

Company number: 10808611

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

of

**OXFORD MOLECULAR BIOSENSORS LIMITED (Company)**

**Passed on: 12 MARCH 2019**

The following resolution was duly passed as a special resolution by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006.

**SPECIAL RESOLUTION**

1. **THAT** the new articles of association of the Company in the form attached to this Resolution be adopted as the articles of association of the Company in substitution for the Company's existing articles of association.

*P.G. Whitehead*  
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**Director**



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COMPANIES HOUSE

COMPANY NUMBER: 10808611

THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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NEW

ARTICLES OF ASSOCIATION

of

OXFORD MOLECULAR BIOSENSORS LIMITED (the "Company")

(Adopted by special resolution passed on 12 MARCH 2019)

**1. DEFINITIONS AND INTERPRETATION**

The definitions and interpretation provisions set out in Article 19 apply in these Articles.

**2. MODEL ARTICLES**

The Model Articles apply to the Company, except to the extent they are modified or excluded by or are inconsistent with these Articles.

**3. SHARE CAPITAL**

- 3.1 Class of share.** The Company has one class of share, namely the Ordinary Shares. The Ordinary Shares have the rights and are subject to the restrictions set out in Article 3.8.
- 3.2 Directors' authority to issue new shares.** The directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to allot shares, and to grant rights to subscribe for or convert any security into shares, on such terms and in such manner as they think fit up to an aggregate nominal amount of shares of £438.96. This authority will expire five years from the date of adoption of these Articles. The Company may make any offer or agreement before the expiry of this authority which would or might require shares to be allotted or such rights to be granted after this authority has expired and the directors may allot shares or grant such rights in pursuance of any such offer or agreement. This authority may at any time, subject to section 551 of the Act, be renewed, revoked or varied by an ordinary resolution of the Company. The directors may not exercise any power to allot shares or to grant rights to subscribe for or to convert any security into shares pursuant to section 550 of the Act.

- 3.3 **Subscription rights.** In relation to rights to subscribe for shares, the reference in Article 3.2 to the maximum amount of shares that may be allotted under the authority contained in Article 3.2 is to the maximum amount of shares that may be allotted pursuant to the rights.
- 3.4 **No maximum number of shares.** Subject to the necessary directors' authority to allot, there will be no maximum number of shares which may be allotted by the Company, or over which rights may be granted.
- 3.5 **Pre-emption rights.** The directors' authority under Article 3.2 is subject to the pre-emption rights in favour of shareholders contained in Article 4.
- 3.6 **Disapplication of statutory pre-emption rights.** The statutory pre-emption rights contained in sections 561 and 562 of the Act will not apply to an issue of equity securities (as defined in section 560(1) of the Act) made by the directors. The pre-emption rights set out in Article 4 will apply instead.
- 3.7 **Lien.** The Company shall have a first and paramount lien on every share, whether or not a fully paid share, for all moneys, whether presently payable or not, payable or otherwise owing by the holder of such share, or any Associate of such holder, to the Company or any other member of the Group. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article 3.7. The Company's lien on a share shall extend generally as described above as well as to any amount payable in respect of it.
- 3.8 **Share rights.** Subject to Article 8, the Ordinary Shares have the following rights and are subject to the following restrictions:

**Income.**

- 3.8.1 Subject to Article 3.9, the profits of the Company which the Company may determine to distribute in respect of a financial period will be distributed among the holders of the Ordinary Shares pro-rata according to the nominal amounts paid up or credited as paid up on such Ordinary Shares (excluding any premium at which such Ordinary Shares were issued) held by them respectively.

**Capital.**

- 3.8.2 Subject to Article 3.9, on a return of assets on a liquidation or otherwise (except on a redemption in accordance with the terms of issue of any share, or purchase by the Company of any share or on a capitalisation issue) the surplus assets of the Company remaining after payment of its debts and liabilities will be applied such that the balance (if any) of such surplus assets shall belong to and be distributed amongst the holders of the Ordinary Shares in proportion to the nominal amounts paid up or credited as paid up on such shares (excluding any premium at which such shares were issued) held by them respectively.

**Voting.**

- 3.8.3 The Ordinary Shares will entitle each holder of such shares to receive notice of and to attend (either in person or by proxy) any general meeting of the Company and every such holder who is present at a meeting in person or by proxy will, upon a show of hands, have one vote and, upon a poll, every

holder who is present in person or by proxy will have one vote for every Ordinary Share held by him.

**Other matters.**

- 3.8.4 Except as specified in these Articles, the Ordinary Shares will rank equally.
- 3.8.5 The Company will procure that each of its subsidiaries, if any, which has profits available for distribution shall from time to time declare and pay to the Company such dividends to the extent possible having regard to the subsidiary's working capital needs.
- 3.9 **Partly paid shares.** Model Article 21(1) shall not apply to the Company and shares may be issued other than fully paid. If the Issue Price of any share is partly paid, the rights attaching to any dividend or distribution or return on capital in respect of such share shall be abated in the same proportion as the unpaid amount bears to the total Issue Price. The provisions of the Public Model Articles 52 to 62 (inclusive) will apply to any partly paid shares.

**4. PRE-EMPTION RIGHTS IN RESPECT OF NEW ISSUES OF SHARES**

- 4.1 **Pre-emption rights.** If the directors wish to issue any share or shares after the date of adoption of these Articles they must first offer them to the shareholders in accordance with this Article 4 and any person entitled to receive the offer as envisaged in Article 4.8. However, the offer shall not be made to any shareholder who has served, or is deemed to have served, a Transfer Notice which is then in its Active Period and any Associate of that shareholder or to any shareholder who is a Compulsory Seller under Article 7 or whose shares carry no rights as provided in Article 8 (each an "Excluded Shareholder").
- 4.2 **Terms of the offer.** The new shares must be offered to the shareholders (other than the Excluded Shareholders) (the "Offerees") in proportion (as nearly as possible) to the number of shares already held by them. No fractions of shares shall be offered and the directors shall round any fractions down to the nearest whole number. The offer must be at the same price and on the same terms for each Offeree. An Offeree may accept all or part of his proportionate entitlement.
- 4.3 **Notice of the offer.** The offer must be made to each Offeree by notice specifying the price per share, the number and class of the shares offered and the proportionate entitlement of the Offeree. The notice shall stipulate that any Offeree who wishes to subscribe for a number of shares in excess of his proportionate entitlement shall, in his acceptance, state the number of excess shares for which he wishes to subscribe. The notice must also set a period of not less than 21 days within which the offer must be accepted (the "Acceptance Period").
- 4.4 **Issue of the shares.** After the end of the Acceptance Period the directors shall promptly issue the new shares to those Offerees who have accepted them, subject to payment of the price.
- 4.5 **Shares not taken up.** Any new shares not accepted pursuant to the offer shall be used for satisfying any requests for excess shares made pursuant to Article 4.3. If the applications

for excess shares are greater than the number of excess shares available, the excess shares will be allocated (as nearly as possible) in proportion to the numbers of shares already held by each eligible applicant who has applied for any part of such excess. If after allotting the offered shares in accordance with this procedure, any offered shares remain unissued then such shares may be issued to any person at the discretion of the directors. However, such new shares shall not be issued to any person on terms more favourable than the terms on which they were offered to the Offerees. No applicant will be required to take up more than such number of shares as he has applied for. No fractions of shares shall be allotted or issued and the directors shall round any fractions down to the nearest whole number.

- 4.6 **No assignment or renunciation.** No new shares shall be issued on terms that the right to take up the shares can be assigned to or renounced in favour of another person except that any shareholder may assign or renounce its rights to take up new shares (in whole or in part) in favour of any of its Permitted Transferees. No person entitled to the issue of any new shares may direct that all or any such shares be issued to any other person except that a shareholder may direct that all or some of its shares be issued to any of his Permitted Transferees (subject to service of a notice by the entitled shareholder on the Company specifying the relevant Permitted Transferee of that shareholder who is to be issued such shares in its place).
- 4.7 **New subscription and conversion rights are also covered by this Article.** A reference to the issue of shares in the above provisions of this Article 4 includes the grant by the directors of a right to subscribe for, or convert any securities into, shares. However such a reference does not include the subsequent issue of any shares pursuant to such a right. Notwithstanding the foregoing, the above provisions of this Article 4 shall exclude the grant by the directors of a right to subscribe for, or convert any securities into shares and the subsequent issue of any shares pursuant to such a right granted in accordance with the Option Scheme.
- 4.8 **Rights of holders of existing subscription and conversion rights.** If under the terms of any right to subscribe for, or convert securities into, shares, a person is entitled to receive any offer made pursuant to this Article 4 as if that person had exercised his right in full prior to the making of the offer then the offer shall be extended to that person accordingly. This will only apply to a right which was granted lawfully and not made in contravention of any agreement binding on the Company.
- 4.9 **Forfeited and surrendered shares.** The provisions of this Article 4 will apply to any share which the directors decide to forfeit (or accept a surrender of) and re-allot under any of the powers contained in Article 3.9 and the Public Model Articles referred to therein.
- 4.10 **Waiver.** The provisions of this Article 4 may be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case by a Shareholders' Special Consent.

## **5. RESTRICTIONS ON DISPOSING OF SHARES OR INTERESTS IN THEM**

- 5.1 **General restriction.** A shareholder must not sell, transfer or dispose of any of his shares, or any interest in them, or create or permit to exist any charge, lien or encumbrance over any of his shares or any interest in them, or agree to do any of the above whether conditionally or unconditionally. This is subject to the exceptions set out in Article 5.2.

- 5.2 **Exceptions.** The exceptions are:
- 5.2.1 a transfer of shares which is required or permitted by Article 6;
  - 5.2.2 a transfer of shares which is required by Article 7;
  - 5.2.3 a transfer of shares which is required or permitted by Article 9 or Article 10; or
  - 5.2.4 a transfer which is permitted by Article 11.
- 5.3 **No transfer by the Founders or Managers for two years.** No Founder or Manager may sell, transfer or dispose of any of his shares, or any interest in them, or create or permit to exist any charge, lien or encumbrance over any of his shares or any interest in them, or agree to do any of the above whether conditionally or unconditionally for a period of two years from the date of adoption of these Articles except as permitted or required by the exceptions contained in Articles 5.2.2, 5.2.3 or 5.2.4 or as otherwise permitted by Shareholders' Special Consent.
- 5.4 **Obligation to transfer whole legal and beneficial interest.** Save as permitted by Article 11, an obligation or right to transfer or dispose of any share (or any interest therein) pursuant to any provision of these Articles is an obligation to transfer the whole of the legal and beneficial title to such share free from all charges, liens and encumbrances and other third party rights and together with all rights, title and interest in such share in existence at the date on which the obligation to transfer arises and any such rights which may arise afterwards. A shareholder must not do anything which would be inconsistent with or which would prevent the shareholder from complying with this obligation.
- 5.5 **Entitlement of directors to refuse to register transfers.** The directors may refuse to register the transfer of any share:
- 5.5.1 if the share is not fully paid, or the transfer is in respect of more than one class of share or the transfer is to more than four transferees or the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;
  - 5.5.2 to a person who is, or whom the directors reasonably believe to be, under 18 years of age or who does not have, or whom the directors reasonably believe does not have, the legal capacity freely to dispose of any share without restriction or court approval;
  - 5.5.3 if they have reasonable grounds for believing that such share will or may be transferred to or become beneficially owned by a person, or an Associate of a person, carrying on business in competition with any business at the relevant time being carried on by a member of the Group;
  - 5.5.4 if the transferee fails to execute a deed of adherence in connection with that transfer as required by Article 12;
  - 5.5.5 if the transferor fails to comply with any information request under Article 5.6 in connection with the transfer;
- and any right to transfer or dispose of a share or an entitlement thereto under these Articles shall be subject to this Article 5.5.

- 5.6 **Information.** For the purpose of ensuring compliance with any provision of these Articles in connection with a transfer or proposed transfer of a share or an interest in a share, the directors may from time to time require any shareholder and any proposed transferee to provide to the Company such information and evidence as the directors may reasonably think fit regarding any matter which they may deem relevant for such purposes.
- 5.7 **Directors to register transfers.** Except as provided in Article 5.5 or as required by law, the directors must register the transfer of a share which is required or permitted by any provision of these Articles.

## **6. PRE-EMPTION RIGHTS ON TRANSFERS OF SHARES**

- 6.1 **Pre-emption rights.** A shareholder who proposes to transfer all or any of the shares held by him ("Proposing Transferor") must first offer such shares ("Transfer Shares") for sale to Eligible Shareholders in accordance with this Article 6. To the extent that the Transfer Shares are not taken up by the Eligible Shareholders, they may be dealt with in accordance with the remaining provisions of this Article 6.
- 6.2 **Exempt transfers.** An offer under Article 6.1 is not required in respect of a proposed transfer or sale of shares of a type described in Article 5.2.3, Article 5.2.4 or in Article 7.3.
- 6.3 **Transfer Notice and share certificates.** The Proposing Transferor must give notice in writing ("Transfer Notice") to the Company that he wishes to transfer the Transfer Shares. The Company (acting by the directors) will be the Proposing Transferor's agent for the sale of the Transfer Shares in accordance with this Article 6. A Transfer Notice shall set out, where applicable, the details of any offer received for the Transfer Shares and any other shares of the Proposing Transferor by a third party including the price offered and any conditions attaching thereto. Once given, subject to Article 6.9, a Transfer Notice cannot be revoked or withdrawn. The Proposing Transferor must deliver to the Company the share certificate(s) in respect of the Transfer Shares (or a customary indemnity in respect of any lost certificate(s)) at the same time as giving a Transfer Notice in order for the Transfer Notice to be valid.
- 6.4 **Notice to shareholders.** Within 7 days after the receipt of a Transfer Notice, the directors must serve notice on all the shareholders, except (i) the Proposing Transferor, (ii) any other Proposing Transferor whose Transfer Notice is then in its Active Period, (iii) any Compulsory Seller, (iv) any Associate of any person referred to within (i), (ii) and (iii), and (v) any person whose shares carry no rights pursuant to Article 8, notifying them that the Transfer Notice has been given. In the case of a Transfer Notice deemed to be given under Article 7, or deemed to be given under any Shareholders' Agreement that is binding on the Proposing Transferor, the directors must within 7 days after they become aware of the deemed giving of the Transfer Notice serve notice on all the shareholders, including the Proposing Transferor, notifying them that the Transfer Notice has been deemed to have been given. For the purposes of these Articles, a Proposing Transferor includes a shareholder who is deemed to have given a Transfer Notice.
- 6.5 **Offer Price.** The Transfer Shares will be offered at the "Offer Price". Save as otherwise provided in these Articles, this means such sum per Transfer Share as may be agreed between the Proposing Transferor and the directors as representing the fair market value of the Transfer Shares. However, if the Proposing Transferor and the directors cannot

reach agreement for any reason within 14 days after the service of the notice pursuant to Article 6.4, the Offer Price will be decided by the Expert appointed under Article 6.6. Either the Proposing Transferor or the directors may request an appointment under Article 6.6.

- 6.6 **Experts.** "Expert" means an independent firm or other entity capable of acting as the Company's auditors, but not being the Company's auditors. The Expert will be appointed by agreement between the Proposing Transferor and the directors. However, if they fail to agree on an appointment within 14 days after a particular appointment is proposed by either the Proposing Transferor or the directors, the Expert will be selected by the President (or, if he is unavailable for any reason, the next most senior available officer) from time to time of the Institute of Chartered Accountants in England and Wales. If he shall be unable or unwilling to make a selection, then the selection will be made by the High Court of Justice in England. Either the Proposing Transferor or the directors may apply for such a selection to be made.
- 6.7 **Referral to Expert.** The Company must refer the valuation of the Transfer Shares to the Expert promptly after the selection of the Expert. The Company and the Proposing Transferor will use all reasonable endeavours to ensure that the Expert reaches its decision as soon as possible after such referral. The Expert will act as an expert and not as an arbitrator and its decision which will be given in writing will, in the absence of manifest error, be final and binding.
- 6.8 **Costs of the Expert.** The costs and expenses of the Expert, and of its appointment, will be borne by the Company unless the Offer Price decided by the Expert is the same as, or within three per cent of, that (if any) which the directors had notified to the Proposing Transferor in writing prior to the request to appoint the Expert as being in their opinion the appropriate Offer Price they would approve, in which event such costs and expenses will be borne by the Proposing Transferor.
- 6.9 **Basis of valuation by the Expert.** The Expert will decide and communicate in writing the fair market value of the Transfer Shares as at the date of the Transfer Notice as between a willing buyer and a willing seller and having regard to the fair value of the business of the Company and its subsidiaries (if any) as a going concern. The value of such shares will not be enhanced or discounted because they carry or do not carry any degree of control over the Company and each issued share shall have the same value. However, a different basis of valuation of the Transfer Shares may be used if the Proposing Transferor and the directors so agree in writing. Within 7 days of the Offer Price being agreed by the Proposing Transferor and the directors or determined by the Expert the Proposing Transferor can withdraw the Transfer Notice by notice in writing to the Company but otherwise a Transfer Notice shall not be revocable.
- 6.10 **Offer to shareholders.** Within 7 days after the Offer Price has been agreed or determined, the Company will offer the Transfer Shares at the Offer Price to those shareholders entitled to be offered the same (as referred to in Article 6.4) (the "Eligible Shareholders") in proportion (as nearly as possible) to the numbers of shares held by them with fractions being rounded to the nearest whole number ("Proportionate Entitlement"). The offer must not be made to any other person. The offer must be made in writing specifying the number of shares offered. It must be accompanied by a form of application for use by the Eligible Shareholders in applying for his Proportionate Entitlement and for any Transfer Shares in excess of or below his Proportionate Entitlement which he is willing to purchase.



The offer must be open for acceptance for not less than 21 days from the date of its despatch ("**Offer Period**").

- 6.11 **Allocation and excess entitlements.** At the end of the Offer Period, the directors will allocate the Transfer Shares as follows:
- 6.11.1 to each Eligible Shareholder who has agreed to purchase Transfer Shares ("**Purchasing Shareholder**"), there shall be allocated his Proportionate Entitlement or such lesser number of Transfer Shares for which he may have applied;
  - 6.11.2 to the extent that any Eligible Shareholder has applied for less than his Proportionate Entitlement, the excess will be used (as nearly as possible) to allocate shares to satisfy applications made by Eligible Shareholders for more than their Proportionate Entitlement and if such applications exceed the number of excess shares available, the excess will be allocated in proportion (as nearly as possible with fractions being rounded down to the nearest whole number to the number of shares already held by such Eligible Shareholders, but the allocation must not result in any shareholder being allocated more Transfer Shares than he has applied for (any remaining excess being apportioned by applying this Article 6.11.2 without taking account of such shareholder).
- 6.12 **Right for the directors to nominate a preferred purchaser for shares not taken up.** If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the directors may, within 14 days after the expiry of the Offer Period ("**Nomination Period**"), nominate any person or persons to purchase some or all of the Transfer Shares which have not been allocated to a Purchasing Shareholder. However, no such person will be entitled to be nominated unless he shall be obliged to purchase the Transfer Shares in respect of which he is so nominated no later than if he had been a Purchasing Shareholder and at the Offer Price.
- 6.13 **Notice of allocation of shares.** Within 7 days after the expiry of the Offer Period or, if all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders following the expiry of the Nomination Period, the directors will notify the Proposing Transferor and all Purchasing Shareholders of the details of the allocations made as between Purchasing Shareholders and of the person or persons (if any) nominated under Article 6.12 (each a "**Nominated Person**") and those Transfer Shares which each such person is obliged to purchase.
- 6.14 **Sale at Offer Price.** Any sale of shares made pursuant to this Article 6 to a Purchasing Shareholder or a Nominated Person shall be at the Offer Price. If, in determining the Offer Price, there was taken into account any entitlement to any dividend which has been paid prior to the date on which the transfer is registered then the Proposing Transferor shall be liable to account to the transferee for the amount of the dividend and the transferee, when making payment for such shares, may set-off such amount against the Offer Price payable.
- 6.15 **Completion of the sale.** The Proposing Transferor must, upon payment of the Offer Price, (less any set-off made pursuant to Article 6.14) transfer to each Purchasing Shareholder and to each Nominated Person those Transfer Shares which such person is obliged to purchase and to deliver, if he has not already done so, the relative share certificates (or a

customary indemnity in respect of any lost certificates). Such payment shall be deemed to be made validly if it is made to the Company to be held in trust for the Proposing Transferor against delivery of such transfers and share certificates (or indemnity). In the case where some or all of the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders or Nominated Persons, completion will be solely conditional upon the Proposing Transferor finding one or more persons to acquire the Transfer Shares in accordance with Article 6.16 below such that completion of the sale of the Transfer Shares occurs immediately upon the transfer of shares in accordance with Article 6.16. Should completion of the sale and purchase of such Transfer Shares in accordance with Article 6.16 not occur then the sale of Transfer Shares in accordance with this Article 6.15 shall not occur. Each transfer of shares made pursuant to this Article 6 shall be on terms that the transferor shall warrant that it is the legal and (save in respect of nominee shareholdings) beneficial owner of such shares free from all encumbrances.

**6.16 Right for Proposing Transferor to sell to a third party any shares not taken up.**

6.16.1 If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders or by a Nominated Person or Nominated Persons, the *Proposing Transferor may, within 60 days after the date on which he received notice under Article 6.13, transfer all, but not some only, of the Transfer Shares which have not been accepted to one or more persons, other than a shareholder or any Associate of a shareholder, in a bona fide sale at a price per Transfer Share not less than the Offer Price (after deduction, where appropriate, of any dividend or other distribution to be retained by the Proposing Transferor). This is subject to Article 5.4, Article 6.16.2 and Article 10.*

6.16.2 The provisions of Article 6.16.1 shall not apply to Transfer Shares that are the subject of a Transfer Notice deemed to be served under Article 7. In such event, the holder of such Transfer Shares shall not be permitted to transfer all or any of such Transfer Shares as provided in Article 6.16.1 and the same restriction shall apply if such holder subsequently proposes to transfer all or any of such Transfer Shares.

**6.17 Failure of the Proposing Transferor to complete the sale.** The following will apply if the Proposing Transferor fails to comply with his obligation to complete the transfer of any Transfer Shares:

6.17.1 the directors may authorise some person (a "Transfer Agent") to execute the necessary instrument of transfer of such Transfer Shares, who may deliver such instrument of transfer on the Proposing Transferor's behalf;

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

6.17.3 the Company will receive the purchase money and will hold it in trust for the Proposing Transferor;

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

- 6.17.5 the Company will not be obliged to earn or pay interest on the purchase money and will not pay the purchase money to the Proposing Transferor until the Proposing Transferor has delivered his share certificates (or a customary indemnity in respect of any lost certificates) to the Company; and
- 6.17.6 the receipt of the Company for the purchase money will be a good discharge to the transferee who will not be obliged to see to the application of the purchase money and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.
- 6.18 **Lien, forfeiture and surrender.** The provisions of this Article 6 will apply to any share which the directors decide to sell or otherwise dispose of.
- 6.19 **Waiver.** The provisions of this Article 6 may be waived, disappplied, modified, suspended or relaxed in whole or in part in any particular case by a Shareholders' Special Consent.

## **7. COMPULSORY SALE OF SHARES**

- 7.1 **Change of control.** If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) 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 a nominee) a Transfer Notice in respect of all the shares registered in its name (or the name of its nominee(s)) save that, where that shareholder acquired shares as a 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 that original shareholder before being required to serve a Transfer Notice.
- 7.2 **Bankruptcy or insolvency or death of a shareholder.** A person entitled to a share in consequence of the bankruptcy or insolvency or death of a shareholder shall, unless he is a Permitted Transferee, be deemed to have given a Transfer Notice in respect of such share at a time determined by the directors and the Offer Price for such share shall be determined under Article 6.5. This Article 7.2 is subject to Article 7.3.
- 7.3 **Cessation of employment.** When any person who is or was an employee or director of or consultant to a Group Company or is or was seconded to a Group Company leaves or has left a Group Company such that he is not continuing as an employee or director of or consultant or seconded to a Group Company ("Leaver") then, at any time within twelve months after the date of cessation of the Leaver's employment of office with or consultancy or secondment to the Group Company or the date on which he or any of his Leaver Associates acquires shares (whichever is the later) the directors shall be entitled to serve notice ("Compulsory Sale Notice") pursuant to which the Leaver (or his personal representatives in the case of his death) and/or his Leaver Associates who hold shares (the Leaver and his Leaver Associates together being the "Compulsory Sellers") shall be deemed to have served a valid Transfer Notice in respect of all or such number of the shares held by them as is specified in Article 7.5 or such lesser number as the Qualified Parties (other than a Leaver) may agree but excluding any shares held by the Compulsory Sellers which have been acquired for cash since the date of adoption of these Articles as part of a funding round at a price per share equal to that paid by every other participating investor in that round for the same class of share ("Leaver's Shares") and the provisions of

Article 6 shall apply accordingly save to the extent the same are inconsistent or conflict with this Article 7.

7.4 **Compulsory Sale Notice.** A Compulsory Sale Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same shares. Notwithstanding any other provisions of these Articles, any shareholder holding shares in respect of which a Compulsory Sale Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those shares on and from the date of the relevant deemed Compulsory Sale Notice until the entry in the register of members of the Company of another person as the holder of those shares

7.5 **Number of shares to be offered by a Compulsory Seller on a Compulsory Sale Notice.**

7.5.1 **Good Leaver.**

- (a) Where a Leaver is a Good Leaver before the later of (a) the first anniversary of the date of adoption of these Articles and (b) the first anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares for the purposes of Article 7.3 shall be such whole number as is nearest to 50% of the total number of the Leaver's Shares.
- (b) Where a Leaver is a Good Leaver on or after the later of (a) the first anniversary but before the second anniversary of the date of adoption of these Articles and (b) the first anniversary but before the second anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares for the purposes of Article 7.3 shall be such whole number as is nearest to 25% of the total number of the Leaver's Shares.
- (c) Where a Leaver is a Good Leaver on or after the later of (a) the second anniversary of the date of adoption of these Articles and (b) the second anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares for the purposes of Article 7.3 shall be none of the Leaver's Shares.

7.5.2 **Neutral Leaver.**

- (a) Where a Leaver is a Neutral Leaver before the later of (a) the first anniversary of the date of adoption of these Articles and (b) the first anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares to be transferred for the purposes of Article 7.3 shall be all of the Leaver's Shares.
- (b) Where a Leaver is a Neutral Leaver on or after the later of (a) the first anniversary but before the second anniversary of the date of adoption of these Articles and (b) the first anniversary but before the second anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares to be transferred for the purposes of Article 7.3 shall be such whole number as is nearest to 75% of the total number of the Leaver's Shares.
- (c) Where a Leaver is a Neutral Leaver on or after the later of (a) the second anniversary but before the third anniversary of the date of adoption of these Articles and (b) the second anniversary but before

the third anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares to be transferred for the purposes of Article 7.3 shall be such whole number as is nearest to 50% of the total number of the Leaver's Shares.

- (d) Where a Leaver is a Neutral Leaver on or after the later of (a) the third anniversary but before the fourth anniversary of the date of adoption of these Articles and (b) the third anniversary but before the fourth anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares to be transferred for the purposes of Article 7.3 shall be such whole number as is nearest to 25% of the total number of the Leaver's Shares.
- (e) Where a Leaver is a Neutral Leaver on or after the later of (a) the fourth anniversary of the date of adoption of these Articles and (b) the fourth anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares for the purposes of Article 7.3 shall be none of the Leaver's Shares.

**7.5.3 Bad Leaver.**

- (a) Where a Leaver is a Bad Leaver before the later of (a) the fourth anniversary of the date of adoption of these Articles and (b) the fourth anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares to be transferred for the purposes of Article 7.3 shall be all of the Leaver's Shares.
- (b) Where a Leaver is a Bad Leaver on or after the later of (a) the fourth anniversary of the date of adoption of these Articles and (b) the fourth anniversary of the date of the Leaver first acquiring shares in the Company, the number of shares to be transferred for the purposes of Article 7.3 shall be such whole number as is nearest to 75% of the total number of the Leaver's Shares.

**7.6 Leaver Offerees.** The Leaver's Shares subject to the Transfer Notice shall be offered to the Eligible Shareholders and then subsequently, some or all of the remaining Leaver's Shares subject to the Transfer Notice (if any) may be offered at the discretion of the directors and with Shareholders' Special Consent, by the Company on behalf of the Compulsory Sellers to any one or more of the following:

- 7.6.1 a person or persons intended to take the Leaver's place within the Group; and/or
- 7.6.2 any of the existing employees of a Group Company; and/or
- 7.6.3 other participants or potential participants in, or trustees of the Option Scheme and/or an employees' share scheme of a Group Company; and/or
- 7.6.4 any other person or persons approved by the directors (other than the Leaver).

The persons to whom Leaver's Shares are offered pursuant to this Article 7.6 and by reference Article 6 are the "Leaver Offerees".

**7.7 Service of a Compulsory Sale Notice.** The Compulsory Sale Notice shall state:

- 7.7.1 the names and addresses of the Leaver Offerees and the number of Leaver's Shares to be offered to them pursuant to Article 7.5; and
- 7.7.2 a date being no more than 30 Business Days following service of the Compulsory Sale Notice, on which it is proposed that the sale and purchase of the Leaver's Shares is to be completed ("**Leaver Completion Date**").
- 7.8 **Price of Leaver's Shares.** The price per share of the Leaver's Shares shall be:
- 7.8.1 **Good Leaver.**
- (a) Where a Leaver is a Good Leaver, the price per share shall be the Fair Market Value.
- 7.8.2 **Neutral Leaver**
- (a) Where a Leaver is a Neutral Leaver before the later of (a) the first anniversary of the date of adoption of these Articles and (b) the first anniversary of the date of the Leaver first acquiring shares in the Company, the price per share shall be the lower of Fair Market Value and the Issue Price of each share.
- (b) Where a Leaver is a Neutral Leaver on or after the later of (a) the first anniversary but before the second anniversary of the date of adoption of these Articles and (b) the first anniversary but before the second anniversary of the date of the Leaver first acquiring shares in the Company, the price per share shall be the higher of 25% of Fair Market Value and the Issue Price of each share.
- (c) Where a Leaver is a Neutral Leaver on or after the later of (a) the second anniversary but before the third anniversary of the date of adoption of these Articles and (b) the second anniversary but before the third anniversary of the date of the Leaver first acquiring shares in the Company, the price per share shall be the higher of 50% of Fair Market Value and the Issue Price of each share.
- (d) Where a Leaver is a Neutral Leaver on or after the later of (a) the third anniversary but before the fourth anniversary of the date of adoption of these Articles and (b) the third anniversary but before the fourth anniversary of the date of the Leaver first acquiring shares in the Company, the price per share shall be the higher of 100% of Fair Market Value and the Issue Price of each share.
- 7.8.3 **Bad Leaver.**
- (a) Where a Leaver is a Bad Leaver the price per share shall be the lower of Fair Market Value and the Issue Price of each share.
- 7.9 **Right for directors to adjust the price of Leaver's Shares.** Notwithstanding the provisions of Article 7.8, the Board may, by notice in writing served on the relevant Leaver, direct that some higher (but not lower) price per share of the relevant Leaver's Shares shall apply to any or all of the Leaver's Shares which would otherwise be subject to Article 7.8.
- 7.10 **Completion of the sale of a Leaver's Shares.** By the Leaver Completion Date the Compulsory Sellers shall deliver duly executed stock transfer forms for the relevant Leaver's Shares, together with the relevant share certificates (or a duly executed customary indemnity in respect of any lost certificates), to the Company. On the date

upon which the sale and purchase is to be completed ("**Completion Date**") the Company shall pay the Compulsory Sellers, on behalf of each of the Leaver Offerees who have applied for Leaver's Shares, the price payable to the Compulsory Seller for his Leaver's Shares as set out in Article 7.8 to the extent the Leaver Offerees have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the relevant Leaver Offerees. The Company shall hold the price in trust for the Compulsory Sellers without any obligation to pay interest pending receipt of the relevant duly executed share transfer forms and relevant share certificates (or a duly executed customary indemnity in respect of any lost certificate).

- 7.11 **Failure to deliver stock transfer forms.** If a Compulsory Seller fails to deliver stock transfer forms for the Leaver's Shares with the relevant share certificates (or a duly executed customary indemnity in respect of any lost certificates) to the Company by the Completion Date (or any Postponed Completion Date), the directors may authorise any director to transfer the Leaver's Shares on the Compulsory Seller's behalf to each relevant Leaver Offeree to the extent the Leaver Offeree has, by the Leaver Completion Date, put the Company in funds to pay the price for the Leaver's Shares applied for by him. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid.
- 7.12 **Postponed Completion Date.** In the event that a Leaver Offeree fails to put the Company in the requisite funds by the Completion Date, the directors shall be entitled to postpone completion of the transfer of the relevant Leaver's Shares to such date, being no later than seven days following the Completion Date as the directors shall notify to the Compulsory Sellers ("**Postponed Completion Date**"). In the event that the Leaver Offeree fails to put the Company into the requisite funds by the Postponed Completion Date, the directors may, within 30 days of the Postponed Completion Date, serve a further Compulsory Sale Notice on the Compulsory Sellers requiring them to offer for sale the relevant Leaver's Shares to any one or more of the persons listed in Article 7.6 and the provisions of Articles 7.4 to 7.11 (inclusive) shall apply in respect of any such notice (save that in the event that such a Leaver Offeree fails to put the Company in the requisite funds by the Postponed Completion Date, the Compulsory Sellers shall not be under any further obligation to sell pursuant to Article 7 the relevant Leaver's Shares which are not acquired and the Company shall return the relevant stock transfer forms and the relevant share certificates to the Compulsory Sellers promptly upon request).
- 7.13 **Failure of Compulsory Seller to complete the sale.** The following will apply if a Compulsory Seller fails to comply with his obligations to complete the transfer of any Leaver's Shares:
- 7.13.1 the directors may authorise some person (a "**Compulsory Agent**") to execute the necessary instrument of transfer of such Leaver's Shares, who may deliver such instrument of transfer on the Compulsory Seller's behalf;
  - 7.13.2 the Compulsory Agent is, as security for the performance of the Compulsory Seller's obligations, irrevocably and unconditionally appointed as the agent of the Compulsory Leaver for that purpose;
  - 7.13.3 the Company will receive the purchase money receivable by the Compulsory Seller and will hold it in trust for the Compulsory Seller;

- 7.13.4 upon receipt of this purchase money the Company will ensure that the transferee is registered as the holder of such Leaver's Shares, subject to such instrument of transfer being stamped with any required stamp duty;
- 7.13.5 the Company will not be obliged to earn or pay interest on the purchase money and will not pay the purchase money to the Compulsory Seller until the Compulsory Seller has delivered his share certificates (or a duly executed customary indemnity in respect of any lost certificates) to the Company; and
- 7.13.6 the receipt of the Company for the purchase money will be a good discharge to the transferee who will not be obliged to see to the application of the purchase money and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.
- 7.14 **Exemption from pre-emption.** A Compulsory Sale Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Leaver's Shares. The provisions of Article 6 shall apply to any Transfer Notice deemed to have been given pursuant to this Article 7 save to the extent either expressly provided or that the provisions of Article 6 are inconsistent with the provisions or intent of this Article 7.
- 7.15 **Waiver.** The provisions of this Article 7 may be waived, disapplied, modified, suspended or relaxed in whole or in part, in any particular case, by a Shareholders' Special Consent.

## **8. DISENFRANCHISEMENT**

- 8.1 **Breach of Article 5.** If a shareholder commits any breach of Article 5, the shares registered in his name will not carry any rights whatever (whether as to voting, dividend or otherwise) until the breach is remedied or the shares are transferred without a breach of Article 5.
- 8.2 **Deemed Transfer Notices.** If any share is the subject of a Transfer Notice deemed to be served or of a Compulsory Sale Notice, both as mentioned in Article 7, that share shall carry no rights whatever (whether as to voting, dividend or otherwise) while that Transfer Notice or Compulsory Sale Notice is in its Active Period.
- 8.3 **Leavers.** If any shares held by a Leaver are not subject to a Compulsory Sale Notice, then upon that person becoming a Leaver all shares held by the Leaver and/or by his Leaver Associates shall cease to carry any voting rights whatsoever and they shall cease to have any right to appoint a director or observer and if so requested by the Company the Leaver and his Leaver Associates shall procure that any director or observer appointed by them shall resign immediately on terms that he has no claims against any member of the Group by reason of his so ceasing to hold office save to the extent the directors agree otherwise with the consent of the Qualified Parties (excluding the relevant Leaver and his Leaver Associates).

## **9. DRAG ALONG RIGHT**

- 9.1 **Right to require minority shareholders to sell their shares to a third party.** The following rights to require minority shareholders to join in a sale of the entire issued share capital of the Company to a third party will apply.



- 9.2 **Calling Shareholders.** Where any shareholder (either alone or together with others) wishes to transfer or has transferred any shares to any person (not being a Permitted Transferee of the relevant shareholder) in one or a series of related transactions and such transfer would result or has resulted upon its completion in the transferee(s) (not being an existing Shareholder) (the "Purchaser(s)") holding together with its Associates 75 per cent or more by number of the issued shares, such shareholders ("Calling Shareholders") will have the right set out in Article 9.3. For the purposes of this Article, "Purchaser(s)" shall include one or multiple purchasers concerned in the same transaction or related series of transactions.
- 9.3 **Call Notice.** The Calling Shareholders will be entitled within 28 days of the Calling Shareholders agreeing to transfer their shares to the Purchaser(s) to require all the other holders of shares ("Recipient Shareholders") by giving notice in writing to the Company ("Call Notice") to sell all of the shares held by the Recipient Shareholders to the Purchaser(s). This is subject to the conditions set out in Article 9.4 being met. The proposed sale will be deemed to be permitted for the purposes of Article 5. Upon receipt of such notice from the Calling Shareholders, the Company will send the Call Notice to the Recipient Shareholders on behalf of the Calling Shareholders.
- 9.4 **Conditions.** The conditions referred to in Article 9.3 are that:
- 9.4.1 the terms and conditions applying to the sale of the shares of the Calling Shareholders and the Recipient Shareholders are set out in reasonable detail in, or in one or more attachments to, the Call Notice; the terms and conditions applying to the sale of the shares of the Calling Shareholders and the Recipient Shareholders are set out in detail in, or in one or more attachments to, the Call Notice. The terms and conditions may include warranties and indemnities to the Purchaser; provided, however, that (i) the limitation of each Recipient Shareholders' liability in respect of such warranties and indemnities may not exceed the price such shareholder actually receives for its shares from the Purchaser and liability in respect of them may not be more extensive on a pro rata basis than those given by the Calling Shareholders, (ii) any Recipient Shareholder will only be obliged to give title and capacity warranties and shall not be obliged to provide any indemnities or representations or other warranties nor be subject to any other restrictions, covenants or liabilities; and (iii) notwithstanding (ii) above, the Recipient Shareholders may be required to make a contribution from proceeds towards any escrow amounts, retention of consideration or similar on the same basis as the Calling Shareholders pro rata to their entitlement to the proceeds;
- 9.4.2 except as provided in Article 9.4.3, the terms and conditions applying to the sale of the shares held by each of the Recipient Shareholders shall be no less favourable to the Recipient Shareholders than the terms and conditions which will apply or applied to the sale of the shares held by the Calling Shareholders to the Purchaser(s) (and shareholders shall be deemed to be treated as favourably as each other in respect of a liability or obligation which they assume if they assume it in proportion to their shareholdings);
- 9.4.3 the purchase consideration (whether cash or non-cash consideration) will be apportioned between the holders of the shares in the same manner and order of priority as if it were a return of assets under Article 3.8.2; and

- 9.4.4 the Purchaser is a bona fide arm's length purchaser who is not a Calling Shareholder or an Associate of a Calling Shareholder.
- 9.5 **Obligation to sell.** If a Call Notice is served and the conditions in Article 9.4 are met, all the shareholders must proceed with the sale of all their shares on the terms and conditions notified in the Call Notice.
- 9.6 **Simultaneous purchase.** A shareholder must not complete any sale of shares to the Purchaser(s) unless the Purchaser(s) completes the purchase of all the shares required to be sold at the same time including, where such purchase has not already completed, the purchase by the Purchaser(s) of the shares held by the Calling Shareholders.
- 9.7 **Failure to complete.** The following will apply if any shareholder ("Defaulter") fails to agree to sell, or to complete the sale of, or to make any required election in respect of any sale of, any shares as he is obliged to do in accordance with this Article 9:
- 9.7.1 the Calling Shareholders or the directors may authorise some person (a "Drag Agent") to execute all necessary agreements, deeds and other documents necessary to give effect to the sale on the terms and conditions notified in the Call Notice;
- 9.7.2 the Drag Agent is, as security for the performance of the Defaulter's obligations, irrevocably and unconditionally appointed as the agent of the Defaulter for that purpose;
- 9.7.3 the Drag Agent, subject to Article 9.4 may make any such election on the Defaulter's behalf (in such manner as the Drag Agent in his absolute discretion shall think fit) and execute the necessary instrument of transfer of the Defaulter's shares and may deliver such transfer on the Defaulter's behalf;
- 9.7.4 the Company will receive the purchase consideration (whether cash or non-cash consideration) and will hold it in trust for the Defaulter;
- 9.7.5 upon receipt of the purchase consideration (whether cash or non-cash consideration) the Company will ensure that the Purchaser is registered as the holder of the Defaulter's shares, subject to the instrument of transfer of the shares being stamped with any required stamp duty;
- 9.7.6 the Company will not be obliged to earn or pay interest on the purchase consideration (whether cash or non-cash consideration) and will not deliver the purchase consideration to the Defaulter until the Defaulter has delivered his share certificate(s) (or a duly executed customary indemnity in respect of any lost certificates) to the Company; and
- 9.7.7 the receipt of the Company for the purchase consideration (whether cash or non-cash consideration) will be a good discharge to the Purchaser who will not be bound to see to the application of the purchase consideration (whether cash or non-cash consideration) and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.
- 9.8 **Existing subscription and conversion rights.** At the same time as any Calling Shareholders give a Call Notice they will also be entitled to require the Company to give the Call Notice to any person who has the right to subscribe for, or convert securities or indebtedness into,

shares which is capable of being exercised on or prior to or after completion of the sale of shares pursuant to this Article 9. The effect of a Call Notice on such a person will be that if he exercises such right and becomes a registered holder of shares on or prior to or after such completion then that person will, for all the purposes of this Article 9, be treated as a Recipient Shareholder in respect of all such shares and shall be obliged to sell such shares in accordance with this Article 9. If the registration of such shares occurs after such completion then the sale of such after-acquired shares must be completed within 7 days of such registration.

- 9.9 **Lapse of Call Notice.** A Call Notice shall lapse and be of no further effect if the sale of the relevant shares by the shareholders to the Purchaser(s) resulting in the Purchaser(s) acquiring a holding of more than 75 per cent or more by number of the issued shares has not completed within six months of the date of the Call Notice other than by reason of the failure of any Recipient Shareholder to comply with the Call Notice.
- 9.10 **Nil consideration.** If the effect of the apportionment of the purchase consideration (whether cash or non-cash consideration) under Article 9.4.3 is that any shareholder will receive a nil consideration, that shareholder will nevertheless be bound by the provisions of this Article 9 and obliged to transfer his shares for that nil consideration and references to 'sale', 'sell', 'purchase' and 'purchaser' will be construed accordingly.

## **10. TAG ALONG RIGHT**

- 10.1 **Transfer of a Controlling Interest.** A Proposing Transferor must not transfer any shares pursuant to Article 6.16 if it is prohibited by Article 10.2. For the purposes of this Article 10 "transfer" shall include the sale or other disposition of any interest in any share including the renunciation of a renounceable letter but shall not include a transfer to a Permitted Transferee.
- 10.2 **Restriction.** The transfer referred to in Article 10.1 must not be made if it would result in any person or persons, and any person or persons acting in concert with him or them within the meaning of the City Code on Takeovers and Mergers in force from time to time, who was or were not a shareholder or shareholders on the date of adoption of these Articles obtaining direct or indirect control of a Controlling Interest, unless the condition specified in Article 10.3 is met.
- 10.3 **Tag along.** The condition referred to in Article 10.2 is that, before the transfer is made, either a valid Call Notice has been served pursuant to Article 9 or the proposed transferee ("**Buyer**") makes a written offer to all the shareholders to purchase all the shares then in issue at the same price per share (or in the case of any share other than an Ordinary Share at a comparable price as if Rule 14 of the City Code on Takeovers and Mergers applied). The offer must be made at the same time and otherwise on the same terms and conditions for each shareholder and must be open for acceptance for a period of at least 21 days from its delivery, which shall be made by registered post, personal delivery or courier to each of the shareholders at his registered address. It shall not be necessary to give notice to any shareholder with a registered address in a jurisdiction where the giving of such notice would require any regulatory or other approval or require the Company to effect any registration. A shareholder (including the Proposing Transferor) must not complete any transfer of shares to the Buyer unless the Buyer completes the purchase of all the shares

agreed to be sold at the same time. At the request of the Buyer, the Company will send the offer to the shareholders on behalf of the Buyer.

## 11. PERMITTED TRANSFERS OF SHARES

11.1 **Permitted Transfers.** Subject to Article 11.3, a shareholder will be permitted to transfer the legal title to and/or the beneficial ownership of a share:

11.1.1 in the case of a shareholder who is an individual, to a Family Member of that shareholder or to trustees to be held on Family Trusts of that shareholder provided that:

- (a) if there ceases to be any beneficiary of the Family Trust other than a charity or charities; or
- (b) if the Family Member ceases to be a Family Member,

the shares must be transferred, as soon as reasonably practicable, to the original transferor or a Permitted Transferee of such original transferor;

11.1.2 in the case of a shareholder (not being in relation to the shares concerned a holder of them as a trustee of any Family Trusts) being a company, to an Associated Company of that shareholder provided that if the transferee shall cease to be an Associated Company of the transferor then the relevant shares *must be transferred immediately to the original transferor or a Permitted Transferee of such original transferor;*

11.1.3 in the case of a shareholder which is a Fund to:

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

provided that if any such transferee ceases to be so connected and have the relevant relationship with the Fund, the shares shall be transferred back to the original shareholder or any Permitted Transferee thereof;

11.1.4 to any person with a Shareholders' Special Consent; or

11.1.5 in the case of a Member of the University Group, to any other Member of the University Group provided that in the case that any person was a Member of the University Group ceases to be such a Member of the University Group then the Relevant Shares shall be transferred to the original shareholder or any Permitted Transferee thereof.

- 11.2 **Family Trusts.** Where shares have been transferred under Article 11.1.1 or this Article 11.2 to trustees of Family Trusts, the trustees and their successors may transfer all or any of the Relevant Shares (subject as provided in Article 11.3) as follows:
- 11.2.1 on any change of trustee, the Relevant Shares may be transferred to the trustees from time to time of the Family Trusts concerned;
  - 11.2.2 pursuant to the terms of such Family Trusts or in consequence of the exercise of any power or discretion vested in the trustees or any other person, all or any of the Relevant Shares may be transferred to the trustees from time to time of any other Family Trusts of the same individual shareholder or of any Family Member of the relevant shareholder; or
  - 11.2.3 back to the original individual shareholder.
- 11.3 **Restrictions on permitted transfers.**
- 11.3.1 No transfer of any share which would otherwise be permitted by this Article 11 shall be made or registered:
    - (a) during the Active Period of any Transfer Notice under Article 6 or any Call Notice under Article 9 relating to that share;
    - (b) during the Active Period of any Compulsory Sale Notice under Article 7 relating to that share;
    - (c) if that share has previously been the subject of a Transfer Notice deemed to be given under Article 7 and that share has not been validly transferred subsequently pursuant to any provision of these Articles (other than this Article 11);
    - (d) if the share is disenfranchised pursuant to Article 8; or
    - (e) if the transfer is to a Spin Out Company.
  - 11.3.2 Any transfer of a share which would otherwise be permitted by this Article 11 is subject to the restrictions set out in Article 5.5.

## **12. DEED OF ADHERENCE TO SHAREHOLDERS' AGREEMENT**

- 12.1 **Registration.** At the same time as any person who is not already a shareholder and party to such Shareholders' Agreement is to be registered as the holder of any share such person will, and the relevant transferor and Company will procure that such person will (unless the Board agrees otherwise), execute a deed of adherence in the form required by any Shareholders' Agreement in force from time to time. Any right to transfer or issue shares or to receive a transfer or issue of shares under these Articles will take effect subject to this obligation.
- 12.2 **Failure to comply.** If any person fails to comply with Article 12.1, the directors may authorise some other person, who is (as security for the performance of the defaulter's obligations) irrevocably and unconditionally appointed as the agent of the defaulter, to execute the necessary deed of adherence on the defaulter's behalf.

### 13. DIRECTORS

- 13.1 **No retirement by rotation.** The directors will not be required to retire by rotation.
- 13.2 **Minimum and maximum number of directors.** The minimum number of directors shall be one and the maximum number of directors shall be eight (unless the shareholders by Shareholders' Special Consent agree otherwise).
- 13.3 **University Director.** The University shall for so long as it is a Qualified Party be entitled to nominate one person to act as a director of the Company from time to time. The other shareholders shall not vote their shares so as to remove any director appointed pursuant to this Article 13.3 from office except pursuant to Article 13.8. The University shall be entitled at its own expense to remove its nominated director from office and appoint another person to act in his place.
- 13.4 **Founder Director.** The Founders shall, for as long they together constitute a Qualified Party be entitled to nominate one person to act as a director of the Company from time to time. The other shareholders shall not vote their shares so as to remove any director appointed pursuant to this Article 13.4 from office except pursuant to Article 13.8. The Founders shall be entitled at their own expense to remove their nominated director from office and appoint another person to act in his place.
- 13.5 **Manager Director.** The Managers shall, for as long they together constitute a Qualified Party be entitled to nominate one person to act as a director of the Company from time to time. The other shareholders shall not vote their shares so as to remove any director appointed pursuant to this Article 13.5 from office except pursuant to Article 13.8. The Managers shall be entitled at their own expense to remove their nominated director from office and appoint another person to act in his place.
- 13.6 **Appointment of director.** Any appointment or removal of a director under Articles 13.3, 13.4 and 13.5 shall take effect at the time that a notice of appointment or removal signed *by or on behalf of the appointing shareholder is received at the Company's registered office or produced to a meeting of the directors.*
- 13.7 **Observer.** Each Qualified Party, for so long as they are entitled to nominate a person to act as a director of the Company, shall be entitled to appoint one person to act as an observer *who shall be entitled to attend and speak at all meetings of the directors and to receive copies of all Board papers as if he were a director but shall not be entitled to vote on any resolutions proposed at a meeting of the directors.* Each Qualified Party may not appoint an observer while their nominated director is in office.
- 13.8 **Model Articles modified.** *Model Article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a director:*
- 13.8.1 *he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other directors resolve that he cease to be a director;*
  - 13.8.2 *save in the case of a University Director, Founder Director or Manager Director, a majority of the other directors resolve that he cease to be a director; or*
  - 13.8.3 *in the case of an executive director only, he shall cease to be employed by the Company or other Group Company (as appropriate) or, if applicable, ceases to*

provide consultancy services to the Company or other Group Company and does not continue as an employee of or consultant to any other Group Company.

- 13.9 **Subsidiary and committee appointments.** Any University Director, Founder Director and Manager Director shall be entitled at his request to be appointed to any committee of the directors from time to time and as a director of any subsidiary of the Company (provided such director is entitled to be a director of the Company pursuant to Articles 13.3, 13.4 and 13.5 (as the case may be)) and the Company shall promptly procure any such requested appointment is made as soon as reasonably practicable.

#### 14. PROCEEDINGS OF DIRECTORS

- 14.1 **Casting vote.** Subject to the provisions of these Articles, the directors may regulate their proceedings as they think fit. Any director may call a meeting of the directors. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall not have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
- 14.2 **Notice.** Notice of every meeting of the directors shall be given to every director and to his alternate (if any) and to every observer and the non-receipt of notice by any director or alternate director or observer as provided in these Articles shall invalidate the proceedings of the directors. Unless all the directors indicate their willingness to accept shorter notice of a meeting of directors at least 14 days' notice shall be given of the time place and purpose of the meeting. Every notice of a meeting of the directors required to be given under these Articles shall be in writing and may be served personally or sent by prepaid letter post, email or facsimile to the address for the time being notified for the purpose and shall be accompanied by an agenda specifying the business to be transacted unless otherwise agreed by the directors. Unless otherwise agreed by the Qualified Parties, no fewer than 12 meetings of the directors shall take place in each financial year of the Company on such dates as the directors shall agree prior to the start of each financial year of the Company.
- 14.3 **Directors outside of the United Kingdom.** Any director resident outside or for the time being absent from the United Kingdom shall be entitled to be given reasonable notice of meetings of the directors to such address if any (whether inside or outside the United Kingdom) as the director may from time to time notify to the Company. Every notice of meeting referred to in Article 14.2 shall be sent to the director resident outside the United Kingdom by pre-paid letter by post, email or facsimile to the address or number for the time being supplied for the purpose to the Company.
- 14.4 **Quorum.** The quorum necessary for the transaction of the business of the directors shall be three directors present in person or represented by an alternate (one of which must be a Founder Director and one of which must be a Manager Director, in each case, if appointed). Where, and only to the extent that, the matter under consideration relates to a conflict of interest or potential conflict of interest as referred to in Article 16 when, subject to Article 16.9, the quorum shall be two directors present in person or represented in person excluding the director concerned. An alternate director who is not himself a director may, if his appointor is not present, be counted towards the quorum. If a notice of

meeting has been given and a quorum is not present within 30 minutes following the time of the meeting, such meeting shall be adjourned for the same day in the next week at the same time and in the same place or as near to the same time and in the same place as is practicable. If within 30 minutes following the time at which such meeting has been reconvened, a quorum is not present, the directors present at the expiry of such 30 minute period shall constitute a valid quorum of the directors on that occasion. The agenda for the adjourned meeting shall be exactly the same as for the original meeting.

- 14.5 **Sole director.** When there is only one director in office for the time being, the quorum shall be that director.
- 14.6 **Participation.** All or any of the directors or any committee of the directors may participate in a meeting of the directors or that committee by means of a telephonic conference or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is not such group, where the chairman of the meeting then is.
- 14.7 **Defect.** All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 14.8 **Written resolution.** A resolution in writing signed or approved by letter, facsimile or e-mail by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the same terms each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

## 15. ALTERNATE DIRECTORS

- 15.1 **Nomination.** Each director shall be entitled to nominate another director or some other person who is willing to act as his alternate director. A nomination shall be subject to the approval of all other directors. A director may at his discretion remove an alternate director nominated by him. The nomination and removal of an alternate director shall be by notice in writing given to the Company by the director wishing to appoint or remove an alternate director. An alternate director shall have the same entitlement as his appointor to receive notices of meetings of the directors and to attend, vote and be counted for the purpose of a quorum at any meeting at which his appointor is not personally present, and generally in the absence of his appointor at such meeting to exercise and discharge all the functions, powers and duties of his appointor.
- 15.2 **Deemed director.** Save as otherwise provided in these Articles an alternate director shall during his appointment be deemed to be a director for the purposes of these Articles, shall



not be deemed to be an agent of his appointor, shall alone be responsible to the Company for his own acts or defaults and shall be entitled to be indemnified by the Company to the same extent as if he were a director.

- 15.3 **Remuneration.** An alternate director shall not in respect of his office of alternate director be entitled to receive any remuneration from the Company or to appoint another person as his alternate. The appointment of an alternate director shall immediately and automatically determine if his appointor ceases for any reason to be a director or on the happening of an event which, if he were a director, would cause him to vacate the office of director, or if by written notice to the Company he shall resign such appointment.

## **16. DIRECTORS' CONFLICTS OF INTEREST**

- 16.1 **Authorising situational conflicts of interest.** The directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties). The directors may do so subject to such terms and conditions, if any, as they may think fit from time to time to impose and subject always to their right to vary or terminate such authorisation.
- 16.2 **Conditions for the authorisation to be effective.** However, the authorisation referred to in Article 16.1 is only effective if:
- 16.2.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
  - 16.2.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- 16.3 **Effect of authorisation.** If a matter has been authorised by the directors in accordance with Article 16.1 (an "approved matter") then (subject to such terms and conditions, if any, as the directors may think fit from time to time to impose, and subject always to their right to vary or terminate such authorisation or the provisions set out below), the relevant director:
- 16.3.1 shall not be required to disclose any confidential information relating to the approved matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that approved matter;
  - 16.3.2 may be required by the Company to maintain in the strictest confidence any confidential information relating to the approved matter which also relates to the Company;
  - 16.3.3 may be required by the Company not to attend any part of a meeting of the directors (or any committee thereof) at which anything relevant to the approved matter is to be discussed and any related Board papers may be withheld from that director;

- 16.3.4 may absent himself from discussions, whether in meetings of the directors, any committee thereof or otherwise, and exclude himself from information, which may be relevant to the approved matter; and
  - 16.3.5 shall not, by reason of his office as a director, be accountable to the Company for any benefit which he derives from the approved matter.
- 16.4 **Interests in other Group Companies.** A director may, notwithstanding his office or the existence of an actual or potential conflict between the interests of the Company and those of another Group Company which would be caught by section 175(1) of the Act, be a director or other officer of, or employed by or otherwise interested in, whether directly or indirectly, any other company in the Group (a "group company interest") and the director in question:
- 16.4.1 shall be entitled to be counted in the quorum and to attend any meeting or part of a meeting of the directors or a committee of the directors at which any matter which is or may be relevant to the group company interest may be discussed, and to vote on any resolution of the directors or a committee of the directors relating to such matter and to take part in any decision of the directors relating to such matter, and any Board or committee papers relating to such matter shall be provided to the director in question at the same time as the other directors;
  - 16.4.2 shall not be obliged to account to the Company for any benefit which he derives from a group company interest; and
  - 16.4.3 shall not be obliged to disclose to the Company or use for the benefit of the Company, any confidential information received by him by virtue of his group company interest and otherwise than by virtue of his position as a director, if to do so would result in a breach of a duty or obligation of confidence owed by him to any Group Company or third party.
- 16.5 **Interests in transactions or arrangements with the Company.** The provisions of Articles 16.1 to 16.4 (inclusive) shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this Article 16.5 and Articles 16.6 and 16.7 shall apply. Any director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act. For the purposes of this Article 16, an interest of which a director is not aware and of which it is not reasonable to expect him to be aware shall not be treated as an interest of his. Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the directors in accordance with these Articles the nature and extent of his interest, a director may (save as otherwise provided in these Articles) notwithstanding his office, have an interest of the following kind:
- 16.5.1 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;
  - 16.5.2 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;

- 16.5.3 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;
- 16.5.4 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;
- 16.5.5 where a director is given a guarantee, or is to be given a guarantee, in respect of any obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- 16.5.6 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 acts) 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 is remunerated for this;
- 16.5.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 16.5.8 any other interest authorised by ordinary resolution with the consent of the Qualified Parties,

for the purposes of this Article, the University Director shall be treated as being connected with the University and Members of the University Group.

- 16.6 **Interests of the University Director.** In addition to the provisions of Article 16.5, and provided (if these Articles so require) that he has declared his interest to the directors in accordance with these Articles, the nature and extent of his interest, a University Director, may (save 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, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of any carried interest, remuneration or incentive arrangement or the holding of securities) in the University or any Member of the University Group.
- 16.7 **Effect of declaring an interest in a transaction or arrangement with the Company.** Without prejudice to the obligation of each director to declare an interest in accordance with sections 177 and 182 of the Act and save as otherwise specified by these Articles, 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 direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty he may have, the director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted. He may also retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him under or in consequence of such transaction or arrangement. Article 14 of the Model Articles shall not apply.

- 16.8 **Interests under Articles 6 and 7.** Despite the above provisions of this Article 16, a director shall be regarded as having an interest which is material and which conflicts with the interests of the Company in (and accordingly shall not be entitled to vote in relation to) any matter which requires to be determined or decided by the directors under Article 6 or Article 7 to the extent the matter relates to any share held by that director or his appointor or any Associate of that director or his appointor or in which that director or his appointer is otherwise interested.
- 16.9 **Quorum in the event of conflicts of interest.** If at any meeting of directors there is only one director entitled to vote on the business of the meeting, or any item of business at the meeting, because of a conflict of interest of the other directors, then the quorum for that meeting or that item of business shall be one.
- 16.10 **Duty of confidentiality.** Subject as provided in this Article 16.10 (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 16), if a director, otherwise than by virtue of his position a director of the Company, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:
- 16.10.1 to disclose such information to the Company or to any director or to any officer or employee of the Company; or
  - 16.10.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a director of the Company.

Where such a 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, this Article 16.10 shall apply only if the conflict arises out of a matter which falls within Articles 16.5 or 16.6 or has been authorised under section 175(5)(a) of the Act.

## **17. TRANSMITTEES**

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

## **18. DATA PROTECTION**

- 18.1 The Company may process the following categories of personal data in respect of the shareholders and directors:
- 18.1.1 identifying information, such as names, addresses and contact details;
  - 18.1.2 details of participation in the Company's affairs, such as attendance at and contribution to general meetings and meetings of the directors, voting records, etc;
  - 18.1.3 in the case of shareholders, details of their respective shareholdings in the Company; and

18.1.4 any other information that is required to be recorded by law or which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other securities of, or investment in, the Company),

(together, **Personal Data**).

18.2 The Company will only use 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 and it will retain Personal Data for no longer than is reasonably required.

18.3 The Company may disclose Personal Data to any or all of the following:

18.3.1 other shareholders and directors (each a **"Recipient"**);

18.3.2 a Member of the Same Group as a Recipient (each a **"Recipient Group Company"**);

18.3.3 employees, directors and professional advisers of a Recipient or any Recipient Group Company;

18.3.4 Funds managed by a Recipient Group Company; and

18.3.5 current or potential investors in the Company or purchasers of shares,

provided always that the Company takes reasonable steps to ensure that Personal Data is treated in accordance with applicable data protection laws.

## 19. DEFINITIONS AND INTERPRETATION

19.1 **Definitions.** The following definitions apply in these Articles:

**"Acceptance Period"** has the meaning set out in Article 4.3;

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

**"Active Period"** means, in respect of a specified notice, the period from the time of its service or deemed service until the time when none of the shareholders, the directors or the Company has any further rights or duties, directly or indirectly, in respect of that notice;

**"approved matter"** has the meaning set out in Article 16.3;

**"Articles"** means these articles of association;

**"Associate"** has the meaning given to it in section 435 of the Insolvency Act 1986 and, in the case of a shareholder, any person to whom the relevant shareholder has transferred shares pursuant to Article 11 and any subsequent holder of such shares to whom such shares were transferred pursuant to Article 11 (other than Article 11.1.4);

**"Associated Company"** means, in relation to a body corporate, any body corporate which is a holding company of that body corporate or a subsidiary of that body corporate or of such holding company;

**"Bad Leaver"** means any Leaver:

- a) whose employment, secondment consultancy or office with a Group Company has terminated as a result of (i) his fraud, dishonesty or serious or persistent misconduct; (ii) his commitment of any crime punishable by imprisonment; (iii) breach of any restrictive covenant by which he is bound; or (iv) his repeated failure to comply with any applicable material policies of the Company about which he has been notified in writing but which has not been remedied (if capable of being remedied) within a reasonable timeframe; or
- b) who has resigned voluntarily from his employment or office or voluntarily terminated his consultancy or secondment with a Group Company in circumstances where a Group Company would have been entitled to terminate the employment, office, consultancy or secondment for any reason set out in (a) above; or who following termination of his employment or consultancy is in breach of any restrictive covenant by which he is bound;

save to the extent the directors agree otherwise with the consent of the Qualified Parties excluding the person concerned and any Bad Leaver;

**"Board"** means the board of directors of the Company from time to time or any duly constituted committee thereof;

**"Business Day"** means a day on which the banks in England are open for business in the City of London (other than a Saturday, Sunday or public holiday);

**"Buyer"** has the meaning set out in Article 10.3;

**"Chairman"** means the chairman, if any, of the directors;

**"Calling Shareholders"** has the meaning set out in Article 9.2;

**"Call Notice"** has the meaning set out in Article 9.3;

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

**"Company"** means Oxford Molecular Biosensors Limited, a company incorporated in England and Wales with registration number 10808611;

**"Completion Date"** has the meaning set out in Article 7.10;

**"Compulsory Agent"** has the meaning set out in Article 7.13.1;

**"Compulsory Sale Notice"** has the meaning set out in Article 7.3;

**"Compulsory Sellers"** has the meaning set out in Article 7.3;

**"Controlling Interest"** means an interest (within the meaning of Part 22 of the Act) in any shares in the Company conferring in aggregate more than 50 per cent of the total number of shares in issue;

**"Defaulter"** has the meaning set out in Article 9.7;

**"Drag Agent"** has the meaning set out in Article 9.7.1;

**"Eligible Shareholders"** has the meaning set out in Article 6.10;

**"Excluded Shareholder"** has the meaning set out in Article 4.1;

**"Expert"** has the meaning set out in Article 6.6;

**"Fair Market Value"** shall be as agreed in accordance with Article 6.5 and, if not so agreed, as decided by the Expert in accordance with Articles 6.6 to 6.9 (inclusive);

**"Family Member"** means, in relation to any person, the spouse, the Civil Partner, parent and every child of that person (including stepchildren and adopted children) or other lineal descendant of that person;

**"Family Trusts"** means, as regards any particular individual shareholder, a trust or trusts under which no immediate beneficial interest in any of the shares in question is from time to time vested in any person other than that individual and/or Family Members of that individual (and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income from it is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching to such share are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred by the relevant trusts on any person or persons);

**"FMC"** means F.M. Consulting PTE Ltd, a company incorporated in Singapore with registration number 199004948W;

**"Founder Director"** means a director appointed by the Founders from time to time in accordance with Article 13.4;

**"Founders"** means Paul Whitehead, Ian Thompson and Wei Huang and **"Founder"** shall mean any one of them;

**"Fund"** means any fund, partnership, company, syndicate or other entity whose principal business is to make investments and whose business is managed by a Fund Manager and **"member of the Fund"** shall be construed accordingly;

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

**"Good Leaver"** means a Leaver who becomes a Leaver as a result of:

- a) his death; or
- b) his permanent disability or permanent incapacity through ill-health or injury which results in him, in the opinion of at least two independent medical specialists, being incapable of properly performing his duties as an employee and/or consultant (as the case may be); or
- c) his redundancy; or
- d) a change of control of the Company; or
- e) a transfer of his employment pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006; or
- f) his retirement at or after the retirement age set out in his contract of employment (or, if none, 65); or
- g) the non-renewal by a Group Company of a fixed term contract or consultancy agreement (as the case may be) on its expiration due to effluxion of time or completion of the task or purpose for which such appointment was made where the Leaver is not a Bad Leaver; or
- h) the early termination by the Company of a fixed term contract or fixed term consultancy (as the case may be) prior to its expiration where the Leaver is not a Bad Leaver;

**"Group"** means the Company, and its Associated Companies from time to time and **"Group Company"** and **"member of the Group"** shall be construed accordingly;

**"group company interest"** has the meaning set out in Article 16.4;

**"holding company"** shall have the meaning set out in Section 1159 of the Act;

**"Issue Price"** means in respect of a share, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value of the share and any share premium on that share;



**"Leaver"** has the meaning set out in Article 7.3;

**"Leaver Associate"** means any person holding shares acquired directly or indirectly from a Leaver pursuant to Article 11;

**"Leaver Completion Date"** has the meaning set out in Article 7.7.2;

**"Leaver Offerees"** has the meaning set out in Article 7.6;

**"Leaver's Shares"** has the meaning set out in Article 7.3;

**"Manager Director"** means a director appointed by the Managers from time to time in accordance with Article 13.5;

**"Managers"** means Keith Ifould, Zafar Malik and Cordelia Rampley and **"Manager"** shall mean any one of them;

**"Member of the University Group"** means the University, its subsidiaries, any colleges of the University, and any other Fund in respect of which the University or any of its subsidiaries or any of the colleges of the University acts as a partner, investor, shareholder, adviser, manager, trustee or unit holder excluding any Spin Out Company and OSI;

**"Model Articles"** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

**"Neutral Leaver"** means a Leaver who is neither a Good Leaver nor a Bad Leaver;

**"Nominated Person"** has the meaning set out in Article 6.13;

**"Nomination Period"** has the meaning set out in Article 6.12;

**"Offerees"** has the meaning set out in Article 4.2;

**"Offer Period"** has the meaning set out in Article 6.10;

**"Offer Price"** has the meaning set out in Article 6.5;

**"Option Scheme"** means the share option plan(s) of the Company, the terms of which permit the grant of options to subscribe for up to 31,000 Ordinary Shares (or such larger number as shall have been approved in accordance with the terms of the Shareholders' Agreement) to consultants, employees and directors of the Company;

**"Ordinary Shares"** means the ordinary shares of £0.003 each in the capital of the Company;

**"OSI"** means Oxford Sciences Innovation plc incorporated in England and Wales with registration number 0909331;

**"OUI"** means Oxford University Innovation Limited incorporated in England and Wales with registration number 2199542;

**"Permitted Transferee"** means in respect of any person, a person to whom the first person is permitted to transfer shares pursuant to Article 11;

**"Personal Data"** has the meaning set out in Article 18.1;

**"Proportionate Entitlement"** has the meaning set out in Article 6.10;

**"Proposing Transferor"** has the meaning set out in Article 6.1;

**"Public Model Articles"** means the model articles for public companies contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

**"Purchaser"** has the meaning set out in Article 9.2;

**"Purchasing Shareholder"** has the meaning set out in Article 6.11.1;

**"Qualified Party"** means:

- a) the University, for so long as Members of the University Group hold in aggregate not less than 10% by number of the issued Ordinary Shares or (for so long as it is a shareholder) for the period of three years from the date of adoption of these Articles, whichever is the longer;
- b) the Founders for so long as the Founders (together with their Permitted Transferees) hold between them not less than 10% by number of the issued Ordinary Shares or (for so long as a Founder remains a shareholder) for the period of three years from the date of adoption of these Articles, whichever is the longer; and
- c) the Managers for so long as the Managers (together with their Permitted Transferees) hold between them not less than 10% by number of the issued Ordinary Shares or (for so long as a Manager remains a shareholder) for the period of three years from the date of adoption of these Articles, whichever is the longer.

**"Recipient"** has the meaning set out in Article 18.3.1;

**"Recipient Group Company"** has the meaning set out in Article 18.3.2;

**"Recipient Shareholders"** has the meaning set out in Article 9.3;

**"Relevant Shares"** means (so far as they remain held by the Permitted Transferee) the shares originally transferred to a Permitted Transferee pursuant to Article 11 and any

additional shares either issued to such Permitted Transferee by way of capitalisation of reserves or acquired by such Permitted Transferee in exercise of any right or option granted or arising by virtue of the holding of such shares or additional shares or any of them or the membership conferred by them;

**"share"** means a share in the Company of whatever class;

**"shareholder"** means a registered holder of shares in the Company (and includes joint holders);

**"Shareholders' Agreement"** means any agreement, by whatever name called, in effect from time to time between the Company and any shareholders that relates in whole or in part to the conduct of the Company's affairs;

**"Shareholders' Special Consent"** means the written consent, direction or agreement (which may be given by several instruments in the like form and may be subject to terms and conditions) of shareholders holding not less than 75% in number of the Ordinary Shares in issue, in each case at the time the consent is given or the agreement made;

**"Spin Out Company"** is a company, excluding the Company, in which the University or any Member of the University Group has made an equity investment and such company has been established to exploit relevant intellectual property rights in work conceived (in whole or in part) by members of such company;

**"subsidiary"** has the meaning given in Section 1159 of the Act;

**"Transfer Agent"** has the meaning set out in Article 6.17.1;

**"Transfer Notice"** has the meaning set out in Article 6.3;

**"Transfer Shares"** has the meaning set out in Article 6.1;

**"transmittee"** means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law;

**"University"** means The Chancellor, Masters and Scholars of the University of Oxford; and

**"University Director"** means a director appointed by the University from time to time in accordance with Article 13.3.

**19.2 Interpretation.** In these Articles, where the context admits and unless specified to the contrary:

- 19.2.1 words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles;
- 19.2.2 the provisions of Section 252 of the Act shall determine whether a person is connected with a director;

- 19.2.3 a reference to an Article is a reference to the relevant article of these Articles unless expressly provided otherwise;
- 19.2.4 words and expressions defined in any part of these Articles have the same meanings throughout these Articles;
- 19.2.5 a reference to the issue of a share includes the allotment of a share;
- 19.2.6 use of the singular is deemed to include the plural, use of any gender is deemed to include every gender and any reference to a person is deemed to include a corporation, a partnership and other body or entity; and (in each case) vice versa;
- 19.2.7 references to the directors means, unless the context otherwise requires, the directors of the Company acting as a Board or a duly authorised committee thereof the directors of the Company present or deemed to be present at a duly convened Board meeting of the Board or any duly authorised committee thereof, in each case, at which a quorum is present;
- 19.2.8 reference to a consultant of a Group Company shall include a person whose services are made available to a Group Company under an agreement with a third party who provides the services of such person and references to a person being in breach of a consultancy or secondment agreement shall include any breach by any third party providing or making available the services of such person (but for the avoidance of doubt shall not include a breach by OUI or any other Member of the University Group (as the case may be) of the consultancy agreement providing or making available the services of a Founder);
- 19.2.9 a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of (i) any subordinate legislation from time to time made under it and (ii) any amendment or re-enactment, and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts;
- 19.2.10 in relation to any shareholder, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that shareholder is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned;
- 19.2.11 the headings are for convenience only and shall not affect the construction or interpretation of these Articles; and
- 19.2.12 reference to a Manager shall, in the case of Zafar Malik, include FMC and any provision of these Articles which would have applied to any shares had they been held by Zafar Malik instead of FMC, shall be deemed to include the shares held by FMC, in the case of Zafar Malik.