

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
NEW
ARTICLES OF ASSOCIATION
of
CHERRYZ LTD
(the "Company")

(Adopted by a special resolution passed on 22 March 2021)

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 from time to time.
- 1.3 In these Articles article headings are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 Where there is reference to Series A Shares under these Articles, this reference shall be treated, where appropriate in the context, on an as converted basis if the Conversion Ratio has been adjusted.

2. Defined terms

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" has the meaning given in Article 6.1;

"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);

"Associated Government Entities" means:

- (a) any UK Government departments, including their executive agencies, other subsidiary bodies and other parts of UK Government;
- (b) companies wholly or partly owned by UK Government departments and their subsidiaries;
- (c) non-departmental public bodies, other public bodies, public corporations and their subsidiary bodies sponsored by UK Government departments; and/or
- (d) any successor to any of the entities set out in (a), (b) and (c) above or any new bodies which fall within the same criteria;

"Auditors" means the auditors of the Company from time to time or the Company's accountants if auditors have not been appointed;

"Bad Leaver" means the Founder:

- (a) resigning as an Employee voluntarily and in circumstances which do not amount to constructive dismissal and/or constructive unfair dismissal; or
- (b) being dismissed by the Company (or a member of the Group) for Cause;

"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;

"Bonus Issue" or "Reorganisation" means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Series A Shareholders) or any consolidation or sub-division or redenomination or any repurchase or redemption of shares (other than Series A Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than shares issued as a result of the events set out in Article 9.5;

"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);

"Cause" means:

- (a) the lawful termination of their contract of employment or consultancy without notice or payment in lieu of notice as a consequence of their gross misconduct; and/or
- (b) their fair dismissal pursuant section 98(2)(a) (capability) or 98(2)(b) (conduct) of the Employment Rights Act 1996;

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

"CMO" means Christian Meyer-Ohlendorf;

"Commencement Date" means 1 June 2018;

"Control" has the meaning given in section 1124 of the Corporation Tax Act 2010;

"Controlling Interest" means an interest in shares giving to the holder or holders Control of a company;

"Conversion Date" has the meaning given in Article 5.1;

"**Conversion Ratio**" has the meaning given in Article 5.4;

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

"Deferred Shares" means deferred shares of £0.001 each in the capital of the Company from time to time;

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

"Effective Termination Date" means the date on which the Founder's employment or consultancy terminates;

"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 or who provides consultancy services to, 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);

"Equity Shareholder" means any holder of Equity Shares;

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

"Exercising Investor" has the meaning given in Article 6.1;

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

"Fair Value" is as determined in accordance with Article 13.3;

"Family Trusts" means trust(s) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than a Shareholder who is an individual and/or Privileged Relations of that individual;

"Founder" means Robert Martin Randolph;

"Founder Director" means such director of the Company appointed by the Founder in accordance with Article 8.1;

"Founder Shares" means the 33,342 Ordinary Shares held by:

- (a) the Founder; and
- (b) any Permitted Transferee of that Founder other than those Ordinary Shares held by those persons that the Board declares itself satisfied were not acquired directly or indirectly from the Founder or by reason of his relationship with the Founder;

No Ordinary Shares acquired by the Founder after the Commencement Date shall qualify as Founder Shares (other than those of which he was an Original Shareholder (as defined in Article 12.1) on the Commencement Date).

"Fund Manager" means a person whose principal business is to make, manage or advise upon investments in securities whether as manager, administrator or investment advisor;

"Future Fund" means UK FF Nominees Limited (company number 12591650);

"Future Fund Agreement" means the convertible loan agreement entered into between, inter alios, the Future Fund and the Company dated 20 June 2020;

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

"Holding Company" means a newly formed holding company, pursuant to which the shareholders of, and the proportion and class(es) of shares held by each of them in, such holding company (immediately after a transfer of the issued share capital of the Company to such holding company) are the same as the shareholders of and their shareholdings in the Company immediately prior to the transfer of the issued share capital of the Company to such holding company;

"Institutional Investor" means any fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing, other than as Institutional Investors who the Board determines in its reasonable discretion is a competitor with the business of the Company;

"Investor Directors" means Seed Director and Series A Director (in each case if appointed), including any alternate appointed to act in his place from time to time;

"Investor Majority" means the holders of at least seventy per cent. (70%) of the Investor Shares from time to time;

"Investor Majority Consent" means the prior written consent of the Investor Majority, which may be given by email;

"Investor Shares" means those Equity Shares held by the Investors (as if they constituted one class of share);

"Investors" has the meaning given in any shareholders' agreement in force between all or some of the Shareholders and the Company;

"Investor Fund Manager" means a Fund Manager which advises or manages a Shareholder which is an Investment Fund;

"IPO" means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ, the New York Stock Exchange 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);

"a Member of the same Fund Group" means if the Shareholder is a fund, partnership, company, syndicate, collective investment scheme or unit trust, 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, manager, administrator or investment advisor of any such Investment Fund or its general partner or the holders of

any unit trust which is a participant or partner in or member of any Investment Fund;

- (b) any Investment Fund managed or advised by the same Fund Manager or which has the same manager, adviser, administrator or investment adviser as the Investment Fund or its general partner; or any participant or partner in or member of such other Investment Fund;
- (c) any Parent Undertaking or Subsidiary Undertaking of the same 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 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;

"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 (other than shares or securities issued as a result of the events set out in Article 10.5) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

"Nominated Director" means any of the directors appointed in accordance with Article 8 including any alternate appointed to act in his place from time to time;

"Ordinary Shares" means the ordinary shares of £0.001 each in the capital of the Company, from time to time;

"Permitted Transfer" means a transfer of Shares in accordance with Article 12;

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Company;
- (b) in relation to a Shareholder which is an undertaking means any Member of the same Group or person who Controls such Shareholder or its parent undertaking;
- (c) in relation to a Shareholder which is an Investment Fund means any Member of the same Fund Group;
- (d) without limiting the generality of the foregoing, in relation to BLE Capital GmbH and H3 Capital GmbH means the Founder, CMO and their Permitted Transferees pursuant to (a) above;
- (e) in relation to the Future Fund:
 - (i) an Institutional Investor that is acquiring the whole or part (being not fewer than ten (10) companies, including the Company of the Future Fund's interest in a portfolio of investments which comprise or result from the conversion of unsecured convertible loans on substantially the same terms as the Future Fund Agreement; and
 - (ii) any Associated Government Entities;

"Preference Amount" the price per share equal to the amount paid up or credited as paid up (including premium) for such share (which, in respect of shares issued as a result of conversion of convertible loans pursuant to the Future Fund Agreement, shall be the discounted amount deemed to have been paid as a result of such conversion);

"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), provided that any Shares transferred to a Privileged Relation who is under 18 shall be held under a Family Trust;

"Proceeds of Sale" means the consideration payable whether in cash or otherwise to those Shareholders selling Shares under a Share Sale;

"Qualifying Company" means a company in which a Shareholder, his Privileged Relations or Trustee(s) hold the whole of the share capital and which they Control;

"Qualifying Issue" has the meaning given in Article 6.1;

"Relevant Period" means 48 months from the Commencement Date;

"Seed Director" means the director appointed by a Seed Majority in accordance with Article 8.3 including any alternate appointed to act in his place from time to time;

"Seed Investor" has the meaning given in any shareholders' agreement in force between some or all of the Shareholders and the Company;

"Seed Majority" means the holders of at least 50 per cent. of the Seed Shares from time to time;

"Seed Shares" means the Ordinary Shares held by the Seed Investors issued before 31 October 2018 (as if they constituted one class of share);

"Separately Priced Subset" has the meaning given in Article 6.1;

"Series A Director" means the director appointed by a Series A Majority in accordance with Article 8.4 including any alternate appointed to act in his place from time to time;

"Series A Majority" means the holders of at least 50 per cent. of the Series A Shares from time to time;

"Series A Shareholder" means any holder of Series A Shares;

"Series A Shares" means series A preferred shares of £0.001 each in the capital of the Company from time to time having the rights set out in the New Articles including any Series A Shares which have converted into Ordinary Shares and/or a more senior class of Share under these Articles or any shareholders' agreement in force between some or all of the Shareholders and the Company;

"Shareholder" means any holder of any Shares;

"Share Option Plan" means any share option plan of the Company created pursuant to the terms of any shareholders' agreement in force between some or all of the Shareholders and the Company;

"Shares" means the Ordinary Shares, Series A Shares and the Deferred Shares;

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders in the purchasing company 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;

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

"Starting Price" means the Preference Amount (if applicable, adjusted as referred to in Article 6.3);

"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" means the trustee(s) of a Family Trust; and

"Unvested Shares" means:

- (a) all the Founder Shares prior to the first anniversary of the Commencement Date;
- (b) after the first anniversary of the Commencement Date until the end of the Relevant Period such number of Founder Shares equal to all the Founder Shares multiplied by the following percentage (rounded up to two decimal places):

$$100 - (2.083 \times \text{NM}),$$

where NM = number of full calendar months from the Commencement Date to the Effective Termination Date, such that the percentage shall be zero on the first day of the 48th month after the Commencement Date;

- (c) none of the Founder Shares if an Exit takes place during the Relevant Period.

3. Liquidation Preference

- 3.1 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):

- (a) first in paying to each of the Series A Shareholders, in priority to any other classes of Shares, a sum equal to the higher of:
 - (i) an amount per Series A Share held equal to the Preference Amount (provided that if there are insufficient surplus assets to pay the amounts per Series A Share equal to the Preference Amount, the remaining surplus assets shall be distributed to the Series A Shareholders pro rata to the amounts paid up on the Series A Shares); and
 - (ii) an amount per Series A Share equal to the amount per share to which the Series A Shares would be entitled if the Series A Shares were

converted into Ordinary Shares in accordance with these Articles and the surplus assets were distributed among all holders of Equity Shares pro rata to the number of Equity Shares held;

- (b) second in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and
- (c) the balance of the surplus assets (if any) shall be distributed among the holders of Ordinary Shares pro rata to the number of Ordinary Shares held.

4. Exit Provisions

4.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 3 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:

- (a) 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 3; and
- (b) the Shareholders shall take any action required by an Investor Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 3.

4.2 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 3.

4.3 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 3 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by an Investor Majority (including, but without prejudice to the generality of this Article 4.3, actions that may be necessary to put the Company into voluntary liquidation) so that Article 3 applies.

4.4 In the event of an Exit approved by the Board and the Selling Shareholders (as defined in Article 19.1 in accordance with the terms of these Articles (the "Proposed Exit"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit ("Actions"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking the Actions as are necessary to effect the Proposed Exit and the Directors may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders.

5. Conversion of Series A Shares

- 5.1 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 "Conversion Date").
- 5.2 All of the fully paid Series A Shares shall automatically convert into Ordinary Shares on the date of a notice given by a Series A Majority (which date shall be treated as the Conversion Date).
- 5.3 Not more than five Business Days after the Conversion Date, 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.
- 5.4 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 "Conversion Ratio"), and the Ordinary Shares resulting from that conversion shall in all other respects rank *pari passu* with the existing issued Ordinary Shares.
- 5.5 The Company shall on the 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, 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 4, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Series A Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.
- 5.6 The Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this Article:
 - (a) if Series A Shares remain capable of being converted into Ordinary Shares and there is a consolidation and/or sub-division of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board is fair and reasonable, to maintain the right to convert so as to ensure that each Series A Shareholder is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division;
 - (b) if Series A Shares remain capable of being converted into Ordinary Shares, on an allotment of fully-paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board is fair and reasonable, to maintain the right to convert so as to ensure that each Series A Shareholder is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.

6. Anti-Dilution Protection

- 6.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price of any Separately Priced Subset (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, unless the Series A Majority shall have specifically waived the rights of all of the holders of Series A Shares, issue to each holder of Series A Shares in such Separately Priced Subset (the "Exercising Investor") 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 6.3 (the "Anti-Dilution Shares"):

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

Where:

N = Number of Anti-Dilution Shares to be issued to the Exercising Investor

$$\frac{(SIP \times ESC) + (QIP \times NS)}{(ESC + NS)}$$

WA =

SIP = Starting Price of that Separately Priced Subset

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 or options to subscribe for shares created pursuant to any Share Option Plan (whether allocated or unallocated) 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 in that Separately Priced Subset held by the Exercising Investor prior to the Qualifying Issue.

The calculations in this Article 6.1 shall be undertaken separately in respect of Series A Shares with different Starting Prices (each a "Separately Priced Subset") and utilising the Starting Price for that Separately Priced Subset. No account shall be taken in each such calculation of any issue of Anti-Dilution Shares in respect of any other Separately Priced Subset in respect of the same Qualifying Issue (but such Anti-Dilution Shares shall be taken into account and subsist in the value of "ESC" in respect of any application of this Article 6 on any subsequent Qualifying Issue). Nothing in this Article 6 shall constitute any Separately Priced Subset as a separate class of shares other than as otherwise set out in these Articles and each Series A Share comprised in a Separately Priced Subset shall continue to belong to the same class of Series Share notwithstanding the application of this Article 6.

6.2 The Anti-Dilution Shares shall:

- (a) be paid up at par by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a majority of the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 6.1 so that the Exercising Investors 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 Exercising Investor as to the effect of Article 6.1 or this Article 6.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of 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 Exercising Investor; and
 - (b) subject to the payment of any cash payable pursuant to Article 6.2(a) (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 Exercising Investor and pursuant to Article 6.2(a).
- 6.3 In the event of any Bonus Issue or Reorganisation, the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company with the Series A Majority within 10 Business Days after any Bonus Issue or Reorganisation. 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.
- 6.4 For the purposes of this Article 6 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.
- 7. Proceedings of Directors
 - 7.1 The quorum for Directors' meetings shall be two Directors including the Founder Director and the Series A Director (save that where (i) the Series A Director has waived such requirement in advance of the meeting in writing or (ii) an interest of the Series A Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the Series A 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). Article 11(2) of the Model Articles shall not apply to the Company. If such a quorum is not present within half an hour from the time appointed for the 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. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
 - 7.2 Subject to the provisions of these Articles and any shareholders' agreement amongst some or all of the Shareholders and the Company, Directors' meetings shall always be chaired by the Founder Director (if in office). The chairman shall not have a casting vote. Article 12 of the Model Articles shall be modified accordingly.

8. Appointment of Directors and Alternate Directors

- 8.1 For so long as the Founder together with his Permitted Transferees holds not less than 5% of the issued share capital of the Company he shall have the right to appoint and maintain in office such natural person as he may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board and the board of any Subsidiary) and to remove any director so appointed and, upon his removal whether by the Founder or otherwise, to appoint another director in his place.
- 8.2 For so long as CMO together with his Permitted Transferees holds not less than 5% of the issued share capital of the Company he shall have the right to appoint and maintain in office such natural person as he may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board and the board of any Subsidiary) and to remove any director so appointed and, upon his removal whether by CMO or otherwise, to appoint another director in his place.
- 8.3 For so long as the Seed Investors together with their Permitted Transferees hold Seed Shares constituting not less than 5% of the issued share capital of the Company they shall have the right, acting by way of a Seed Majority, to appoint and maintain in office such natural person as they may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board and the board of any Subsidiary) and to remove any director so appointed and, upon his removal whether by the Seed Majority or otherwise, to appoint another director in his place.
- 8.4 For so long as the Series A Investors together with their Permitted Transferees hold Equity Shares (excluding any Seed Shares held) constituting not less than 5% of the issued share capital of the Company together with it shall have the right, acting by way of a Series A Majority, to appoint and maintain in office such natural person as they may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board and the board of any Subsidiary) and to remove any director so appointed and, upon his removal whether by the Series A Majority or otherwise, to appoint another director in his place.
- 8.5 Appointment and removal of a Nominated Director appointed by the Founder, CMO, the Seed Investors (by way of a Seed Majority) or Series A Investors (by way of a Series A Majority), as the case may be, shall be by written notice to the Company which shall take effect on delivery at its registered office or at any meeting of the Board or committee thereof.
- 8.6 Except as otherwise resolved by the Board, a Nominated Director will be deemed automatically to have resigned his office as a director with immediate effect if the Founder, CMO, Seed Investors or the Series A Investors (as the case may be) cease to hold the necessary percentage of the issued share capital of the Company entitling them to appoint a Nominated Director.
- 8.7 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "Appointer") may appoint any director or any other person as he thinks fit to be his alternate Director to:
 - (a) exercise that Director's powers; and
 - (b) carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.
- 8.8 The appointment of an alternate Director shall not require approval by a resolution of the Directors.

- 8.9 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.
- 8.10 The notice must:
- (a) identify the proposed alternate; and
 - (b) 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.
- 8.11 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.
- 8.12 Except as these Articles specify otherwise, alternate directors:
- (a) are deemed for all purposes to be Directors;
 - (b) are liable for their own acts and omissions;
 - (c) are subject to the same restrictions as their Appointors; and
 - (d) 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 his Appointor is a member.
- 8.13 A person who is an alternate Director but not a Director:
- (a) 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
 - (b) may sign a Directors' written resolution (but only if his 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.
- 8.14 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).
- 8.15 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.
- 8.16 An alternate Director's appointment as an alternate shall terminate:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

- (b) 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;
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate's Appointor's appointment as a Director terminates.

9. Directors' interests

9.1 Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his 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 he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting. Article 14 of the Model Articles shall not apply to the Company.

9.2 No director shall, unless agreed otherwise by a majority of the directors (excluding the director so concerned), be entitled to vote on any matter which relates to his or her employment by or engagement with the Company (whether as employee, consultant, director or otherwise), including, without limitation, his or her appointment, remuneration, appraisal, review or dismissal. For any such matters in relation to the Founder, any decision shall require the consenting vote of both the Nominated Investor appointed by CMO and the Series A Director.

Specific interests of a Director

9.3 Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

- (a) where a Director (or a person connected with him) 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;
- (b) where a Director (or a person connected with him) 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;
- (c) where a Director (or a person connected with him) is a Shareholder 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;
- (d) where a Director (or a person connected with him) 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;
- (e) 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; or

- (f) where a Director (or a person connected with him or of which he is 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 he is 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 he or it is remunerated for this.

Interests of an Investor Director

- 9.4 In addition to the provisions of Article 9.3, subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he 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:

- (a) an Investor Fund Manager;
- (b) any of the funds advised or managed by an Investor Fund Manager from time to time; or
- (c) another body corporate or firm in which an Investor Fund Manager or any fund advised by such Investor Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

10. Allotment of new shares or other securities: pre-emption

- 10.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act do not apply to an allotment of equity securities made by the Company.

- 10.2 Unless otherwise determined by special resolution with Investor Majority Consent, any New Securities shall, before they are allotted or granted on any terms, be first offered by the Company in writing to each Equity Shareholder by:

- (a) giving details of the number and subscription price of the New Securities;
- (b) inviting him to apply for the New Securities at the subscription price (being on no less favourable terms);
- (c) stating that he will have a period of at least 14 days from the date of the notice in which to apply; and
- (d) stating that the New Securities will be allocated to him in proportion (as nearly as may be) to his existing holdings of Equity Shares (his "Proportionate Allocation").

- 10.3 On expiry of an offer made in accordance with Article 10.2 (or sooner if applications or refusals have been received from all Equity Shareholders and all requisite approvals have been given), the Company shall allot or grant (as the case may be) the New Securities as follows:

- (a) each Equity Shareholder shall be allocated his Proportionate Allocation; or
- (b) if less, the number of New Securities for which he has applied;

following which the Directors may, subject to these Articles and the Act, allot or grant (as the case may be) such New Securities as have not been taken up in such manner as they think fit, but on no less favourable terms.

- 10.4 Any New Securities offered under this Article 10 may be accepted in full or part only by a Permitted Transferee of that Equity Shareholder in accordance with the terms of this Article 10.
- 10.5 The provisions of Articles 10.2 to 10.4 (inclusive) shall not apply to:
 - (a) options to subscribe for Ordinary Shares under any Share Option Plan; or
 - (b) New Securities issued or granted in order for the Company to comply with its obligations under these Articles including, but not limited to the Anti-Dilution Shares.
- 10.6 No Shares shall be allotted to any Employee, Director, prospective Employee 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 Income Tax (Earnings and Pensions) Act 2003 election with the Company if so required by the Company.
- 10.7 The Company may, with Investor Majority Consent, issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder. The Directors are not authorised to determine the terms, conditions and manner of redemption unless express authorisation to do so is given by the Shareholders by ordinary resolution and the Investor Majority. Article 22(2) of the Model Articles shall not apply to the Company.

11. Transfers of Shares – general

- 11.1 Reference to the transfer of a Share in these Articles 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.
- 11.2 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 11.3 The Directors may refuse to register a transfer of a Share if:
 - (a) a Shareholder transfers a Share other than in accordance with these Articles;
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company; or
 - (c) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company.

Article 26(5) of the Model Articles shall be modified accordingly.

- 11.4 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement in force between some or all of the Shareholders and the Company.
- 11.5 Articles 27 to 29 of the Model Articles regarding transmission of shares shall not apply to the Company.
- 11.6 Any transfer of a Share by way of sale which is required to be made under Articles 12 to 15 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

12. Permitted Transfers

- 12.1 A Shareholder (the "Original Shareholder") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 12.2 Shares previously transferred as permitted by Article 12.1 may be transferred by the transferee to the Original Shareholder or any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 12.3 Where, upon death of a Shareholder, the persons legally or beneficially entitled to any Shares are Permitted Transferees of that deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees without restriction as to price or otherwise.
- 12.4 A transfer of any Shares approved by the Board (with Investor Majority Consent) may be made without restriction as to price, pre-emption, co-sale or otherwise and with any such conditions as may be imposed and each such transfer shall be registered by the Directors.
- 12.5 Any Shares may at any time be transferred where there is a transfer of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board.

13. Transfers of Shares subject to pre-emption rights

- 13.1 Save where the provisions of Articles 12, 18 and 19 apply, a Shareholder who wishes to transfer Equity Shares (a "Seller") shall give notice in writing (which cannot be withdrawn save with the consent of the Board) (a "Transfer Notice") to the Company (constituting the Company the agent of the Seller) specifying:
 - (a) the number of Equity Shares which he wishes to transfer (the "Sale Shares");
 - (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
 - (c) the price at which he wishes to transfer the Sale Shares (the "Transfer Price").

If a Shareholder is deemed to have given a Transfer Notice or has not specified a price in the Transfer Notice, the price at which he is to transfer the Sale Shares (being in this case the Transfer Price) shall be agreed between such Shareholder and the Board (with any Director who is a Seller or with whom the Seller is connected (within section 252 of the Act) not being entitled to vote) within five Business Days after the date when the Board received the Transfer Notice and failing such agreement such price will be deemed to be the Fair Value of such Shares.

- 13.2 As soon as practicable following the receipt of a Transfer Notice (or, in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 14), the Company shall give notice in writing to each Equity Shareholder other than the Seller (each an "Eligible Shareholder"):
- (i) inviting him to apply for the Sale Shares at the Transfer Price;
 - (ii) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
 - (iii) stating that, the Sale Shares shall be offered to the Eligible Shareholders and if there is competition among the Eligible Shareholders for the Sale Shares, the Sale Shares will be allocated to him in proportion (as nearly as may be) to his existing holding of Equity Shares (his "Proportionate Allocation");
 - (iv) inviting him to indicate if he is willing to purchase Sale Shares in excess of his Proportionate Allocation ("Extra Shares") and, if so, the number of Extra Shares.
- 13.3 On expiry of an offer made in accordance with Article 13.2 (or sooner if applications or refusals have been received from all Eligible Shareholders), the Company shall allocate the Sale Shares as follows:
- (a) if the total number of Sale Shares applied for is equal to or less than the number of Sale Shares, each Eligible Shareholder shall be allocated the number applied for by him; or
 - (b) if the total number of Sale Shares applied for is more than the available number of Sale Shares, each Eligible Shareholder shall be allocated his Proportionate Allocation or, if less, the number of Sale Shares for which he has applied;
 - (c) applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Eligible Shareholders applying for Extra Shares in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Shares than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all Shares have been allocated; and
 - (d) fractional entitlements shall be rounded to the nearest whole number.
- 13.4 The Company shall give written notice of allocation (an "Allocation Notice") to the Seller which shall specify the number of Sale Shares to be allocated to each applicant and the place and time (being not less than 7 nor more than 14 days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- 13.5 On service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 13.6 If the Seller fails to comply with the provisions of Article 13.5:
- (a) the chairman of the Directors or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants;

- (ii) receive the transfer price and give a good discharge for it and (subject to the transfer being duly stamped) enter each applicant in the register of members as the holders of the Sale Shares allocated to him; and
 - (b) the Company shall pay the transfer price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate(s) for the relevant Shares (or a suitable indemnity).
- 13.7 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 13.8, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unsold Sale Shares not included in the Allocation Notice to any person at a price at least equal to the Transfer Price.
- 13.8 The right of the Seller to transfer Shares under Article 13.7 does not apply if the Board is of the opinion on reasonable grounds that:
- (a) 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
 - (b) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.
- 13.9 Any Sale Shares offered under this Article 13 may be accepted in full or part only by a Permitted Transferee of that Shareholder in accordance with the terms of this Article 13.
14. Valuation of Shares
- 14.1 If no price is agreed between the Seller and the Board then, upon service of the Transfer Notice the Board shall appoint an expert valuer in accordance with Article 14.2 (the "Expert Valuer") to certify the Fair Value of the Sale Shares or if the Fair Value has been certified by Expert Valuer within the preceding 12 weeks, such certified Fair Value shall apply.
- 14.2 The Expert Valuer will be the Auditors unless this is not agreed by the Seller and the Board in which case it will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement within 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 application of either party and appointed by the Company.
- 14.3 The "Fair Value" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the

percentage of the issued share capital of the Company which they represent; and

- (e) reflect any other factors which the Expert Valuer reasonably believe should be taken into account.

14.4 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the Board and the Seller of its determination. The Expert Valuer shall act as experts and not as arbitrators and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).

14.5 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 Expert Valuer was instructed in which case the Seller shall bear the cost.

15. Compulsory transfers – general

15.1 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.

15.2 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, 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.

15.3 If a Permitted Transferee ceases to be a Permitted Transferee of 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 another Permitted Transferee of the Original Shareholder without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares.

15.4 On the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his 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.

15.5 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:

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

- (b) 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 15.5 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

- 15.6 If there is a change in Control of any 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 any Permitted Transferee and/or nominee) a Transfer Notice in respect of all the Shares registered in its name, its Permitted Transferee name and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of the Original Shareholder before being required to serve a Transfer Notice. This Article 15.6 shall not apply to a member that is an Investment Fund.

16. Compulsory conversion – Founder

- 16.1 Unless the Board and the Investor Majority determine that this Article 16.1 shall not apply, if at any time during the Relevant Period the Founder is a Bad Leaver, all the Unvested Shares shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share).
- 16.2 Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Effective Termination Date. Upon the Effective Termination Date, the Founder (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the share certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) for the Unvested Shares so converting and upon such delivery there shall be issued to him (or his Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Ordinary Shares.

17. Deferred Shares

- 17.1 The Deferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company, nor to receive, vote on or otherwise constitute an eligible member for the purposes of proposed written resolutions of the Company.
- 17.2 No Deferred Share shall have any entitlement to a dividend.
- 17.3 Subject to the Act, any Deferred Shares may be purchased or (in the case of Shares issued as redeemable shares) redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 17.4 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:

- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
- (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
- (c) purchase such Deferred Shares in accordance with the Act,

in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.

17.5 No Deferred Share may be transferred without the prior consent of the Board.

18. Co-sale right

18.1 No transfer (other than a Permitted Transfer) of any of the Ordinary Shares may be registered unless a Shareholder (a "Selling Member") shall have observed the following procedures of this Article.

18.2 After the Selling Member has gone through the pre-emption process set out in Article 13, the Selling Member shall give to each Equity Shareholder who is not an Employee, former Employee or Permitted Transferee of an Employee or former Employee (each a "Co-Sale Notice Recipient") not less than 15 Business Days' notice in advance of the proposed sale (a "Co-Sale Notice"). The Co-Sale Notice shall specify:

- (a) the identity of the proposed purchaser (the "Buyer");
- (b) the price per share which the Buyer is proposing to pay;
- (c) the manner in which the consideration is to be paid;
- (d) the number of Ordinary Shares which the Selling Member proposes to sell; and
- (e) the address where the counter-notice should be sent.

18.3 Each Co-Sale Notice Recipient shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Member that they wish to sell a certain number of Equity Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Equity Shares which such Co-Sale Notice Recipient wishes to sell. The maximum number of Equity Shares which a Co-Sale Notice Recipient can sell under this procedure shall be:

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

where:

X is the number of Equity Shares held by the Co-Sale Notice Recipient;

Y is the total number of Equity Shares held by all Co-Sale Notice Recipients plus the Selling Member;

Z is the number of Ordinary Shares the Selling Member proposes to sell.

Any Co-Sale Notice Recipient 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 Equity Shares.

- 18.4 Following the expiry of five Business Days from the date the Co-Sale Notice Recipients receive the Co-Sale Notice, the Selling Member shall be entitled to sell to the Buyer on the terms notified to the Co-Sale Notice Recipients a number of Ordinary Shares not exceeding the number specified in the Co-Sale Notice less any Equity Shares which Co-Sale Notice Recipients have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Co-Sale Notice Recipients the number of Equity Shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Member from the Buyer.
- 18.5 No sale by the Selling Member shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 18.6 Sales made under a Co-Sale Notice in accordance with this Article 18 shall not be subject to Article 13.

19. Drag-along

- 19.1 If the holders of at least 75% of the Equity Shares (including the Investor Majority) (the "Selling Shareholders") wish to transfer all their interest in Shares (the "Sellers' Shares") to a proposed purchaser who has made an offer on arm's length terms or to a Holding Company (the "Proposed Purchaser"), the Selling Shareholders shall have the option (the "Drag Along Option") to require all the other holders of Shares (the "Called Shareholders") to sell and transfer all their Shares (the "Called Shares") to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article 19.
- 19.2 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 immediately send to the Called Shareholders) at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that (a) the Called Shareholders are required to transfer all their Called Shares under this Article 19, (b) the person to whom they are to be transferred, (c) the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article 19), (d) the proposed date of transfer, (e) 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"), (f) in respect of any New Shareholder (as defined below) only, any exercise notice or other documents (including, without limitation, any tax elections) which the New Shareholder may be required to sign in connection with the exercise of any options or other rights to subscribe, convert into or otherwise acquire (including but not limited to warrants) Shares ("Exercise Documents"), and (g) information concerning the Called Shareholder which the Proposed Purchaser reasonably requires in connection with the transfer of Called Shares (as may include, without limitation, information concerning: (i) details of any account in the name of the Called Shareholder to which cash consideration may be paid; (ii) the tax treatment of payments to be made to, or tax status of, the Called Shareholder; (iii) the status of the Called Shareholder for the purposes of ascertaining the applicability of relevant securities laws; and (iv) verification of the identity, ownership and control of the Called Shareholder and other information as may be required for anti-money laundering or other compliance purposes) ("Sale Information") (and, in the case of limbs (b) to (d)

above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice).

- 19.3 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 Proposed Purchaser within 40 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.
- 19.4 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 Proposed Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 3 and 4 (the "Drag Consideration") (provided that any discharge by the Proposed Purchaser of any costs of sale shall not for these purposes be treated as part of the consideration per Share offered by the Proposed Purchaser if such discharge has been agreed to by the Selling Shareholders). Where the consideration is non-cash consideration, any valuation of such consideration applicable to the consideration payable to the Selling Shareholders shall also be applicable to the consideration payable to the Called Shareholders.
- 19.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article 19. In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, no Called Shareholder shall be bound by the Drag Along Notice unless:
- (a) any representations and/or warranties to be made by such Called Shareholder in connection therewith are limited as to (i) title to the Shares held by such Called Shareholder and which are to be sold pursuant to the Drag Along Notice and (ii) its capacity to enter into the relevant transaction documents. A Called Shareholder shall not be obliged to give any other warranties or indemnities or contribute to any escrow or holdback amounts unless and to the extent the Selling Shareholders contribute on a pro rata basis and the liability in respect of such warranties and/or indemnities and contribution in respect of such escrow or holdback amounts is shared between all Shareholders pro rata to their entitlement to the Proceeds of Sale pursuant to Article 19.4 and the overall liability of each Shareholder in respect of such warranties and indemnities is capped at the value of the consideration received by such Shareholder (except with respect to claims related to fraud, the liability for which need not be limited as to such individual Shareholder). Any Sale Agreement which any Director is authorised to sign pursuant to Article 19.9 may contain warranties and/or indemnities from each Called Shareholder on the basis set out in this Article;
 - (b) such Called Shareholder shall not be liable for the inaccuracy of any representation or warranty made by any other person, other than the Company (except to the extent that funds may be paid out of an escrow or holdback established to cover breach of representations, warranties and covenants of the persons giving such representations, warranties and covenants under the Sale Agreement);
 - (c) the liability of such Called Shareholder is several and not joint with any other person (except to the extent that funds may be paid out of an escrow or holdback established to cover breach of representations, warranties and covenants of the Company as well as breach by any Shareholder of any of identical representations, warranties and covenants provided by all Shareholders);

- (d) a Called Shareholder shall not be obliged to give any restrictive covenant in connection with a transaction that is the subject of a Drag-Along Notice (including without limitation any covenant not to compete or covenant not to solicit customers, employees or suppliers of any party to such transaction).
- 19.6 Within five Business Days of the Company serving a Drag Along Notice on 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 to the Company (which shall receive the same as agent on behalf of the Called Shareholder with authority to deliver the same to the Proposed Purchaser on completion of the sale of Called Shares thereto in accordance with the terms of the Sale Agreement):
 - (a) duly executed stock transfer form(s) for its Shares in favour of the Proposed Purchaser;
 - (b) the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
 - (c) duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company;
 - (d) in the case of a New Shareholder (as defined below), duly executed Exercise Documents required to be provided by him or her; and
 - (e) the Sale Information, in the form specified in the Drag Along Notice or as otherwise specified by the Company,

(together the "Drag Documents").
- 19.7 On the Drag Completion Date, the Company shall pay, allot or transfer to each Called Shareholder, on behalf of the Proposed Purchaser, the Drag Consideration that is due to the extent the Proposed 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 Proposed Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment, allotment 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.
- 19.8 To the extent that the Proposed 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 return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 19 in respect of that Drag Along Notice (without prejudice to any party's right to serve a further Drag Along Notice at any time thereafter).
- 19.9 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 is authorised to transfer the Called Shareholder's Shares as agent on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) and 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 19 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 Proposed 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 him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid (if applicable). The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.

- 19.10 Any transfer of Shares to a Proposed Purchaser (or as they may direct) 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 13.
- 19.11 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option 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 Proposed Purchaser or as the Proposed Purchaser may direct 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.

Asset Sale

- 19.12 In the event that an Asset Sale is approved by the Board and the holders of more than 75% of the Equity Shares (including the Investor Majority), such consenting Shareholders 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, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of Articles 3 and 4.

20. Purchase of own Shares

Subject to the Act, the Company may with Investor Majority Consent purchase its own Shares out of capital otherwise than in accordance with Chapter 5 of Part 18 of the Act, to the extent permitted by section 692(1ZA) of the Act.

21. Notices

- 21.1 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:

- (a) in hard copy form;
- (b) in electronic form; or
- (c) (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.

22. Indemnities and Insurance

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

- (a) 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 him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his 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:
 - (i) any liability incurred by the director to the Company or any associated company; or
 - (ii) 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
 - (iii) any liability incurred by the director:
 - (A) in defending any criminal proceedings in which he is convicted;
 - (B) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
 - (C) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him 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 (a)(i), (a)(iii)(B) and (a)(iii)(C) applying; and

- (b) 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 him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

23. Variation of rights

- 23.1 Save in respect of the Deferred Shares (the rights to which may be varied by Article 23.4), 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 the special rights attaching to the Series A Shares may only be varied or abrogated with the prior written consent of a Series A Majority.

23.2 Without prejudice to the generality of Article 23.1, the special rights attaching to the Series A Shares shall be deemed to be varied by the occurrence of the Company effecting the following matters (the "Reserved Matters") without Investor Majority Consent (and in such following matters the expression 'the Company' or any matter or item relating to the Company in the Reserved Matters shall include any subsidiary of the Company from time to time or any matter or item relating to such a subsidiary, respectively, to the intent and effect that each of the provisions of this Article 23.2 shall apply in relation to each subsidiary as they apply in relation to the Company):

- (i) Permit or cause to be proposed any alteration to the rights attaching to its shares;
- (ii) Create, allot or issue any equity securities ranking equal or senior to the Series A Share;
- (iii) Buy-in, redeem or repurchase any share or loan capital;
- (iv) Grant or agree to grant any options, other than pursuant to this agreement or the Share Option Plan provided the aggregate number of options granted does not exceed the Share Option Pool (as defined in any shareholders' agreement of the Company), or warrants for the issue of any share or loan capital or issue any securities convertible into shares, or establish or vary any employee incentive scheme except in accordance with these Articles or any shareholders' agreement of the Company;
- (v) Permit or cause to be proposed any amendment to these Articles;
- (vi) Propose or pay any dividend (as defined under the Corporation Tax Act 2010);
- (vii) Subscribe for or otherwise acquire any shares in the capital of any other company other than a wholly-owned subsidiary;
- (viii) Acquire the whole or part of the undertaking of any other person or propose to do so;
- (ix) Engage any adviser, underwriter or financial adviser for the purposes of effecting an Asset Sale, Share Sale or IPO of the Company;
- (x) Negotiate, permit or effect an Asset Sale, Share Sale or IPO of the Company;
- (xi) Permit the Company to cease, or propose to cease, to carry on its business or permit the Company or any of its directors to take any step to wind up the Company, save where it is insolvent (within the meaning of section 123 of the Insolvency Act 1986);
- (xii) Permit the Company or any of its directors (i) to take any step to place the Company into administration; (ii) to propose or enter into any arrangement, scheme, moratorium, compromise or composition with its creditors or to apply for an interim order under Part 1 of the Insolvency Act 1986; or (iii) to invite the appointment of a receiver or administrative receiver over all or any part of the Company's assets or undertaking; and
- (xiii) Permit the appointment or removal of any person as a director of it (save in respect of the appointment of a Nominated Director).

23.3 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not, except as provided in Article 23.2, constitute a variation of the rights of those existing classes of shares.

23.4 The special rights attaching to the Deferred Shares as a class may be varied by a special resolution of all Shareholders and without the requirement for any consent by the holders of the Deferred Shares or any of them.

24. Share capital and voting

24.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued 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.

24.2 Except as otherwise provided in these Articles, the Series A Shares and the Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.

24.3 The Equity Shares shall confer on each holder of Equity Shares 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.

25. Data Protection

The Company may process the following categories of personal data in respect of the Shareholders and Directors: (i) identifying information, such as names, addresses and contact details; (ii) details of participation in the Company's affairs, such as attendance at and contribution to Company meetings, voting records etc.; (iii) in the case of Shareholders, details of their respective shareholdings in the Company; and (iv) any other information which is required to be recorded by law or required for the purpose of due diligence exercises or 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 (together, "Personal Data"). The Company will only use the Personal Data where it has a valid legal basis to do so. The Company has a legitimate interest in processing Personal Data where it is necessary for the purposes of the proper administration of the Company and its affairs, the undertaking of due diligence exercises and compliance with applicable laws, regulations and procedures. The Company will use appropriate technical and organisational measures to safeguard Personal Data. The Company will retain Personal Data for no longer than is reasonably required. The Company may disclose Personal Data to: (i) other Shareholders and Directors (each a "Recipient"); (ii) a Member of the same Group as a Recipient ("Recipient Group Companies"); (iii) employees, directors and professional advisers of that Recipient or the Recipient Group Companies; (iv) funds managed by any of the Recipient Group Companies; and (v) current or potential investors in the Company or purchasers of the Company's shares, provided always that the Company takes reasonable steps to ensure that Personal Data is treated in accordance with relevant data protection laws.