, the exercise or conversion rate is variable according to a formula) then, for the purpose of any calculation under this Article 11, such Relevant Securities shall be deemed to confer a right to acquire such number of Shares (if any) as the Board (acting reasonably and in good faith and with Investor Director Consent) shall estimate to be the number of Shares reasonably likely to be issued thereunder.
- 11.6 The rights of the Series A Shareholders under this Article 11 may be waived in writing by Series A Shareholders constituting a Series A Majority, and any such waiver shall be binding on all Series A Shareholders.
- 11.7 The provisions of this Article 11 shall not apply to any Permitted Issue.
- 11.8 In the event an issue of New Securities constitutes a Qualifying Issue for the Series B Shares and the Series A Shares, then in respect of such issue the Company shall apply Articles 10.1 and 11.1 separately disregarding any Anti-Dilution Shares of the other class(es) of Preferred Share issued to the Series A Shareholders or the Series B Shareholders (as the case may be) in connection with the Qualifying Issue.
- 12. Vesting and conversion of Incentive Shares
  - 12.1 Subject to Article 12.3, on any Service Provider ceasing for any reason to be a Service Provider the following proportion of the Vesting Shares relating to that Service Provider shall immediately convert into Deferred Shares (unless the Service Provider and the Board (acting with Investor Director Consent) have agreed otherwise in writing, in which case the proportion shall be calculated in accordance with such agreement):
    - 12.1.1 where the relevant Service Provider ceases to be a Service Provider and is a Bad Leaver, all of the Vesting Shares; and
    - 12.1.2 subject to Article 12.10, where the relevant Service Provider ceases to be a Service Provider and is a Good Leaver, the proportion of the Vesting Shares provided for in the table below, provided that if the calculation does not result in the proportion

being a whole number of Vesting Shares, the result shall be rounded up to the nearest whole number:

Effective Termination Date	Proportion
At any time prior to the first anniversary of the Commencement Date	100%
At any time following the first anniversary of the Commencement Date but prior to the fourth anniversary of the same	$\left(100 - \left[\frac{U * 100}{48}\right]\right)\%$
At any time on or after the fourth anniversary of the Commencement Date	0%

where

U = the number of complete calendar months elapsed since the Commencement Date.

- 12.2 Where Vesting Shares have been issued on or otherwise have more than one Commencement Date, Article 12.1.2 shall be applied separately in respect of Vesting Shares which have been issued on or otherwise have different Commencement Dates.
- 12.3 Subject to Article 12.10, immediately prior to a liquidation or Exit (and before the application of Articles 5 and 6 in connection with that liquidation or Exit), such proportion of the Vesting Shares relating to each Service Provider shall immediately convert into Deferred Shares as is equal to the proportion of the Vesting Shares relating to that Service Provider that would convert into Deferred Shares if at that date they ceased to be a Service Provider by reason of being a Good Leaver (unless the Board with Investor Director Consent determines that this Article 12.3 shall not apply, or the Service Provider and the Board (with Investor Director Consent) have agreed otherwise in writing in which case the proportion shall be calculated in accordance with such agreement).
- 12.4 In connection with an IPO or SPAC Transaction, each Service Provider shall (and shall procure any Permitted Transferee or Associate of such Service Provider holding Vesting Shares relating to that Service Provider shall), if so requested by the Board (with Investor Director Consent), deliver to the Company on or before the date specified by the Board, a duly executed undertaking of reverse vesting in such form required by the Board (with Investor Director Consent) ("Undertaking of Reverse Vesting").
- 12.5 The Undertaking of Reverse Vesting shall provide, inter alia, for the economic rights, vesting provisions and restrictions on transfer, applicable to Vesting Shares held by that Service Provider (and by any Permitted Transferee or Associate of such Service Provider) to be replicated (so far as practical) and apply to any Ordinary Shares or such other shares or equity securities (other than Deferred Shares) that relate to or derive from such Vesting Shares (whether by re-designation or otherwise) that are issued to or held by that Service Provider (and by any Permitted Transferee or Associate of such Service Provider) in accordance with Article 12.8 and/or Article 6 (as a consequence of a Pre-IPO Restructuring) (together, the "Reverse Vesting Shares").
- 12.6 For the purpose of replicating the economic effect of the vesting provisions, the Undertaking of Reverse Vesting may, at the option of the Board (with Investor Director Consent), include a mandatory transfer provision pursuant to which the Service Provider (and any Permitted Transferee or Associate of such Service Provider) can be obliged to transfer Reverse Vesting Shares to the Company, any new Holding Company and/or any designated third party at such value as the Board may determine (which may, for the avoidance of doubt, be nominal value).

- 12.7 If a Service Provider (or any Permitted Transferee or Associate of such Service Provider) fails to deliver a duly executed Undertaking of Reverse Vesting as required pursuant Article 12.4, then with effect from such date and time as is specified by the Board:
- 12.7.1 subject to Article 12.10, such number of the Vesting Shares held by that Service Provider (and by any Permitted Transferee or Associate of such Service Provider) shall immediately convert into Deferred Shares as is equal to the number of such Vesting Shares (rounded up to the nearest whole Incentive Share) that would convert into Deferred Shares if at that date they ceased to be a Service Provider by reason of being a Good Leaver; and
- 12.7.2 following the application of Article 12.7.1, any balance of Vesting Shares held by that Service Provider (and by any Permitted Transferee or Associate of such Service Provider) shall remain to be dealt with in accordance with Article 12.8 and Article 6 (as part of any Pre-IPO Restructuring).
- 12.8 Upon an IPO or SPAC Transaction and following the application of Article 12.7.1 (if applicable), the Incentive Shares shall be subject to a reorganisation of share capital (which may involve, without limitation, the re-designation, sub-division and/or consolidation in part or in full of the Incentive Shares, so that they comprise only ordinary shares and/or deferred shares in the Company with no specific designation) as determined by the Board (with Investor Director Consent) and with effect from such date and time as may be specified by the Board. The reorganisation will be carried out in line with the following principle, subject to such adjustments as the Board may make in its reasonable discretion to address fractional entitlements. The principle to be applied is the value attributable to each existing Incentive Share, as represented by the number of resulting ordinary shares valued at the IPO Value or the price per share payable in respect of a SPAC Transaction, should be equal to the value attributable to each existing Ordinary Share less the Hurdle Amount applicable to that Incentive Share. The value attributable to an existing Ordinary Share will be determined based on the number of resulting ordinary shares valued at the IPO Value or the price per share payable in respect of a SPAC Transaction.
- 12.9 Where Vesting Shares relating to a Service Provider are held by more than one Shareholder and a proportion of those Vesting Shares is to be converted into Deferred Shares pursuant to this Article 12, the Board (with Investor Director Consent) shall have complete discretion in determining the relative proportions of the Vesting Shares held by such Shareholders to be converted into Deferred Shares for such purposes.
- 12.10 The following provisions of this Article 12 shall not apply to any Vesting Shares which have been allotted to any Service Provider pursuant to the exercise of any option granted under any Share Option Plan ("Vested Option Shares"):
- 12.10.1 Article 12.1.2;
- 12.10.2 Article 12.3; and
- 12.10.3 Article 12.7.1,
- and accordingly any Vested Option Shares will be ignored for the purposes of calculating the proportion or number of the Vesting Shares relating to that Service Provider that will convert into Deferred Shares under those provisions.
13. Deferred Shares
- 13.1 Subject to the Act, any Deferred Shares may be purchased by the Company at any time (and on multiple occasions) at its option for the aggregate sum of £1.00 for all the Deferred Shares registered in the name of any holder(s) at the relevant time without obtaining the sanction of the holder(s). Any purchase of Deferred Shares by the Company shall not be subject to the provisions of Article 18.

- 13.2 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:
- 13.2.1 appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise), including (subject to the Act) to the Company itself, in any such case for a price being not more than an aggregate sum of £1.00 for all the Deferred Shares registered in the name of such holder(s); and/or
  - 13.2.2 receive the consideration for such a transfer or purchase (and give a good discharge for it) and hold the same on trust for the transferor(s); and/or
  - 13.2.3 give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
  - 13.2.4 retain the certificate(s) (if any) in respect of such Deferred Shares pending the transfer, cancellation and/or purchase thereof.
- 13.3 Notwithstanding any other provision of these Articles, no Deferred Share may be transferred without the prior consent of the Board, acting with Investor Director Consent.
14. Variation of rights
- 14.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent. in nominal value of the issued shares of that class, save that:
- 14.1.1 the special rights attaching to the Series B Shares may only be varied or abrogated with Series B Majority Consent; and
  - 14.1.2 the special rights attaching to the Series A Shares may only be varied or abrogated with Series A Majority Consent.
- 14.2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares.
15. Allotment of new shares or other securities: pre-emption
- 15.1 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.
- 15.2 This Article 15 shall not apply to any allotment or issue of (or agreement to allot or issue) New Securities which:
- 15.2.1 is a Permitted Issue; or
  - 15.2.2 subject to Article 15.9, the Board has resolved (with Preferred Majority Consent) shall not be subject to this Article 15.
- 15.3 Subject to Article 15.2, if the Company proposes to allot any New Securities, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Series B Shares, Series A Shares and Ordinary Shares (the "Entitled Holders") on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Series B Shares, Series A Shares and Ordinary Shares ("Entitled Shares") held by those holders (as if

such Shares constituted one and the same class, and as nearly as may be without involving fractions). The offer:

- 15.3.1 shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the "Subscription Period") and give details of the number and subscription price of the New Securities; and
- 15.3.2 may stipulate that any Entitled Holder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.
- 15.4 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Entitled Holders who have applied for New Securities on a pro rata basis to the number of Entitled Shares held by such Entitled Holders which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Entitled Holder beyond that applied for by them).
- 15.5 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Entitled Holders in accordance with their applications and any remaining New Securities shall be offered to any other person as the Directors may determine, with the approval in writing of a Preferred Majority, at a price and on terms that are no more favourable than the offer to the Entitled Holders.
- 15.6 Subject to the requirements of Articles 15.3 to 15.5 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, provided that the allotment or grant to that person must be approved in writing by a Preferred Majority.
- 15.7 Any New Securities offered under this Article 15 to an Investor may be accepted in full or part by a Member of the same Fund Group as that Investor or a Member of the same Group as that Investor in accordance with the terms of this Article 15.
- 15.8 No Shares shall be allotted (nor any Treasury Shares be transferred) to any Service Provider, Director, prospective Service Provider or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company.
- 15.9 This Article 15.9 shall apply if:
  - 15.9.1 Preferred Majority Consent is given by Investors pursuant to 15.2.2 to the allotment or issue by the Company of New Securities otherwise than in accordance with the provisions of Article 15.3 (the "Relevant Offer"); and
  - 15.9.2 the Company proposes to allot any such New Securities to any Investor(s) as permitted by such Preferred Majority Consent (the "Participating Investor(s)") in circumstances where other Investors (the "Minority Investor(s)") are not offered their entitlement of such number of New Securities in accordance with this Article 15 (the "Proposed Investor Allotment").

If this Article 15.9 applies, the New Securities comprised in the Proposed Investor Allotment will be reallocated as follows (with any allocations made to the Participating Investor(s) pursuant to the Relevant Offer being scaled back accordingly): each Minority Investor (whether or not they provided Preferred Majority Consent to dis-apply the provisions of Article 15.3) will be entitled to participate in the Proposed Investor Allotment on the same terms and at the same price as the Participating Investor(s) on a pari passu and pro rata basis in the manner

prescribed by this Article 15, which shall apply mutatis mutandis as if the Minority Investor(s) had been given the opportunity to participate in the Relevant Offer, save that the pro rata entitlement of the Participating Investor(s) and the Minority Investor(s) shall be calculated by reference to the number of New Securities comprised in the Proposed Investor Allotment only (and not to all New Securities the subject of the Relevant Offer) in proportion to the number of Entitled Shares held by the Participating Investor(s) and the Minority Investor(s) immediately prior to any issue of New Securities to the Participating Investor(s) and the Minority Investor(s) pursuant to this Article 15.9 (as nearly as may be without involving fractions).

16. Transfers of Shares – general

16.1 Unless express provision is made in these Articles to the contrary and always subject to Articles 17, 18, 21 and 22, no Shares shall be transferred except:

16.1.1 to a Permitted Transferee; or

16.1.2 with Preferred Majority Consent; or

16.1.3 pursuant to the BPC Put Option; or

16.1.4 where such transfer is required pursuant to these Articles.

16.2 In Articles 16 to 23 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.

16.3 No Share may be transferred unless the transfer is made in accordance with these Articles.

16.4 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles they will be deemed immediately to have served a Transfer Notice in respect of all Shares held by them, for the purposes of which the transferee shall be the Company and the Transfer Price shall be the Compulsory Transfer Price of those Shares.

16.5 Any transfer of a Share by way of sale which is required to be made under Articles 18 to 23 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

16.6 The Directors may refuse to register a transfer if:

16.6.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;

16.6.2 the transfer is to a Service Provider, Director, prospective Service Provider or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;

16.6.3 it is a transfer of a Share which is not fully paid:

16.6.3.1 to a person of whom the Directors do not approve; or

16.6.3.2 on which Share the Company has a lien;

16.6.4 the transfer is not lodged at the registered office or at such other place as the Directors may reasonably appoint;

16.6.5 the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

- 16.6.6 the transfer is in respect of more than one class of Shares;
- 16.6.7 the transfer is in favour of more than four transferees; or
- 16.6.8 these Articles otherwise provide that such transfer shall not be registered.

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 16.7 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors, acting with Investor Director Consent, may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 16.7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 16.8 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may, with Investor Director Consent, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors or the Investor Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company such information and evidence as the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:
  - 16.8.1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question) provided that, at the election of the relevant Investor, such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor;
  - 16.8.2 the withholding of payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
  - 16.8.3 the holder may be required by the Board (acting with Investor Director Consent) at any time following receipt of the notice to give a Transfer Notice in respect of some or all of its Shares, specifying that the Company is the transferee and the Transfer Price is the Compulsory Transfer Price of those Shares.

The rights referred to in Article 16.8.1 and Article 16.8.2 above may be reinstated by the Board subject to Investor Director Consent and shall in any event be reinstated upon the completion of any transfer referred to in Article 16.8.3 above.
- 16.9 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given in accordance with the Board's requirement within a period



of 10 Business Days of demand being made, a Transfer Notice (specifying the terms required by the Board) shall be deemed to have been given at the expiration of that period.

- 16.10 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that:

16.10.1 it does not include a Minimum Transfer Condition (as defined in Article 18.2.4); and

16.10.2 (unless otherwise specified in these Articles) the Seller wishes to transfer all of the Shares held by it.

- 16.11 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of:

16.11.1 the transferor; and

16.11.2 (if any of the shares is partly or nil paid) the transferee.

- 16.12 A transfer by BPC to the Company of any Shares held by BPC (or its Permitted Transferees) pursuant to the BPC Put Option may be made without restriction as to price or otherwise, subject to the terms of any shareholders' agreement or similar document in force between the Investors and the Company from time to time.

## 17. Permitted Transfers

- 17.1 A Shareholder (who is not a Permitted Transferee) (the "Original Shareholder") may transfer all or any of their or its Shares to a Permitted Transferee without restriction as to price or otherwise.

- 17.2 Shares previously transferred as permitted by Article 17.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.

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

- 17.4 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares specifying that the Company is the transferee and a Transfer Price equal to the Compulsory Transfer Price of the Shares.

- 17.5 If a Permitted Transferee who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to give a Transfer Notice in respect of such Shares specifying that the Company is the transferee and a Transfer Price equal to the Compulsory Transfer Price of the Shares.

- 17.6 Trustees may (i) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (ii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.

- 17.7 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- 17.7.1 with the terms of the trust instrument and in particular with the powers of the trustees;
  - 17.7.2 with the identity of the proposed trustees;
  - 17.7.3 the proposed transfer will not result in 50 per cent or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
  - 17.7.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 17.8 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise they must, within five Business Days of so ceasing, execute and deliver to the Company a transfer of the Shares held by them to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, failing which they shall be deemed to have given a Transfer Notice in respect of those Shares specifying that the Company is the transferee and a Transfer Price equal to the Compulsory Transfer Price of those Shares.
- 17.9 On the death (subject to Article 17.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) their personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice specifying that the Company is the transferee and a Transfer Price equal to the Compulsory Transfer Price of those Shares.
- 17.10 A transfer of any Shares made with Preferred Majority Consent may, subject to any express terms on which consent is given, be made without restriction as to price or otherwise and with any such conditions as may be imposed and each such transfer shall be registered by the Directors.
- 17.11 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a new Holding Company, which has been approved by a majority of the Board and Preferred Majority Consent.
- 17.12 The Company shall only be permitted to sell or transfer any Shares held as Treasury Shares to any person with Preferred Majority Consent.
18. Transfers of Shares subject to pre-emption rights
- 18.1 Save to the extent expressly provided otherwise in Articles 3.5, 17, 21, 22 and 23, or in any shareholders' agreement or similar document in force between (amongst others) the Investors and the Company from time to time, any transfer of Shares by a Shareholder (having first obtained Preferred Majority Consent in accordance with Article 16.1.2 where required) shall be subject to the pre-emption rights contained in this Article 18. The pre-emption rights contained in this Article 18 may be disapplied by the Board, acting with Preferred Majority Consent, in respect of any transfer of Shares by a Shareholder.

- 18.2 A Shareholder who wishes to transfer Shares (a "Seller") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "Transfer Notice") to the Company specifying:
- 18.2.1 the number of Shares which they wish to transfer (the "Sale Shares");
  - 18.2.2 if they wish to sell the Sale Shares to a third party, the name of the proposed transferee;
  - 18.2.3 the price at which they wish to transfer the Sale Shares (and for which purpose a different price may be stated with respect to different classes of Share) (the "Transfer Price"); and
  - 18.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "Minimum Transfer Condition").
- 18.3 Except with Investor Director Consent or as otherwise specified in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.
- 18.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 18.5 Purchase by the Company
- 18.5.1 Subject to Preferred Majority Consent, the Board may within 15 Business Days of receipt of the Transfer Notice (the "First Offer Period") elect by notice to the Seller for the Company to purchase all or any of the Sale Shares at the Transfer Price.
  - 18.5.2 If, at the end of the First Offer Period or such earlier period as notified in writing by the Board with Investor Director Consent, the number of Sale Shares that the Company has elected to purchase is less than the number of Sale Shares, the balance (the "Initial Surplus Shares") will be dealt with in accordance with Article 18.6.
- 18.6 Transfers: Second Offer
- 18.6.1 At the end of the period set out in Article 18.5.2, the Board shall offer the Initial Surplus Shares, if any, to all the holders of Entitled Shares other than the Seller (the "Continuing Shareholders") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the date of the offer (inclusive) (the "Second Offer Period") for the maximum number of the Initial Surplus Shares they wish to buy.
  - 18.6.2 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall provisionally allocate the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which their existing holding of Entitled Shares bears to the total number of Entitled Shares held by those Continuing Shareholders who have applied during the Second Offer Period for Initial Surplus Shares but no allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which they have stated they are willing to buy.
  - 18.6.3 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall provisionally allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications.
- 18.7 Completion of transfer of Sale Shares

- 18.7.1 If at the end of the Second Offer Period the number of Sale Shares specified in any Minimum Transfer Condition included in the Transfer Notice has not been purchased or applied for pursuant to Articles 18.5.1 and 18.6.1, then the relevant Transfer Notice shall lapse with immediate effect, and none of the Sale Shares may be transferred unless the provisions of this Article 18 are again complied with.
- 18.7.2 If the Transfer Notice does not include a Minimum Transfer Condition or the total number of Shares which the Company has elected to purchase under Article 18.5.1 and which the Continuing Shareholders have applied for under Article 18.6.1 is equal to or more than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall give written notice of allocation (an "Allocation Notice") to the Seller and each person to whom Sale Shares have been provisionally allocated (an "Applicant") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- 18.7.3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 18.7.4 If the Seller fails to comply with the provisions of Article 18.7.3, the Chair of the Company or, failing them, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
- 18.7.4.1 (i) complete, execute and deliver in their name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
  - 18.7.4.2 (ii) receive the Transfer Price and give a good discharge for it; and
  - 18.7.4.3 (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
  - 18.7.4.4 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until they have delivered to the Company their certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).
- 18.7.5 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 18.7.6, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to the transferee specified in the Transfer Notice (or, if no transferee is specified in the Transfer Notice, to any person) at a price at least equal to the Transfer Price, provided that Article 21 is complied with.
- 18.7.6 The right of the Seller to transfer Shares under Article 18.7.5 does not apply if the Board is of the opinion on reasonable grounds that:
- 18.7.6.1 the transferee is a person (or a nominee for a person) who the Board (with Investor Director Consent) determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
  - 18.7.6.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

- 18.7.6.3 the Seller has failed or refused to provide promptly information available to them and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.
- 18.8 Any Sale Shares offered under this Article 18 to an Investor may be accepted in full or part by a Member of the same Fund Group as that Investor or a Member of the same Group as that Investor in accordance with the terms of this Article 18.
- 19. Valuation of Shares
  - 19.1 If the Fair Value of any Sale Shares needs to be determined for the purposes of these Articles, the Board shall either:
    - 19.1.1 appoint an expert valuer in accordance with Article 19.2 (the "Expert Valuer") to certify the Fair Value of the Sale Shares; or
    - 19.1.2 (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.
  - 19.2 The Expert Valuer will be either:
    - 19.2.1 the Auditors; or
    - 19.2.2 (if otherwise agreed by the Board and the Seller) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the joint application of the parties and approved by the Company.
  - 19.3 The "Fair Value" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
    - 19.3.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
    - 19.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
    - 19.3.3 that the Sale Shares are capable of being transferred without restriction;
    - 19.3.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
    - 19.3.5 reflect any other factors which the Expert Valuer reasonably believes should be taken into account.
  - 19.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
  - 19.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.

- 19.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 19.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 19.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on them of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 19.9 The cost of obtaining the certificate shall be paid by the Company unless the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before the Expert Valuer was instructed, in which case the Seller shall bear the cost.
20. Compulsory transfers – general
- 20.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors, specifying that the Company is the transferee and a Transfer Price equal to the Fair Value of that Share.
- 20.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of their death the Directors may require the legal personal representatives of that deceased Shareholder either:
- 20.2.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
  - 20.2.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.
- If either requirement in this Article 20.2 shall not be fulfilled to the satisfaction of the Directors, then (save to the extent that the Directors may otherwise determine) a Transfer Notice shall be deemed to have been given in respect of each such Share specifying that the Company is the transferee and a Transfer Price equal to the Fair Value of the Shares.
- 20.3 If a Shareholder which is a company either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees (save to the extent that, and at a time, the Directors may determine), in each case specifying that the Company is the transferee and a Transfer Price equal to the Fair Value of the Shares.
- 20.4 If there is a change of control (as control is defined in section 1124 of the CTA 2010) of any Original Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names specifying that the transferee is the Company and a Transfer Price equal to the Fair Value of the Shares. In the case of a change of control (as defined above) of any Permitted Transferee which is a company, Article 17.4 shall apply as if that Permitted Transferee had ceased to be a Member of the same Group as the Original Shareholder. This Article 20.4 shall not apply to a member that is an Investor.

- 20.5 If an Associate of a Service Provider is holding Incentive Shares and at any time ceases to be an Associate of that Service Provider, it must, within five Business Days of so ceasing, execute and deliver to the Company a transfer of the Incentive Shares held by it to the Service Provider (or to an Associate of the Service Provider who has been approved in writing by the Board, acting with Investor Director Consent) for such consideration as may be agreed between them, failing which it shall be deemed to have given a Transfer Notice in respect of those Incentive Shares specifying that the Company is the transferee and a Transfer Price equal to the Compulsory Transfer Price.
21. Tag Along
- 21.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 20 or 23, after going through the pre-emption procedure in Article 18 (save where that procedure has been disapplied in accordance with these Articles), the provisions of Article 21.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares (the "Proposed Transfer") which would, if put into effect, result in any Proposed Purchaser (and Associates of it or persons Acting in Concert with it) acquiring a Controlling Interest in the Company. For the avoidance of doubt, Article 21.2 will not apply in circumstances where the Proposed Sellers have exercised the Drag Along Option by giving a Drag Along Notice to the Company pursuant to Article 23 in connection with the Proposed Transfer.
- 21.2 A Proposed Seller must, before making a Proposed Transfer, procure the making by the Proposed Purchaser of an offer (the "Offer") to the other Shareholders to acquire all of the Equity Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 21.7.1).
- 21.3 The Offer must be given by written notice (a "Proposed Sale Notice") at least 15 Business Days (the "Offer Period") prior to the proposed sale date ("Proposed Sale Date"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the Specified Price and other terms and conditions of payment, and the Proposed Sale Date.
- 21.4 If any other holder of Equity Shares is not given the rights accorded to it by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 21.5 If the Offer is accepted by any Shareholder (an "Accepting Shareholder") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 21.6 The Proposed Transfer is subject to the pre-emption provisions of Article 18 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 18.
- 21.7 For the purpose of this Article 21, it is acknowledged that Shares of different classes will be transferable at different prices, and accordingly:
- 21.7.1 the "Specified Price" shall mean in respect of each Share a sum in cash equal to that to which the holder of such Share would be entitled in respect of that Share if:
- 21.7.1.1 the Offered Price was used to determine the provisional valuation of the entire issued share capital of the Company;
- 21.7.1.2 the Supplemental Consideration (if any) was added to such provisional valuation; and
- 21.7.1.3 the resulting total amount was then allocated as between the Shares in accordance with Articles 5 and 6;

- 21.7.2 the "Offered Price" shall mean the highest price per Share offered or paid by the Proposed Purchaser:
    - 21.7.2.1 in the Proposed Transfer; or
    - 21.7.2.2 in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer; and
  - 21.7.3 the "Supplemental Consideration" shall mean an amount equal to the value of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, 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 Shares in the Proposed Transfer.
22. Co-Sale right
- 22.1 Subject to Article 22.8, any transfer of Shares by:
- 22.1.1 the Founder;
  - 22.1.2 a Service Provider; or
  - 22.1.3 any Shareholder (other than an Investor) who holds, together with its Associates, Ordinary Shares representing 1% or more of the Equity Shares then in issue (calculated on an as converted basis),
- (each a 'Relevant Shareholder') shall not be made or validly registered unless the Relevant Shareholder and any Permitted Transferee of that Shareholder (each a "Selling Shareholder") shall have observed the following provisions of this Article 22.
- 22.2 After the Selling Shareholder has gone through the pre-emption process set out in Article 18, the Selling Shareholder shall give to each Entitled Holder not less than 15 Business Days' notice in advance of the proposed sale (a "Co-Sale Notice"). The Co-Sale Notice shall specify:
- 22.2.1 the identity of the proposed purchaser (the "Buyer");
  - 22.2.2 the price per share which the Buyer is proposing to pay;
  - 22.2.3 the manner in which the consideration is to be paid;
  - 22.2.4 the number of Shares which the Selling Shareholder proposes to sell; and
  - 22.2.5 the address where the counter-notice should be sent.
- 22.3 For the purposes of this Article 22, it is acknowledged that Shares of different classes will be transferable at different prices, such price per Share of each class being a sum equal to that to which the holder of such Share would be entitled in respect of that Share if the consideration payable by the Buyer to the Selling Shareholder (assuming the sale of all the Shares specified in the Co-Sale Notice) were used to determine the valuation of the entire issued share capital of the Company and such valuation was then allocated as between the Shares in accordance with Articles 5 and 6 (the "Co-Sale Price").
- 22.4 Each Entitled Holder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Shareholder that they wish to sell a certain number of Entitled Shares held by them at the applicable Co-Sale Price, by sending a counter-notice which shall specify the number of Entitled Shares which such Entitled Holder wishes to sell. The maximum number of Entitled Shares which an Entitled Holder can sell under this procedure shall be:



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

where:

X is the number of Entitled Shares held by the Entitled Holder;

Y is the total number of Entitled Shares (excluding Treasury Shares) held by the Entitled Holders;

Z is the number of Shares the Selling Shareholder proposes to sell.

Any Entitled Holder who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no Entitled Shares.

22.5 Following the expiry of five Business Days from the date the Entitled Holders receive the Co-Sale Notice, the Selling Shareholder shall be entitled to sell to the Buyer on the terms notified to the Entitled Holders a number of shares not exceeding the number specified in the Co-Sale Notice less any Entitled Shares which Entitled Holders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Entitled Holders, at the applicable Co-Sale Price, the number of Entitled Shares they have respectively indicated they wish to sell, on terms no less favourable than those obtained by the Selling Shareholder from the Buyer.

22.6 No sale by the Selling Shareholder shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.

22.7 Sales made by Entitled Holders pursuant to a Co-Sale Notice in accordance with this Article 22 shall not be subject to Article 18.

22.8 This Article 22 shall not apply to:

22.8.1 any Permitted Transfer;

22.8.2 any transfer of Sale Shares to an Applicant pursuant to Article 18;

22.8.3 any transfer of Shares by an Accepting Shareholder pursuant to Article 21;

22.8.4 any sale of the entire issued share capital of the Company to a Drag Purchaser pursuant to the exercise of the Drag Along Option by any Selling Shareholder(s) in accordance with Article 23; or

22.8.5 any transfer of Shares to the Company pursuant to a Transfer Notice required to be given by the Board or deemed to have been given under these Articles.

23. Drag-along

23.1 If Shareholders constituting a Preferred Majority (the "Selling Shareholders") wish to transfer all their interest in Shares (including pursuant to a SPAC Transaction) (the "Sellers' Shares") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "Drag Along Option") to compel each other holder of Shares (each a "Called Shareholder" and together the "Called Shareholders") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "Drag Purchaser") in accordance with the provisions of this Article.

23.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "Drag Along Notice") to the Company, which the Company shall forthwith copy to the Called Shareholders, at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify:

- 23.2.1 that the Called Shareholders are required to transfer all their Shares (the "Called Shares") under this Article;
- 23.2.2 the person to whom they are to be transferred;
- 23.2.3 the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article);
- 23.2.4 the proposed date of transfer; and
- 23.2.5 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "Sale Agreement"),

(and, in the case of Articles 23.2.2 to 23.2.4 (inclusive) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

- 23.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 23.4 Save in connection with a SPAC Transaction, the consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 5 and 6 (the "Drag Consideration").

- 23.5 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the "Drag Completion Date"), each Called Shareholder shall deliver:

- 23.5.1 duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
- 23.5.2 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
- 23.5.3 a duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,

(together the "Drag Documents").

- 23.6 On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.

- 23.7 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 23 in respect of their Shares.

- 23.8 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of

such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 23 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to them. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender their share certificate for their Shares (or suitable executed indemnity) to the Company. On surrender, they shall be entitled to the Drag Consideration due to them.

23.9 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 18.

23.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

#### Terms of the Sale Agreement

23.11 Save in accordance with Article 23.12, a Sale Agreement shall not require:

23.11.1 a Called Shareholder to give any representation or warranty concerning, or any indemnity in respect of any liability of, the business and affairs of the Group or otherwise, and any representations and warranties to be made by the Called Shareholder shall be limited to customary representations and warranties related to:

23.11.1.1 such Called Shareholder's authority to sell and transfer (or otherwise dispose of), such Called Shareholder's Called Shares to the Drag Purchaser; and

23.11.1.2 such Called Shareholder's capacity and ability to convey title to such Called Shares with full title guarantee; or

23.11.2 any Investor or any of its Associates to:

23.11.2.1 enter into any provisions related to non-competition, non-investment, non-solicitation, or no-hire arrangements or any other restrictive covenants; or

23.11.2.2 amend, extend or terminate any contractual or other relationship with the Company, the acquirer or their respective Associates.

23.12 A Sale Agreement may (on a basis no more onerous and no less favourable than applicable to all Shareholders who have accepted the terms of the Sale Agreement), inter alia, require that all Called Shareholders assume, or otherwise be subject to Contribution Obligations, provided that the Sale Agreement provides for the following principles (however expressed or effected):

23.12.1 a Called Shareholder shall not be liable (jointly or otherwise) for the Contribution Obligations of any other Shareholder;

23.12.2 a Called Shareholder's maximum cumulative aggregate liability under their Contribution Obligations shall not (save in the event of their fraud) exceed the total

consideration paid (and, to the extent the Contribution Obligation is to be satisfied from, or by the reduction of, amounts payable but not yet paid, consideration payable) to such Called Shareholder in respect of their Called Shares; and

- 23.12.3 the quantum of a Called Shareholder's Contribution Obligation shall be determined such that:
  - 23.12.3.1 save for a SPAC Transaction, the Proceeds of Sale net of any Common Liabilities are received by the Shareholders in accordance with the terms of Articles 5 and 6; or
  - 23.12.3.2 in connection with a SPAC Transaction, the Contribution Obligations of the Shareholders are proportionate to their respective entitlements to the consideration payable to Shareholders pursuant to that SPAC Transaction.
- 23.13 A Called Shareholder shall not be required to grant any release or waiver of claims, under the Sale Agreement or otherwise, other than with respect to its status as a Shareholder or employee of the Group.
- 23.14 The determination of the Board as to whether a Sale Agreement satisfies the requirements of this Article 23 (including any determination as to what constitutes a Contribution Obligation and/or the Common Liabilities and/or whether the principles set out in Article 23.12 are satisfied) shall (save in the event of fraud) be final and binding on all persons.
- 23.15 Any amendment, modification, termination or waiver of this Article 23 that (i) materially increases the obligations of the Preferred Shareholders under these Articles or a Sale Agreement, or (ii) materially adversely affects the rights of the Preferred Shareholders, shall require Preferred Majority Consent.

#### Asset Sale

- 23.16 In the event that an Asset Sale is approved by the Board with Preferred Majority Consent, those Shareholders constituting a Preferred Majority shall have the right, by notice in writing to all other Shareholders, to require such Shareholders to take any and all such actions as it may be necessary for Shareholders to take in order to give effect to or otherwise implement such Asset Sale, in a manner consistent with this Article 23, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of Articles 5 and 6.
- 24. General meetings
  - 24.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
  - 24.2 No business shall be transacted at any general meeting of the Company unless a quorum is present. A quorum shall be any one or more Qualifying Persons.
  - 24.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the Chair.
  - 24.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.

24.5 Polls must be taken in such manner as the Chair directs. A poll demanded on the election of a Chair or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the Chair directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

24.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

24.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

## 25. Proxies

25.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)".

25.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:

25.2.1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;

25.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the Chair or to the company secretary or to any Director; or

25.2.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the Chair or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chair or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

## 26. Directors' borrowing powers

The Directors may, with Investor Director Consent or Preferred Majority Consent where required pursuant to any agreement between the Company and any of its members, exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

## 27. Alternate Directors

27.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "Appointor") may appoint any director or any other person as they think fit to be their alternate Director to:

27.1.1 exercise that Director's powers; and

27.1.2 carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

27.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

27.3 The notice must:

27.3.1 identify the proposed alternate; and

27.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

27.4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.

27.5 Except as these Articles specify otherwise, alternate directors:

27.5.1 are deemed for all purposes to be Directors;

27.5.2 are liable for their own acts and omissions;

27.5.3 are subject to the same restrictions as their Appointors; and

27.5.4 are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which their Appointor is a member.

27.6 A person who is an alternate Director but not a Director:

27.6.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and

27.6.2 may sign a Directors' written resolution (but only if their Appointor is an Eligible Director in relation to that decision, but does not participate).

No alternate may be counted as more than one Director for such purposes.

27.7 A Director who is also an alternate Director is entitled, in the absence of their Appointor, to a separate vote on behalf of each Appointor, in addition to their own vote on any decision of the Directors (provided that their Appointor is an Eligible Director in relation to that decision).

27.8 An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

27.9 An alternate Director's appointment as an alternate shall terminate:

27.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

27.9.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;

27.9.3 on the death of the alternate's Appointor; or

27.9.4 when the alternate's Appointor's appointment as a Director terminates.

## 28. Number of Directors

Unless and until the Company shall otherwise determine with Preferred Majority Consent, the number of Directors shall be not less than two and no more than ten.

## 29. Appointment of Directors

29.1 For so long as Syncona (together with its Permitted Transferees) continues to hold Equity Shares, Syncona shall be entitled to nominate up to two persons to act as Directors by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove those Directors (or either of them) from office.

29.2 For so long as OxSciences (together with its Permitted Transferees) continues to hold Equity Shares, OxSciences shall be entitled to nominate one person to act as a Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office.

29.3 For so long as GV (together with its Permitted Transferees) continues to hold Equity Shares, GV shall be entitled to nominate one person to act as a Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office.

29.4 For so long as Northpond (together with its Permitted Transferees) continues to hold Equity Shares, Northpond shall be entitled to nominate one person to act as a Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office.

29.5 For so long as Sanofi (together with its Permitted Transferees) continues to hold Equity Shares, Sanofi shall be entitled to nominate one person to act as a Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office.

29.6 The Board (acting by majority vote and including Investor Director Consent) shall have the right to appoint, maintain in office, remove and replace:

29.6.1 up to two persons as independent non-executive Directors; and

29.6.2 one person as an independent non-executive Director to act as chairperson of the Board if so appointed in accordance with Article 29.7.

29.7 The Chair of the Board shall be appointed, and may be replaced from time to time, by the Board (acting with Investor Director Consent).

29.8 The Chief Executive Officer of the Company from time to time, shall be appointed as a Director (if they so consent to act). Upon a Chief Executive Officer of the Company ceasing to be the Chief Executive Officer of the Company, such person shall, unless otherwise agreed by the Board (with Investor Director Consent), immediately be deemed to have resigned as a Director.

29.9 An appointment or removal of a Director nominated under this Article 29 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.

- 29.10 Each Investor Director shall be entitled at their request to be appointed to any committee of the Board established from time to time and to the board of directors (and any committee of that board) of any Subsidiary Undertaking.
- 29.11 Subject to any contrary provision of any shareholders' agreement or similar document in force between (amongst others) the Investors and the Company, each of OxSciences, GV and BPC shall (for so long as it or any of its Permitted Transferees hold Equity Shares) be entitled to appoint one person to act as an observer to the Board, and to the board of directors of any Subsidiary Undertaking. Each such observer shall be entitled to attend and speak at all such meetings and receive copies of all board papers as if they were a Director but shall not be entitled to vote on any resolutions proposed at a board meeting.
- 29.12 Subject to Article 29.13, for so long as she holds Equity Shares the Founder shall be entitled to attend and speak at all meetings of the Board as an observer, and to receive copies of all board papers as if she were a Director, but shall not be entitled to vote on any resolutions proposed at a board meeting.
- 29.13 The Founder's rights under Article 29.12 will terminate if at any time the Founder ceases to be a Service Provider and:
- 29.13.1 she is a Bad Leaver; or
- 29.13.2 she (or any entity through which she provides services to the Company) has terminated for convenience (and without cause) any consultancy agreement between the Company and the Founder or any such entity.

### 30. Disqualification of Directors

In addition to the circumstances provided in article 18 of the Model Articles, the office of a Director shall also be vacated if:

- 30.1.1 they are convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that their office be vacated; or
- 30.1.2 in the case of a Director other than an Investor Director (for so long as their Appointor or any of its Associates holds or beneficially owns Equity Shares), if a majority of their co-Directors (acting with Investor Director Consent) serve notice on them in writing, removing them from office.

### 31. Proceedings of Directors

- 31.1 The quorum for Directors' meetings shall be 4 Directors who must include (in each case to the extent that they are in office) at least: (i) one of the Syncona Directors or the OxSciences Director; and (ii) one of the GV Director, the Northpond Director, or the Sanofi Director, save that if a Relevant Interest of an Investor Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, such Investor Director and any other interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting.
- 31.2 If a quorum is not present within half an hour from the time appointed for a Directors' meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting with Investor Director Consent. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
- 31.3 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom they are the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the



meeting may be held despite the fact (if it is the case) that only one Director is physically present.

- 31.4 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the Chair shall be deemed to be the place of the meeting.
- 31.5 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 31.6 Provided (if these Articles so require) that they have declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of their interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which they have an interest, whether a direct or an indirect interest, or in relation to which they have a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 31.7 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the Chair shall not have a second or casting vote.
- 31.8 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

## 32. **Directors' interests**

Specific interests of a Director

- 32.1 Subject to the provisions of the Act and provided (if these Articles so require) that they have declared to the Directors in accordance with the provisions of these Articles, the nature and extent of their interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding their office, have an interest of the following kind:
- 32.1.1 where a Director (or a person connected with them) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- 32.1.2 where a Director (or a person connected with them) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- 32.1.3 where a Director (or a person connected with them) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
- 32.1.4 where a Director (or a person connected with them) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;

- 32.1.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- 32.1.6 where a Director (or a person connected with them or of which they are a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which they are a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not they are remunerated for this;
- 32.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 32.1.8 any other interest authorised by ordinary resolution.

#### Interests of an Investor Director

- 32.2 In addition to the provisions of Article 32.1, subject to the provisions of the Act and provided (if these Articles so require) that they have declared to the Directors in accordance with the provisions of these Articles, the nature and extent of their interest, where a Director is an Investor Director they may (save as to the extent not permitted by law from time to time), notwithstanding their office, have an interest arising from any duty they may owe to, or interest they may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:
  - 32.2.1 an Investor;
  - 32.2.2 a Fund Manager which advises or manages an Investor;
  - 32.2.3 any of the funds advised or managed by a Fund Manager who advises or manages an Investor from time to time; or
  - 32.2.4 another body corporate or firm in which a Fund Manager who advises or manages an Investor or any fund advised or managed by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

#### Interests of which a Director is not aware

- 32.3 For the purposes of this Article 32, an interest of which a Director is not aware and of which it is unreasonable to expect them to be aware shall not be treated as an interest of that Director.

#### Accountability of any benefit and validity of a contract

- 32.4 In any situation permitted by this Article 32 (save as otherwise agreed by them) a Director shall not by reason of their office be accountable to the Company for any benefit which they derive from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

#### Terms and conditions of Board authorisation

- 32.5 Subject to Article 32.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("Interested Director") who has proposed that the Directors authorise their interest ("Relevant Interest") pursuant to that section may, for the avoidance of doubt:
  - 32.5.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:

- 32.5.1.1 restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
- 32.5.1.2 restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
- 32.5.1.3 restricting the application of the provisions in Articles 32.7 and 32.8, so far as is permitted by law, in respect of such Interested Director;
- 32.5.2 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

subject to Article 32.6, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 32.

Terms and conditions of Board authorisation for an Investor Director

- 32.6 Notwithstanding the other provisions of this Article 32, it shall not (save with the consent in writing of an Investor Director) be made a condition of any authorisation of a matter in relation to that Investor Director in accordance with section 175(5)(a) of the Act, that they shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of the Directors or that they shall be required to disclose, use or apply confidential information as contemplated in Article 32.8.

*Director's duty of confidentiality to a person other than the Company*

- 32.7 Subject to Article 32.8 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 32), if a Director, otherwise than by virtue of their position as director, receives information in respect of which they owe a duty of confidentiality to a person other than the Company, they shall not be required:
- 32.7.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
  - 32.7.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of their duties as a Director.

- 32.8 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 32.7 shall apply only if the conflict arises out of a matter which falls within Article 32.1 or Article 32.2 or has been authorised under section 175(5)(a) of the Act.

Additional steps to be taken by a Director to manage a conflict of interest

- 32.9 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:
- 32.9.1 absenting themselves from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
  - 32.9.2 excluding themselves from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such

documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for them to have access to such documents or information.

Requirement of a Director is to declare an interest

32.10 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 32.1 or Article 32.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

32.10.1 falling under Article 32.1.7;

32.10.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or

32.10.3 if, or to the extent that, it concerns the terms of their service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

32.11 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 32.

32.12 For the purposes of this Article 32:

32.12.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;

32.12.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director;

32.12.3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

33. Notices

33.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:

33.1.1 in hard copy form;

33.1.2 in electronic form; or

33.1.3 (by the Company) by means of a website (other than notices calling a meeting of Directors),

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 33.

#### Notices in hard copy form

- 33.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):
- 33.2.1 to the Company or any other company at its registered office; or
  - 33.2.2 to the address notified to or by the Company for that purpose; or
  - 33.2.3 in the case of an intended recipient who is a member or their legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or
  - 33.2.4 in the case of an intended recipient who is a Director or alternate, to their address as shown in the register of Directors; or
  - 33.2.5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or
  - 33.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in Articles 33.2.1 to 33.2.5 (inclusive) above, to the intended recipient's last address known to the Company.
- 33.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:
- 33.3.1 if delivered, at the time of delivery; or
  - 33.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

#### Notices in electronic form

- 33.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:
- 33.4.1 if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
  - 33.4.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 33.2; or
  - 33.4.3 be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
    - 33.4.3.1 on its website from time to time; or
    - 33.4.3.2 by notice (in hard copy or electronic form) to all members of the Company from time to time.
- 33.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:
- 33.5.1 if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;

- 33.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
- 33.5.3 if delivered in an electronic form, at the time of delivery; and
- 33.5.4 if sent by any other electronic means as referred to in Article 33.4.3, at the time such delivery is deemed to occur under the Act.

33.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

#### Notice by means of a website

33.7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.

#### General

33.8 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "Primary Holder"). Notice so given shall constitute notice to all the joint holders.

33.9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

#### 34. Indemnities and insurance

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

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

34.1.1.1 any liability incurred by the director to the Company or any associated company; or

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

34.1.1.3 any liability incurred by the director:

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

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

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

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

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 34.1.1.1, 34.1.1.3(ii) and 34.1.1.3(iii) applying;

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

34.2 The Company shall (at the cost of the Company) effect and maintain for each current or former Director or current or former director of any associated company policies of insurance insuring each such director against risks in relation to their office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to them in respect of any negligence, default of duty or breach of trust of which they may be guilty in relation to the Company.

## 35. Data Protection

Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the Shareholders and Directors (each a "Recipient") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("Recipient Group Companies") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

## 36. Secretary

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

## 37. Lien

37.1 The Company shall have a first and paramount lien (the "Company's Lien") over every Share (whether or not a fully paid share) for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that

indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable.

37.2 The Company's Lien over a Share:

37.2.1 shall take priority over any third party's interest in that Share; and

37.2.2 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.

The Directors may at any time decide that a Share which is, or would otherwise be, subject to the Company's Lien shall not be subject to it, either wholly or in part.

37.3 Subject to the provisions of this Article 37, if:

37.3.1 a notice complying with Article 37.4 (a "Lien Enforcement Notice") has been given by the Company in respect of a Share; and

37.3.2 the person to whom the notice was given has failed to comply with it,

the Company shall be entitled to sell that Share in such manner as the Directors decide.

37.4 A Lien Enforcement Notice:

37.4.1 may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

37.4.2 must specify the Share concerned;

37.4.3 must require payment of the sum payable within 14 days of the notice;

37.4.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

37.4.5 must state the Company's intention to sell the Share if the notice is not complied with.

37.5 Where any Share is sold pursuant to this Article 37:

37.5.1 the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and

37.5.2 the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.

37.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

37.6.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;

37.6.2 secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity for lost certificate in a form acceptable to the Board has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as



existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

37.7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

37.7.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

37.7.2 subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share.

38. Call Notices

38.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "Call Notice") to a Shareholder who has not fully paid for that Shareholder's Share(s) requiring the Shareholder to pay the Company a specified sum of money (a "call") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.

38.2 A Call Notice:

38.2.1 may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);

38.2.2 shall state when and how any call to which it relates it is to be paid; and

38.2.3 may permit or require the call to be paid by instalments.

38.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.

38.4 Before the Company has received any call due under a Call Notice the Directors may:

38.4.1 revoke it wholly or in part; or

38.4.2 specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.

38.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.

38.6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to:

38.6.1 pay calls which are not the same; or

38.6.2 pay calls at different times.

38.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):

38.7.1 on allotment;

38.7.2 on the occurrence of a particular event; or

- 38.7.3 on a date fixed by or in accordance with the terms of issue.
- 38.8 If the due date for payment of such a sum as referred to in Article 38.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 38.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined in Article 38.10.1):
- 38.9.1 the Directors may issue a notice of intended forfeiture to that person; and
- 38.9.2 until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).
- 38.10 For the purposes of Article 38.9:
- 38.10.1 the "Call Payment Date" shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "Call Payment Date" is that later date;
- 38.10.2 the "Relevant Rate" shall be:
- 38.10.2.1 the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
- 38.10.2.2 such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
- 38.10.2.3 if no rate is fixed in either of these ways, five per cent. a year,
- provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).
- 38.11 The Directors may waive any obligation to pay interest on a call wholly or in part.
- 38.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.
39. Forfeiture of Shares
- 39.1 A notice of intended forfeiture:
- 39.1.1 may be sent in respect of any Share for which there is an unpaid sum in respect of which a call has not been paid as required by a Call Notice;
- 39.1.2 shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- 39.1.3 shall require payment of the call and any accrued interest by a date which is not fewer than 14 days after the date of the notice;
- 39.1.4 shall state how the payment is to be made; and
- 39.1.5 shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

- 39.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 39.3 Subject to these Articles, the forfeiture of a Share extinguishes:
- 39.3.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
  - 39.3.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 39.4 Any Share which is forfeited in accordance with these Articles:
- 39.4.1 shall be deemed to have been forfeited when the Directors decide that it is forfeited;
  - 39.4.2 shall be deemed to be the property of the Company; and
  - 39.4.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 39.5 If a person's Shares have been forfeited then:
- 39.5.1 the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
  - 39.5.2 that person shall cease to be a Shareholder in respect of those Shares;
  - 39.5.3 that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
  - 39.5.4 that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
  - 39.5.5 the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 39.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.
- 39.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 39.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
- 39.8.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 39.8.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 39.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.

- 39.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:

39.10.1 was, or would have become, payable; and

39.10.2 had not, when that Share was forfeited, been paid by that person in respect of that Share, but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

#### 40. Surrender of Shares

- 40.1 A Shareholder shall be entitled to surrender any Share:

40.1.1 in respect of which the Directors issue a notice of intended forfeiture;

40.1.2 which the Directors forfeit; or

40.1.3 which has been forfeited.

The Directors shall be entitled to accept the surrender of any such Share.

- 40.2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.

- 40.3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.

#### 41. Authority to capitalise and appropriation of capitalised sums

- 41.1 The Board may, if authorised to do so by an ordinary resolution (with Preferred Majority Consent):

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

41.1.2 appropriate any sum which they so decide to capitalise (a "Capitalised Sum") to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate (the "Shareholders Entitled").

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

- 41.2 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may (in its absolute discretion) deem appropriate.

- 41.3 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.

- 41.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.

- 41.5 Subject to the Articles the Board may:

41.5.1 apply Capitalised Sums in accordance with Articles 41.3 and 41.4 partly in one way and partly another;

- 41.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 41; and
- 41.5.3 authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 41.