

DATE: 28 November 2023

**ARTICLES OF ASSOCIATION OF TRANSINE THAPEUTICS LIMITED
(ADOPTED BY A SPECIAL RESOLUTION PASSED ON 28 November 2023)**

Company Number: 11532498

TABLE OF CONTENTS

PRELIMINARY MATTERS.....	1
1. Preliminary	1
2. Limited Company	8
SHARE RIGHTS	8
3. Dividends.....	8
4. Voting	10
5. Variation of Class Rights.....	10
6. Conversion of Preferred Shares.....	10
DISTRIBUTIONS ON LIQUIDATION EVENTS AND SHARE SALES	12
7. Liquidation Events and Share Sales	12
NEW ISSUES AND PURCHASE OF SHARES	14
8. Allotment of Relevant Securities.....	14
9. Purchase of Own Shares	17
SHARE TRANSFERS.....	17
10. Transfer of Shares.....	17
11. Transfers with Investor Approval.....	18
12. Permitted Transfers	18
13. Pre-emption on Share Transfers	19
14. Compulsory Transfers	24
15. Tag Right.....	28
16. Drag Rights.....	28
17. Primacy of Tag Rights and Drag Rights.....	30
18. Co-Sale Right	30
DIRECTORS	31
19. Number of Directors.....	31
20. Directors' Conflicts of Interest.....	31
21. Appointment of Directors.....	32
22. Removal of Directors	35
MISCELLANEOUS	36
23. Indemnity.....	36

PRELIMINARY MATTERS

1. PRELIMINARY

1.1 Model Articles

These Articles adopt the model Articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (the “**Model Articles**”), but only insofar as these Articles do not exclude or modify the Model Articles. Articles 13, 14, 21, 26(5) and 44(4) of the Model Articles shall not apply to the Company.

1.2 Defined terms incorporated by reference

Save as defined in these Articles or, insofar as these Articles do not exclude or modify the same, the Model Articles words and expressions contained in these Articles bear the same meaning as in the Companies Act 2006 unless the context otherwise requires.

1.3 Definitions

In these Articles, the following words and expressions shall, unless the context otherwise requires, have the following meanings:

“**Act**” means the Companies Act 2006;

“**Additional Investor**” means Epidarex Capital III UK LP (company number SL033678) incorporated under the laws of Scotland whose registered office is at 137a George Street, Edinburgh EH2 4JY;

“**Affiliate**” in respect of any undertaking, its subsidiary undertakings and parent undertakings and the subsidiary undertakings of each such parent undertaking;

“**Anti-Dilution Shares**” has the meaning given in article 8.3.1;

“**Arrears**” in relation to any Share, means all accruals, deficiencies and arrears of any dividend in respect of such Share and, in respect of any Preferred Share, the amount of any accumulated unpaid Preferred Dividend thereon (whether or not such Preferred Dividend may be then lawfully paid);

“**As Converted Basis**” in reference to any calculation or number, means that such calculation is made, or number determined, on the basis that each Preferred Share is equivalent to such number of Ordinary Shares into which such Preferred Share may then be converted in accordance with article 6.1 at the then applicable Conversion Ratio;

“**Associate**” in respect of any person (the “**Principal Person**”), means:

- (a) any other person connected with the Principal Person; and
- (b) any other person who the Board (acting reasonably and in good faith) determines to be otherwise closely associated with the Principal Person (as may include, if so determined by the Board and without limitation, any Permitted Transferee of the Principal Person) provided that no Founder shall be deemed to be an Associate of another Founder;

“**Auditors**” means the auditors of the Company;

“**Bad Leaver**” means a person whose engagement as a director or employee of, or consultant to, a member of the Company’s Group ceases (or where notice to cease such engagement has been given) in circumstances that would allow such engagement to be terminated by reason of such

person's fraud, dishonesty, gross misconduct, material breach of obligation by reason of which such person may be summarily dismissed, or other circumstance by reason of which such person may be summarily dismissed. The further provisions of article 1.4(b) shall apply;

"Benchmark Price" means one thousand one and fifty pounds (£1,150) per Share, subject to any adjustment under article 8.3.3;

"Board" means the directors of the Company (or a quorum of such directors present at a meeting of the board of directors or duly authorised sub-committee thereof);

"Board Papers" has the meaning given in article 21.6.2(b)21.6.2(a);

"Business Day" means any day other than a Saturday or Sunday or a day which is a public holiday in London, England;

"Business Sale" means the sale, transfer or other means of disposition (including, without limitation, by means of out-licence or assignment) of the interests of the Company in the whole, or substantially the whole, of the business and assets of the Company (as may include, without limitation, a disposal of its material intellectual property rights);

"Capital Reorganisation" means any:

- (a) issue of shares in the capital of the Company fully or partly paid up pursuant to a capitalisation of profits or reserves, but excluding any Permitted Capitalisation Issue;
- (b) sub-division or consolidation of shares in the capital of the Company;
- (c) re-designation or re-classification of any shares in the capital of the Company;
- (d) the redemption or repurchase of any shares in the capital of the Company; or
- (e) any other reorganisation of the share capital of the Company;

"CEO Director" has the meaning given in article 21.2.1;

"Chair" has the meaning given in article 21.5.1;

"Commencement Date" means 28 January 2020;

"Compulsory Transfer Event" means any of the events described as Compulsory Transfer Events in articles 14.1.1 and 14.1.2;

"Compulsory Transfer Notice" has the meaning given in article 14.1.1;

"Control" in relation to any undertaking, means:

- (a) the ownership or control, directly or indirectly, of more than 50 per cent of the voting share capital of the relevant undertaking;
- (b) the ability to direct, directly or indirectly, the casting of more than 50 per cent of the votes exercisable at general or partnership meetings of the relevant undertaking on all, or substantially all, matters; or
- (c) the direct or indirect right or power to appoint or remove directors of the relevant undertaking holding a majority of the voting rights at meetings of the relevant board on all, or substantially all, matters;

"Controlling Interest" means the possession, directly or indirectly, of interests in Shares conferring the right to exercise not less than 50 per cent in number of all votes as may be exercisable at a general meeting of the members of the Company;

“Conversion Ratio” initially equals 1, subject to any adjustment made in accordance with article 6.7;

“Date of Acquisition” means:

- (a) such date as the Company shall have expressly agreed in writing with the Relevant Leaver to be the “Date of Acquisition” for the purpose of the application of these Articles in respect of the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued); or
- (b) in the absence of such express written agreement, the date on which the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued) were first acquired by the relevant Leaver (or any of his Permitted Transferees or Associates).

In the case of any ambiguity or uncertainty, the Date of Acquisition in respect of the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued) shall be such date as the Board shall determine to be reasonable and the Date of Acquisition as so determined by the Board shall be final and binding on all persons (save in the case of fraud);

“DDF” means Dementia Discovery L.P. and DDF Parallel LLP, each being limited partnerships having their registered office address at 71 Kingsway, London WC2B 6ST, United Kingdom;

“DDF Director” has the meaning given in article 21.1;

“Dividend Commencement Date” means 04 August 2021;

“Eligible Offerees” has the meaning given in article 13.2.1;

“Excess Offeree” has the meaning given in article 13.2.3;

“Excess Subscriber” has the meaning given in article 8.2.3;

“Exercising Investor” has the meaning given in article 8.3.1;

“Final Allocation” has the meaning given in article 13.2.4;

“Final Entitlement” has the meaning given in article 8.2.4;

“Fully Diluted Share Capital” issued share capital of the Company assuming that all options and warrants over Shares in the Company or other Relevant Securities in the capital of the Company and any other agreement or instrument which confers any right to subscribe for, convert into or otherwise acquire any Shares or other securities in the capital of the Company have been exercised;

“Fund” means a limited partnership, limited liability partnership, partnership, company, syndicate, body corporate, trust or other undertaking or entity formed for the purpose of investment, whose principal business is to make investments, or whose business is managed by a Fund Manager;

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

“Group” in respect of any undertaking, such undertaking together with its Affiliates;

“Holder” or **“Shareholder”** means, in relation to any Share, the member whose name is for the time being entered in the register of members of the Company as the holder of that Share;

“Initial Allocation” has the meaning given in article 13.2.2;

“Initial Entitlement” has the meaning given in article 8.2.2;

“Independent Directors” has the meaning given in article 21.4.1 and **“Independent Director”** shall be construed accordingly;

“Independent Expert” means an accountant or other expert (acting as expert and not as an arbitrator) nominated by the Company and who, in the opinion of the Board, has no personal interest which might be reasonably expected to conflict with the performance of the role for which he is so nominated;

“Investor Approval” means: (i) for as long as there are two Investors, the positive consent of both Investors (or the prior written consent of both Investors); or (ii) for as long as there are three Investors, the positive vote of at least two of the three Investors (or the prior written consent of at least two of the three Investors);

“Investor Directors” means the DDF Director and the Takeda Director and the term **“Investor Director”** shall be construed accordingly;

“Investor Director Approval” means for as long as there are two Investor Directors appointed to the Board, the positive vote of both Investor Directors (or the prior written consent of both Investor Directors), and shall, for the avoidance of doubt, have no meaning where there is no Investor Director so appointed;

“Investor Majority” means the holders of at least 55 per cent of the Preferred Shares in issue from time to time;

“Investors” means each of (i) Takeda; (ii) DDF; (iii) the Additional Investor and (iv) any person who becomes a party to the Shareholders’ Agreement and if the definition of “Investor” applies to the relevant person by signing a deed of adherence adhering to the terms of the Shareholders Agreement, and the term **“Investor”** shall be construed accordingly;

“Leaver” means any person who ceases to be a director or employee of, or a consultant to, the Company or any other member of the Company’s Group (and who does not thereafter continue as either a director or employee of, or a consultant to, any member of the Company’s Group). The further provisions of article 1.4(a) shall apply;

“Liquidation Event” means a return of assets by the Company on a liquidation or capital reduction or otherwise (including following a Business Sale);

“Listing” means the admission of any of the Company’s Shares (or the shares of any holding company of the Company) to trading on, or the granting of permission for any of the Company’s Shares to be dealt on any investment exchange;

“Market Value” has the meaning given to such term in article 14.3.1;

“Member of the same Fund Group” means, if the Shareholder is a Fund, a Fund Manager or a nominee of a Fund or a Fund Manager:

- (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) the Fund Manager of that Fund;
- (c) any Fund managed or advised by that Fund Manager;

- (d) any Affiliate of that Fund Manager, or any Affiliate of any Parent Undertaking of that Fund Manager;
- (e) any trustee, nominee or custodian of such Fund and vice versa; and
- (f) any successor fund to the Fund;

“Monthly Proportion” means:

- (a) in respect of any relevant month, such proportion as the Company shall have expressly agreed in writing to be the “Monthly Proportion” for that month for the purpose of the application of these Articles in respect of the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued); or
- (b) in the absence of such express written agreement, that proportion which is equal to $1/N$ where “N” is the number of months comprising the total Vesting Period applicable in respect of the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued).

In the case of any ambiguity or uncertainty, the Monthly Proportion for any month(s) in respect the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued) shall be such period as the Board shall determine to be reasonable and the Monthly Proportion as so determined by the Board shall be final and binding on all persons (save in the case of fraud);

“New Issue” has the meaning given in article 8.2.1;

“New Securities” has the meaning given in article 8.2.1 and the term **“New Security”** shall be construed accordingly;

“Option Pool” has the meaning set out in the Shareholders’ Agreement;

“Ordinary Directors” has the meaning given in article 21.3.1 and **“Ordinary Director”** shall be construed accordingly;

“Ordinary Majority” means the holders of a majority in nominal value of the Ordinary Shares from time to time;

“Ordinary Observer” has the meaning given in article 21.7.3;

“Ordinary Shares” means ordinary shares of one pence (£0.01) each in nominal value having the rights set out in these Articles;

“Permitted Capitalisation Issue” means an issue of shares by the Company credited as fully paid up as to nominal value from any share premium account of the Company (or otherwise lawfully paid up from a capitalisation of profits or reserves (including any capital redemption reserve)) and made pursuant to article 6.9 or article 8.3 (or a subscription at nominal value made in lieu of such capitalisation issue if so required pursuant to article 6.9 or article 8.3);

“Permitted Issue” means an allotment or issue of (or agreement to allot or issue) Relevant Securities:

- (a) pursuant to any sub-division of Shares or Permitted Capitalisation Issue;
- (b) in accordance with the Shareholders’ Agreement;
- (c) pursuant to the Option Pool; or

(d) if the Board (with Investor Director Approval) resolves that the same be categorised as a Permitted Issue;

“Permitted Transfer” means a transfer of Shares permitted by article 12;

“Permitted Transferee” means a person to which Shares may be transferred pursuant to a Permitted Transfer;

“Preferred Shares” means the preferred shares of one pence (£0.01) each in nominal value having the rights set out in these Articles;

“Privileged Relation” in relation to any individual, means the spouse or civil partner (as defined in the Civil Partnership Act 2004) or widow of such individual and the descendants (including step and adopted children) of such individual;

“Qualifying Issue” has the meaning given in article 8.3.1;

“Relevant Securities” means:

- (a) Shares; and
- (b) any other security, option, warrant, agreement or instrument which confers any right to subscribe, exchange for, convert into or otherwise acquire any Share(s);

“Retained Shares” has the meaning given to such term in article 14.4;

“Sale” means a Business Sale or Share Sale;

“Sale Consideration Price” in respect of any Share, means such amount (if any) as would be paid in respect of such Share if the proceeds of the relevant Share Sale were applied in accordance with article 7.3 (subject to article 7.4). For the avoidance of doubt, the Sale Consideration Price in respect of a Share may be nil if no amount would be payable in respect of such Share if such proceeds were so applied in accordance article 7.3 (subject to article 7.4);

“Sale Period” has the meaning given in article 13.2.2;

“Sale Price” has the meaning given in article 13.1.2(b);

“Sale Proceeds” has the meaning given in article 7.3;

“Second Commencement Date” means 20 April 2022;

“Shareholders’ Agreement” means the subscription and shareholders’ agreement made between the Company, DDF and Takeda on 4 August 2020;

“Shares” means Ordinary Shares and Preferred Shares (and **“Share”** shall mean a share of any such class);

“Share Sale” means a sale or other transfer of the whole or any part of the issued share capital of the Company to any person (or any merger or scheme of arrangement resulting in any person holding shares in the capital of the Company) and resulting in that person (together with all persons (if any) acting in concert (within the meaning given in the City Code on Takeovers and Mergers) with such person) acquiring a Controlling Interest in the Company;

“Subscription Price” in respect of any Share, means the amount paid up or credited as paid up thereon; and

“Takeda” means Takeda Ventures, Inc. a company incorporated under the laws of Delaware having its address at 9625 Towne Center Drive, San Diego, CA 92121, USA;

“Takeda Director” has the meaning in article 21.1.2;

“**Terms of Issue**” has the meaning given in article 8.2.1;

“**Total Number**” has the meaning given in article 8.2.2;

“**Total Transfer Condition**” has the meaning given in article 13.1.2(c);

“**Transfer Notice**” has the meaning given in article 13.1.1;

“**Transferors**” has the meaning given in article 7.3;

“**Treasury Shares**” means shares in the capital of the Company held by the Company as treasury shares within the meaning given to that term in section 724(5) of the Act; and

“**Vesting Period**” means:

- (a) such period as the Board (acting with Investor Director Approval) shall have expressly agreed in writing with the holder of the Shares to be the “Vesting Period” for the purpose of the application of these Articles in respect of the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued); or
- (b) in the absence of such express written agreement, a period of 48 months. In the case of any ambiguity or uncertainty, the Vesting period in respect of the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued) shall be such period as the Board shall determine to be reasonable and the Vesting Period as so determined by the Board shall be final and binding on all persons (save in the case of fraud). For the avoidance of doubt, each Vesting Period shall commence on the Date of Acquisition.

1.4 Interpretation

Unless the context otherwise requires, the following rules of interpretation shall apply to these Articles:

- (a) “**consultant**” includes:
 - (i) a person engaged directly by a member of the Company’s Group to provide services to the Company’s Group; and
 - (ii) a person (an “**Indirect Consultant**”) engaged by a third party (a “**Service Company**”) to provide services on behalf of such Service Company to the Company’s Group where that Service Company is engaged by a member of the Company’s Group to provide such services;
- (b) with respect to an Indirect Consultant, in the definition of Bad Leaver:
 - (i) reference to “*circumstances that would allow such engagement to be terminated*” shall be construed to include all circumstances that may result in the cessation of the provision of services by the Indirect Consultant to the Company’s Group (including, without limitation, termination of any relevant agreement with his Service Company); and
 - (ii) reference to “*such person’s fraud, dishonesty, gross misconduct, material breach of obligation, or other circumstance by reason of which such person may be summarily dismissed*” shall be construed as meaning “*the Indirect Consultant’s (and/or his Service Company’s) fraud, dishonesty, gross misconduct, material breach of obligation, circumstance by reason of which such Indirect Consultant’s engagement may be summarily terminated, or*

other circumstance by reason of which the engagement of the Service Company may be summarily terminated”;

- (c) notwithstanding any provision of these Articles to the contrary, if and for so long as no Preferred Shares are in issue, then during such period article 8.3 shall not then apply;
- (d) the expression “**connected**” with reference to a person or group of persons has the meaning given to it in section 1122 and 1123 of the Corporation Taxes Act 2010 (subject to the deletion of section 1122(8));
- (e) references to the singular shall include the plural and vice versa;
- (f) references to any gender or neuter includes the other genders and the neuter;
- (g) references to a “**person**” shall be construed so as to include:
 - (i) any individual, firm, body corporate, governmental authority, joint venture, association, undertaking, partnership or limited partnership (whether or not having separate legal personality); and
 - (ii) a reference to the estate and successors of any such person.
- (h) “**company**” includes any body corporate; and
- (i) for the purposes of the definition of a “**Compulsory Transfer Event**” and in articles 22.1(c) and 22.1(e) every reference to an English legal term is deemed to include reference to any analogous legal term in any other jurisdiction.

2. LIMITED COMPANY

- 2.1 The Company is a private company within the meaning of the Act and its registered office shall be situated in England & Wales.
- 2.2 The liability of each member is limited to the amount, if any, unpaid on the shares held by such member.
- 2.3 The share capital of the Company is comprised of Ordinary Shares and Preferred Shares.
- 2.4 No limit shall apply to the amount of the Company’s share capital.

SHARE RIGHTS

3. DIVIDENDS

- 3.1 All dividends and/or distributions (other than made pursuant to article 7, any Preferred Dividend, any Permitted Capitalisation Issue or as otherwise as expressly provided by these Articles) shall be paid to all Holders of Shares *pro rata* as to the number of Shares (on an As Converted Basis) held by each Shareholder.
- 3.2 Notwithstanding article 3.1, any distribution made by way of issuing, or paying up (or crediting as being paid up) any amount in respect of, any shares in the capital of the Company shall be made in such manner as may be provided for in, or permitted by, these Articles or otherwise with Investor Approval.
- 3.3 No dividend or distribution (other than made pursuant to article 7, any Preferred Dividend, any Permitted Capitalisation Issue or as otherwise expressly required by these Articles) shall be made if any Arrears are then outstanding in respect of any Preferred Dividend.

3.4 No dividend or distribution (other than made pursuant to article 7, any Preferred Dividend, any Permitted Capitalisation Issue or as otherwise as expressly required by these Articles) shall be made unless such dividend or distribution is made with Investor Approval.

3.5 Preferred Dividend

3.5.1 Subject to article 3.5.2, a cumulative fixed rate dividend (the “**Preferred Dividend**”) shall accrue on each Preferred Share from the date on which such share was first issued until immediately prior to the first to occur of a Liquidation Event or Sale or Listing (a “**Payment Date**”). No Preferred Dividend shall accrue in respect of the period subsequent to the Payment Date.

3.5.2 The Preferred Dividend shall accrue on each Preferred Share at the following rates:

- (a) in respect of Preferred Shares issued prior to the Dividend Commencement Date, at a rate of: (i) four per cent (4%) per annum (calculated on a straight line, non-compounding, daily basis and on the assumption of a 365 day year) on the Subscription Price of the Preferred Share as from the date on which each such Preferred Share was first issued until and including the Dividend Commencement Date; and (ii) six per cent (6%) per annum (calculated on a straight line, non-compounding, daily basis and on the assumption of a 365 day year) following the Dividend Commencement Date; or
- (b) in respect of Preferred Shares issued on or after the Dividend Commencement Date, a rate of six per cent (6%) per annum (calculated on a straight line, non-compounding, daily basis and on the assumption of a 365 day year) on the Subscription Price of the Preferred Share as from the date on which each such Preferred Share was first issued,

and in each case the amount of the Preferred Dividend shall so accrue on each Preferred Share whether or not the Company is then lawfully able to distribute and pay such Preferred Dividend.

3.5.3 The Preferred Dividend shall be payable in cash immediately prior to the Payment Date, to the extent it is lawful for the Company to do so, from the profits of the Company available for distribution and in priority to the payment of any other dividend by the Company (and if it is not lawful for the Company to then pay the whole of such Preferred Dividend the Company shall then pay such part of the Preferred Dividend as then permitted by law and shall thereafter pay the remaining balance of the Preferred Dividend in one or more further payments if, when and to the extent it is thereafter lawfully able to do so).

3.5.4 Payment of the Preferred Dividend shall be made when due notwithstanding any other provision of these Articles to the contrary and in particular notwithstanding that there may not have been a recommendation of the directors or resolution of the Company in general meeting to approve the payment thereof.

3.5.5 The Company shall procure that each of its subsidiary undertakings which has profits available for distribution shall from time to time, and to the extent that each such subsidiary undertaking may lawfully do so, declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of the Preferred Dividend and of any other dividend which the directors of the Company have resolved to distribute.

4. VOTING

4.1 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles:

- (a) each Ordinary Share shall, on a poll, carry one vote per Ordinary Share; and
- (b) each Preferred Share shall, on a poll, carry one vote per Preferred Share.

4.2 Polls

4.2.1 A poll on a resolution at a general meeting or class meeting may be demanded by any Shareholder entitled to vote on that resolution.

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

4.3 Written resolution

For the purposes of section 297 of the Act, a proposed written resolution of the members shall lapse if not passed by the end of such period after the circulation date of such resolution as is determined by the directors in respect of that resolution or, if no such period is so determined, the resolution shall lapse if not passed by the end of the period of 28 days beginning with its circulation date.

5. VARIATION OF CLASS RIGHTS

The special rights attached to any class of share may be varied or abrogated as follows:

- (a) in respect of special rights attaching to the Preferred Shares, with the consent by a special resolution of the class of Preferred Shares (whether by way of written resolution or passed in class meeting); and
- (b) in respect of special rights attaching to the Ordinary Shares, with the consent by an ordinary resolution of the class of Ordinary Shares (whether by way of written resolution or passed in class meeting),

and subject to the foregoing all other special rights attaching to any share (or class of shares) may be varied or abrogated by ordinary resolution of the Shareholders (whether by way of written resolution or passed in general meeting) whether or not the holders of such share (or class of share) so varied or abrogated are entitled to vote on such resolution.

6. CONVERSION OF PREFERRED SHARES

6.1 Each Holder of Preferred Shares may at any time convert all, or any part of, its holding of Preferred Shares into a number of Ordinary Shares calculated as follows:

$$W \times X = Z$$

W = the applicable Conversion Ratio

X = the number of the Preferred Shares to be converted;

Z = the number of Ordinary Shares into which the Preferred Shares to be so converted shall so convert.

- 6.2 Such right of conversion may be effected by notice (a “**Conversion Notice**”) in writing given to the Company signed by the Holder of the relevant Preferred Shares. Conversion of Preferred Shares the subject of a Conversion Notice shall take effect upon receipt by the Company of such notice (or, if later, upon satisfaction of any further conditions as so specified in such Conversion Notice).
- 6.3 Certificates in respect of Preferred Shares converted into Ordinary Shares shall thereupon be invalidated and shall be returned to the Company. The Company may withhold the issue of any new certificate in respect of the resulting Ordinary Shares pending its receipt of any certificate for such Preferred Shares (or an indemnity in lieu of lost or destroyed certificates in a form reasonably satisfactory to the Board).
- 6.4 The rights attaching to Ordinary Shares resulting from a conversion pursuant to this article 6 shall rank *pari passu* in all respects with the rights attaching to all other Ordinary Shares (save as to the Subscription Price thereof and subject to article 6.6).
- 6.5 Nothing in this article 6 shall entitle any person to any fraction of any Share and any such fraction of a Share shall be disregarded and may be otherwise applied by the Company at the discretion of the directors subject only to the Act.
- 6.6 If at the time of conversion of any Preferred Shares any Arrears thereon are outstanding, then the aggregate amount of such Arrears shall be outstanding on the Ordinary Shares arising from such conversion (being divided *pro rata* amongst such Ordinary Shares).
- 6.7 In the event of a Capital Reorganisation (other than a Permitted Capitalisation Issue) the Auditors (acting as experts and not as arbitrators) shall determine whether it is fair and reasonable to adjust the Conversion Ratio and, if so determined, the Conversion Ratio shall be adjusted in such manner as is determined by the Auditors (acting as experts and not as arbitrators) to be fair and reasonable. For the avoidance of doubt, if so determined by the Auditors different Conversion Ratios may apply in respect of different Shares. The Auditor’s fees and expenses shall be paid by the Company.
- 6.8 If the aggregate nominal value of Preferred Shares converted into Ordinary Shares exceeds the aggregate nominal value of the Ordinary Shares into which such Preferred Shares have been converted, then the excess shall be converted into deferred shares (which deferred shares shall carry no entitlement to dividends, nor to participate in a distribution of assets on a Liquidation Event, nor the right to vote in, or attend, any meeting and may be repurchased for one pound (£1.00) in aggregate (in respect of all then outstanding deferred shares) and any officer of the Company is authorised to execute any agreement to re-purchase, transfer and cancel such deferred shares on behalf of each holder thereof) or otherwise dealt with in such manner as the Board may determine, subject to applicable laws.
- 6.9 If the aggregate nominal value of Preferred Shares converted into Ordinary Shares is less than the aggregate nominal value of the Ordinary Shares into which such Preferred Shares have been converted then, to the extent it is lawful to do so (and provided the Company has sufficient reserves), the shortfall shall be paid up as to nominal value by capitalisation of reserves and the directors of the Company are authorised to so issue Ordinary Shares so paid up by way of a Permitted Capitalisation Issue. If it is unlawful for the Company to so capitalise reserves (or such reserves are insufficient), then the Holder of the Preferred Shares so converted shall have the right to subscribe at nominal value for such number of Ordinary Shares as would have been so acquired by way of a capitalisation issue had such capitalisation been permitted/sufficient.

- 6.10 All of the fully paid Preferred Shares shall automatically convert into Ordinary Shares: (i) on the date of a notice by the Investors (acting by way of an Investor Director Approval); and (ii) immediately upon the occurrence of a Listing, in which case the provisions of article 6.2 to 6.9 (inclusive) shall be construed accordingly.

DISTRIBUTIONS ON LIQUIDATION EVENTS AND SHARE SALES

7. LIQUIDATION EVENTS AND SHARE SALES

7.1 Liquidation Event

On a Liquidation Event, the assets of the Company remaining after the satisfaction of its liabilities (the “**Available Assets**”) shall be applied amongst, and distributed to, Shareholders in the following order of priority:

- (a) *first*, to each Holder of Preferred Shares, the Subscription Price in respect of the Preferred Shares held by him, plus all Arrears (if any) on each Preferred Share held by him (the “**Preference Amount**”), save that if the Available Assets are not sufficient to distribute in full the amounts so due in respect of all Preferred Shares, then the Available Assets (if any) shall be distributed rateably as between the Holders of Preferred Shares in proportion to the Subscription Price in respect of each Preferred Share and no distribution shall be made pursuant to article 7.1(b); and
- (b) *thereafter*, in distributing the balance of remaining Available Assets, if any, (after accounting in full for the distribution of assets under article 7.1(a)) to Shareholders *pro rata* in respect of the number of Shares (on an As Converted Basis) held by each such Shareholder as if they constituted one and the same class such that the amount of the *pro rata* distribution to be paid on a Preferred Share shall be reduced by the amount of any Preference Amount paid on such Share and of any Arrears arising under article 6.6.

7.2 Business Sale

As soon as practicable after the receipt of the consideration payable to the Company in respect of a Business Sale, the Company shall distribute the remaining assets of the Company after satisfaction of its liabilities in accordance with article 7.1.

7.3 Share Sale

On a Share Sale, the proceeds of such Share Sale (the “**Sale Proceeds**”) shall be applied amongst the transferring Holders (“**Transferors**”) who have transferred Shares as part of such Share Sale in the following order of priority:

- (a) *first*, to each Transferor of Preferred Shares, the Subscription Price in respect of the Preferred Shares transferred by him as part of such Share Sale, plus all Arrears (if any) on each Preferred Share held by him, save that if the Sale Proceeds are not sufficient to permit the application in full of the amounts so due in respect of all Preferred Shares transferred as part of the Share Sale, then the Sale Proceeds shall be applied rateably as between such Transferors in proportion to the Subscription Price in respect of each Preferred Share so transferred as part of such Share Sale and no application of Sale Proceeds shall be made pursuant to article 7.3(b); and
- (b) *thereafter*, in applying the balance of remaining Sale Proceeds, if any, (after accounting in full for the application of Sale Proceeds under article 7.3(a)) to Shareholders *pro rata* in respect of the number of Shares (on an As Converted Basis) transferred by each such

Transferor as if they constituted one and the same class such that the amount of the *pro rata* distribution be paid on a Preferred Share shall be reduced by the amount of any Preference Amount paid on such Share and of any Arrears arising under article 6.6.

7.4 **Non-Cash Consideration and Delayed Consideration**

7.4.1 If any Available Assets or any Sale Proceeds include: (i) any non-cash assets or proceeds (the “**Non-Cash Consideration**”); and/or (ii) any, deferred and/or contingent assets or proceeds (the “**Delayed Consideration**” and, together with the Non-Cash Consideration, the “**Additional Consideration**”) then articles 7.1, 7.2 and 7.3 shall apply to such Additional Consideration and for greater certainty, the relevant transaction agreement shall provide, and the Shareholders shall procure to the extent each such Shareholder is able, that:

- (a) the portion of such consideration that is not Delayed Consideration (which, if the Board so determines, shall be calculated following any adjustment based on accounts to be prepared to the date of completion of the Business Sale or Share Sale) (such portion, the “**Initial Consideration**”) shall be allocated amongst the Shareholders in accordance with articles 7.1, 7.2 and 7.3 (as applicable) as if the Initial Consideration were the only consideration payable in connection with such Business Sale or Share Sale; and
- (b) any Delayed Consideration which becomes payable to the Shareholders upon satisfaction of the relevant contingencies shall be allocated amongst the Shareholders in accordance with articles 7.1, 7.2 and 7.3 (as applicable) after taking into account the previous payment of the Initial Consideration and any previous payment (or payments) of any Delayed Consideration as part of the same transaction. For these purposes, consideration retained as a holdback to be made available for the satisfaction of any claims for breach of warranty, indemnification or any other similar obligations in connection with such Share Sale or Business Sale shall be deemed to be Delayed Consideration for so long as it is retained as a holdback.

The value of Non-Cash Consideration shall be determined in such manner as the Board (acting reasonably and in good faith) may determine, subject to Investor Approval. Such determination may include, without limitation, the cash equivalent value of any such assets or proceeds and/or the timing of any payment or distribution thereof.

NEW ISSUES AND PURCHASE OF SHARES

8. ALLOTMENT OF RELEVANT SECURITIES

8.1 Authority to allot

The directors shall be generally and unconditionally authorised pursuant to section 551 of the Act to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of thirty eight pounds and seventy four pence (£38.74), provided that such authorities will expire on the date being five years from the Second Commencement Date, but the Company may before any such authority expires make an offer or agreement which would or might require the Company to allot shares in the Company and/or grant rights to subscribe for, or to convert any security into, shares in the Company after such authority expires and the Board may allot shares

in the Company and grant such rights pursuant to any such offer or agreement as if such authority had not expired.

8.2 Pre-emption rights

- 8.2.1 The Company shall not allot or issue (or agree to allot or issue) (a “**New Issue**”) any Relevant Securities (other than by way of Permitted Issue) (“**New Securities**”) unless the Company has first offered each Holder of Shares (subject to article 8.2.7) the right to subscribe for New Securities on the same terms (including, without limitation, as to price) as are proposed to be offered pursuant to such New Issue (the “**Terms of Issue**”) in accordance with this article 8.2.
- 8.2.2 An offer made by the Company to the Holders of Shares under this article 8.2 (a “**Pre-emptive Offer**”) shall be in writing and shall include details of: (i) the Terms of Issue; (ii) the period during which the offer may be accepted (which shall be not less than 5 Business Days and not more than 15 Business Days, as from the date of the offer) (the “**Offer Period**”); (iii) the maximum number of New Securities as may be comprised in the New Issue (the “**Total Number**”); and (iv) the number of such New Securities as may be initially allocated to each Holder of Shares to which the offer is so made (an “**Initial Entitlement**”) which allocation shall be made on a *pro rata* basis by reference to the number of Shares (on an As Converted Basis) held by that Holder as a proportion of the total number of Shares (on an As Converted Basis) then in issue.
- 8.2.3 A Pre-emptive Offer may be accepted by written notice to the Company, which notice shall state the maximum number of New Securities the relevant Holder desires to so subscribe (which may not exceed the Total Number), such a Holder of Shares being an “**Excess Subscriber**”.
- 8.2.4 At the end of the Offer Period (or, if earlier, upon all persons to whom the Pre-emptive Offer was made having accepted (or waived their rights under) such offer) the Company shall determine the final allocation of New Securities amongst persons who have accepted the Pre-emptive Offer (a “**Final Entitlement**”) as follows:
- (a) each Holder of Shares shall be allocated a number of New Securities in respect of which it has accepted the Pre-emptive Offer up to its Initial Entitlement;
 - (b) to the extent a Holder of Shares has not accepted the Pre-emptive Offer in respect of the whole of its Initial Entitlement then the unallocated balance of its Initial Entitlement shall be re-allocated as between the Excess Subscribers (if any) on a *pro rata* basis by reference to the number of Shares held by each Excess Subscriber (subject to article 8.2.4(d)). Unallocated New Securities shall continue to be allocated amongst Excess Subscribers *mutatis mutandis* in accordance with the foregoing provisions of this article 8.2.4(b) until all New Securities are so allocated (or, if earlier, until no Holder of Shares desires to purchase any further New Securities (as stated in its acceptance of the Pre-emptive Offer));
 - (c) any allocation of any fraction of any New Security may, at the option of the Board, be disregarded or allocated by lot as between Holders of Shares desiring to purchase such New Securities; and

- (d) in no event shall the Final Entitlement of any Holder of Shares exceed the maximum number of New Securities which such Holder desires to subscribe (as stated in its acceptance of the Pre-emptive Offer),

and the Company shall give written notice to each Holder of Shares to whom New Securities are so allocated confirming such Holder's Final Entitlement (if any) whereupon such Holder shall be bound to subscribe for such New Securities pursuant to the Terms of Issue.

- 8.2.5 To the extent the Total Number of the New Securities exceeds the aggregate of all Final Entitlements, then the Company shall be free to allot and/or issue (and/or agree to allot and/or issue) such excess New Securities on the Terms of Issue (or terms less favourable to the acquirer (with Investor Approval) to such persons as the Board (with Investor Director Approval) shall determine (provided that such allotment and/or issue is made (or agreement to so allot and/or issue is entered into) within 50 Business Days following the date on which the Final Entitlements are notified by the Company pursuant to article 8.2.4).
- 8.2.6 Subject to article 8.2.7, a Holder of Shares may (with the relevant Investors' written consent) assign (in whole or in part) its right to subscribe for its Final Entitlement to any of its Permitted Transferees provided that, if so required by the Board (with Investor Director Approval), such Permitted Transferee shall when so subscribing for New Securities execute and deliver to the Company a deed of adherence to any applicable agreement as between the Company and some (or all) of its Shareholders as concerns the conduct of the affairs of the Company (such deed of adherence to be in such form as reasonably required by the directors). Each Investor may assign (in whole or in part) its respective right to subscribe for their Final Entitlement to any of their respective Permitted Transferees without restriction.
- 8.2.7 The Board may (with Investor Director Approval) exclude from any Pre-emptive Offer any Shareholder(s) (and may prohibit any assignment pursuant to article 8.2.6 or otherwise preclude any subscription of New Securities by any such person(s)) if the directors reasonably believe that the communication of such Pre-emptive Offer or subscription of New Securities by such person(s) would be unlawful or would require the Company to incur disproportionate cost and expense in order to comply with applicable laws concerning the communication of such Pre-emptive Offer to such person (s) and/or the subscription of New Securities by such person(s).
- 8.2.8 The Company (acting with Investor Approval) may, by written notice to the Holders of Shares, withdraw the Pre-emptive Offer (whereupon all acceptances and Final Entitlements in respect thereof shall be void and of no effect, all consideration advanced to the Company in respect thereof shall be returned, and the Company shall have no further liability or obligation in respect of the withdrawal of the Pre-emptive Offer). The Company may not proceed to make a New Issue where the Pre-emptive Offer in respect thereof has been so withdrawn.
- 8.2.9 The statutory pre-emption rights contained in section 561 of the Act shall not apply to the Company.

8.3 Anti-dilution rights

- 8.3.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Benchmark Price to any persons (a “**Qualifying Issue**”) (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall issue to each Holder of Preferred Shares (the “**Exercising Investor**”) a number of new Preferred Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with article 8.3.3 (the “**Anti-Dilution Shares**”):

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

where:

- N = the Number of Anti-Dilution Shares to be issued to the Exercising Investor
- WA = $\frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$
- SIP = the Benchmark Price
- ESC = the number of Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue
- QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of the New Security)
- NS = the number of New Securities issued pursuant to the Qualifying Issue
- Z = the number of Preferred Shares held by the Exercising Investor prior to the Qualifying Issue.

- 8.3.2 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved by way of Investor Director Approval) and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in article 8.3.1 so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of article 8.3.1 or this article 8.3.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditor’s certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and

- (b) subject to the payment of any cash payable pursuant to article 8.3.2(a) (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Preferred Shares, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to article 8.3.2(a).

8.3.3 In the event of any Capital Reorganisation, the Benchmark Price shall also be subject to adjustment on such basis as may be agreed by the Company with Investor Director Approval within 10 Business Days after any Capital Reorganisation. If the Company and the Investor Directors cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.

8.3.4 The provisions of article 8.3.1 shall not apply:

- (a) in respect of any Permitted Capitalisation Issue; or
- (b) options granted, or Shares issued following the valid exercise of options granted, from the Option Pool; or
- (c) where Investor Approval has been obtained in writing to the disapplication of the provisions of article 8.3.1 in respect of any issue (either generally or specifically).

8.4 **Power to pay commission**

The Company may exercise the powers of paying commissions conferred by the Act.

9. **PURCHASE OF OWN SHARES**

Subject to the Act and with Investor Approval, the Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.

SHARE TRANSFERS

10. **TRANSFER OF SHARES**

10.1 **Restriction on the transfer of Shares**

No Shareholder may transfer any interest in any Share except in accordance with article 11 (*Transfers with Investor Approval*), article 12 (*Permitted Transfers*), article 13 (*Pre-emption of Share Transfers*), article 14 (*Compulsory Transfers*), article 16 (*Drag Rights*) or in acceptance of an offer made pursuant to article 15 (*Tag Rights*), and any purported transfer in breach of this article 10.1 shall be of no effect and the directors shall refuse to register any such purported transfer.

10.2 **Transfers or grants of interests**

References in articles 10.1, 11, 13.1.1 and 15 to a 'transfer' of any Share includes a transfer or grant of any interest in any Share or of any right attaching to any Share, whether by way of sale, gift, holding on trust, charge, mortgage or pledge, or in any other way, and whether at law or in equity, and also includes an agreement to make any such transfer or grant or to exercise the voting rights attaching to a Share at the direction of any third party.

10.3 **Registration of transfers**

The directors shall register all transfers of Shares permitted by or effected in accordance with these Articles within 14 days of the following being lodged at the registered office of the Company (or such other place in the United Kingdom as the directors may have notified to Shareholders for such purpose):

- (a) the duly stamped transfer (or transfer certified as being exempt from stamp duty);
- (b) the certificates for the Shares to which the transfer relates (or an indemnity in lieu of lost or destroyed certificates in a form reasonably satisfactory to the Board);
- (c) where made in reliance on article 11 (*Transfers with Investor Approval*) or article 12 (*Permitted Transfers*), such documentation as the directors may reasonably require evidencing the compliance of the transfer with the relevant Article; and
- (d) if so required by the directors, a duly executed deed of adherence to any applicable agreement as between the Company and some (or all) of its Shareholders as concerns the conduct of the affairs of the Company (such deed of adherence to be in such form as reasonably required by the directors).

11. **TRANSFERS WITH INVESTOR APPROVAL**

Notwithstanding any other provisions of these Articles, a transfer of any interest in any Shares approved in writing by the Board (with Investor Director Approval) may, subject to article 10.3, be made without restriction.

12. **PERMITTED TRANSFERS**

12.1 Unless otherwise prohibited by these Articles, the following transfers may, subject to article 10.3, be made without restriction:

- (a) a transfer of Shares by a Shareholder who is an individual (the “**Original Shareholder**”) to:
 - (i) a Privileged Relation (aged 18 or over) of such Original Shareholder; or
 - (ii) the trustee(s) of a trust (acting in that capacity) where the only beneficiaries of such trust are the Original Shareholder and/or his Privileged Relations (a “**Family Trust**”), provided the Board is satisfied (acting reasonably):
 - (1) with the terms of the trust instrument and in particular with the powers of the trustees;
 - (2) with the identity of the proposed trustees;
 - (3) the proposed transfer will not result in 50 per cent or more of the aggregate of the Company’s equity share capital being held by trustees of that and any other trusts; and
 - (4) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company;
- (b) a transfer of Shares by trustees of a Family Trust to (i) the Original Shareholder, (ii) another Permitted Transferee of the Original Shareholder or (ii) the new or remaining trustees upon a change of trustees; or

- (c) a transfer of Shares by a Shareholder which is a Fund, to any Member of the same Fund Group, provided that if the transferee ceases to be a Member of the same Fund Group, the transferee shall procure the re-transfer of the Shares in question to the original Shareholder or a Member of the same Fund Group as the original Shareholder; or
 - (d) a transfer of Shares by an Investor:
 - (i) to any of its Affiliates, provided that if the transferee ceases to be an Affiliate of the relevant Investor, the transferee shall procure the re-transfer of the Shares in question to the original Investor (or an Affiliate thereof);
 - (ii) to any Member of the same Fund Group, provided that if the transferee ceases to be a Member of the same Fund Group, the transferee shall procure the re-transfer of the Shares in question to the original Shareholder or a Member of the same Fund Group as the original Shareholder; and
 - (iii) to any other Investor.
- 12.2 Any interest in Shares the subject of a Compulsory Transfer Notice under article 14.2 or a Transfer Agreement under article 16 may not be transferred under article 12.1 without the written approval of the Board (with Investor Director Approval).
- 12.3 If a Permitted Transferee who is a spouse or civil partner of the Original Shareholder ceases to be a spouse or civil partner of the Original Shareholder whether by reason of divorce or dissolution he must, within 15 Business Days of so ceasing either:
- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
 - (b) give a Transfer Notice to the Company in accordance with article 13.1.1,
 - (c) failing which he shall be deemed to have given a Transfer Notice and the Sale Price shall be Market Value.

13. PRE-EMPTION ON SHARE TRANSFERS

13.1 Transfer Notices

- 13.1.1 A person (a “**Seller**”) who wishes to transfer any Shares(s) (except in accordance with article 11 (*Transfers with Investor Approval*), article 12 (*Permitted Transfers*), article 16 (*Drag Rights*) or in acceptance of an offer made pursuant to article 15 (*Tag Rights*)) shall first give written notice to the Company (a “**Transfer Notice**”). A Transfer Notice shall constitute the Company the Seller’s agent for the sale, free from all encumbrances, of the whole of the legal and beneficial title to the Shares specified therein (the “**Sale Shares**”).
- 13.1.2 A Transfer Notice shall specify:
- (a) the number and class of Sale Shares;
 - (b) a cash price per Share at which the Sale Shares are offered for sale (save that, in respect of a Compulsory Transfer Notice, the price shall be Market Value (or, if applicable, the Sale Price determined in accordance with article 14.3.2 or article 14.3.3 (as the case may be))) (the “**Sale Price**”);

- (c) whether or not the Seller's offer is conditional on acceptances being received for all of the Sale Shares (a "**Total Transfer Condition**"); and
 - (d) other than in the case of a Compulsory Transfer Notice, the name of the person(s) (the "**Proposed Buyer(s)**") to whom the Seller proposes to sell the Sale Shares.
- 13.1.3 No Compulsory Transfer Notice shall contain a Total Transfer Condition. Save for any Total Transfer Condition, a Transfer Notice may not be conditional.
- 13.1.4 A Transfer Notice shall be irrevocable except with the approval of the Board (with Investor Director Approval).

13.2 Offer of Sale Shares

- 13.2.1 Subject to article 13.5, the Company shall promptly following service of a Transfer Notice (and, if a Compulsory Transfer Notice, following determination of the applicable Market Value (or, if applicable, determination of the Sale Price in accordance with article 14.3.2 or article 14.3.3 (as the case may be))) give written notice offering the Sale Shares for sale as follows:

- (a) in respect of Sale Shares which are Preferred Shares, to the Holders of Preferred Shares; and
- (b) in respect of Sale Shares which are Ordinary Shares, to the Holders of Ordinary Shares and to the Holders of Preferred Shares (as if such Holders were members of the same class),

provided in each case that no such notice so offering the Sale Shares shall be given to the Seller or any other person(s) then offering Shares pursuant to any further Transfer Notice(s) (nor, unless Investor Approval has been obtained in writing, any Associate or Affiliate of any of the foregoing) and no such notice so offering Sale Shares shall be required to be given to any Permitted Transferee of any Seller (or any Permitted Transferee of any Associate or Affiliate of any Seller). Further no such notice offering the Sale Shares shall be required to be given to any person(s) if and to the extent the directors reasonably believe that the communication of such offer, or the acceptance thereof, by such person(s) would be unlawful or would require the Company to incur disproportionate cost and expense in order to comply with applicable laws concerning the communication of such offer to such person(s) and/or the acceptance of such offer by such person(s). The persons to whom such a notice so offering the Sale Shares are to be given in accordance with this article 13.2.1 (or, if applicable, article 13.5.1(b)) being the "**Eligible Offerees**".

- 13.2.2 A notice given by the Company to Eligible Offerees pursuant to article 13.2.1 shall state:
- (i) the matters specified in the Transfer Notice; (ii) the period during which the offer of Sale Shares may be accepted (which shall be a period shall be determined by the Board and shall be not less than 5 Business Days, and not more than 15 Business Days, as from the date of the notice so given by the Company) (the "**Sale Period**"); and (iii) the number of Sale Shares as may be initially allocated for purchase by such Eligible Offeree (an "**Initial Allocation**") determined (save where article 13.5.1(b) applies), as follows:
- (a) in respect of a Sale of Shares which are Preferred Shares, the Initial Allocation shall be determined on a *pro rata* basis by reference to the number of Preferred

Shares held by each Eligible Offeree as a proportion of the total number of Preferred Shares held by all Eligible Offerees; and

- (b) in respect of a Sale of Shares which are Ordinary Shares, the Initial Allocation shall be determined on a *pro rata* basis by reference to the number of Shares (on an As Converted Basis) held by each Eligible Offeree as a proportion of the total number of Shares (on an As Converted Basis) held by all Eligible Offerees.

13.2.3 Save where article 13.5.1(b) applies, during the Sale Period an Eligible Offeree may by written notice to the Company accept the offer so made to it, in which event its acceptance notice shall state the maximum number of Sale Shares the Eligible Offeree desires to purchase (which may not exceed the total number of Sale Shares). The number of Sale Shares an Eligible Offeree so desires to purchase in excess of its Initial Allocation are referred to as “**Excess Shares**” and such an Eligible Offeree being an “**Excess Offeree**”.

13.2.4 Save where article 13.5.1(b) applies, at the end of the Sale Period (or, if earlier, upon all Eligible Offerees having accepted (or waived their rights under) such offer) the Company shall determine the final allocation of Sale Shares to each Eligible Offeree (a “**Final Allocation**”) as follows:

- (a) each Eligible Offeree shall be allocated a number of Sale Shares in respect of which it has accepted the offer up to its Initial Allocation;
- (b) to the extent an Eligible Offeree has not accepted the offer in respect of the whole of its Initial Allocation then:
 - (i) in respect of Sale Shares which are Preferred Shares, the unallocated balance of its Initial Allocation shall be re-allocated as between the Excess Offerees (if any) on a *pro rata* basis by reference to the number of Preferred Shares held by each Excess Offeree (subject always to article 13.2.4(d)). Unallocated Sale Shares shall continue to be allocated amongst Excess Offerees *mutatis mutandis* in accordance with the foregoing provisions of this article 13.2.4(b)(i) until all Sale Shares are so allocated (or, if earlier, until no Excess Offeree desires to purchase any further Sale Shares (as stated in its acceptance of the offer)); and
 - (ii) in respect of Sale Shares which are Ordinary Shares, the unallocated balance of its Initial Allocation shall be re-allocated as between the Excess Offerees on a *pro rata* basis by reference to the number of Shares (on an As Converted Basis) held by each Excess Offeree (subject always to article 13.2.4(d)). Unallocated Sale Shares shall continue to be allocated amongst Excess Offerees *mutatis mutandis* in accordance with the foregoing provisions of this article 13.2.4(b)(ii) until all Sale Shares are so allocated (or, if earlier, until no Excess Offeree desires to purchase any further Sale Shares (as stated in its acceptance of the offer));
- (c) any allocation of any fraction of any Sale Share may, at the option of the Board, be disregarded or allocated by lot as between Eligible Offerees desiring to purchase such Sale Share; and

- (d) in no event shall the Final Allocation of an Eligible Offeree exceed the maximum number of Sale Shares which such person desires to purchase as stated in its acceptance of the offer.

13.2.5 Notwithstanding the foregoing, if the Transfer Notice included a valid Total Transfer Condition, then if the aggregate Final Allocations as determined in accordance with the above provisions of this article 13.2 are less than the number of Sale Shares, then the offer to Eligible Offerees shall lapse and the Final Allocation of each Eligible Offeree shall instead be nil.

13.3 **Sale to Eligible Offerees**

13.3.1 Promptly following the determination of the Final Allocations, the Company shall give written notice (an “**Allocations Notice**”) to each Eligible Offeree and the Seller setting out details of the Final Allocations.

13.3.2 Save where all Final Allocations are nil, the Allocations Notice shall specify a date determined by the Board (the “**Sale Date**”) on which the sale and purchase of Sale Shares in accordance with the Allocations Notice shall occur.

13.3.3 On the Sale Date each Eligible Offeree shall purchase, and the Seller shall sell to each Eligible Offeree with full title guarantee free from all encumbrances and third party interests, the Sale Shares the subject of such Eligible Offeree’s Final Allocation at the Sale Price per Sale Share and:

- (a) the Seller shall deliver a duly executed instrument of transfer in respect of such Sale Shares to the relevant Eligible Offeree (or to the Company to be received on trust for such Eligible Offeree) together with the share certificate in respect thereof (or an indemnity in lieu of lost or destroyed certificates in a form reasonably satisfactory to the Board); and
- (b) such Eligible Offeree shall pay to the Seller (or to the Company to be received on trust for the Seller) the aggregate price payable at the Sale Price in respect of the Sale Shares to be so purchased by the Eligible Offeree.

13.3.4 If any Seller defaults in complying with its obligations under article 13.3.3 then the Company may authorise some person to execute transfers, and (where applicable) any indemnity in respect of any lost or destroyed share certificate, on behalf of the relevant Seller and deliver the same to the relevant Eligible Offeree(s) entitled thereto.

13.4 **Sale to Proposed Buyer(s)**

13.4.1 Conditional on the Seller’s compliance with articles 13.3 and 15, to the extent that any Sale Shares are not the subject of the Final Allocations for transfer to Eligible Offerees (“**Unallocated Shares**”), the Seller shall be entitled during the period of 50 Business Days subsequent to the date of the Allocations Notice to transfer those Unallocated Shares to the Proposed Buyer(s) named in the Transfer Notice (or an Affiliate thereof) (or such other person(s) as may be approved by Investor Approval).

13.4.2 Any transfer of Unallocated Shares pursuant to article 13.4.1 must:

- (a) be made at a price per Share not less than the Sale Price (subject to any re-allocation of such consideration in accordance with article 7.3 in the event of a Share Sale); and

- (b) be a transfer of all the Unallocated Shares if the Transfer Notice was subject to a Total Transfer Condition.
- 13.4.3 article 13.4.1 shall not apply in respect of Sale Shares the subject of a Compulsory Transfer Notice.
- 13.5 **Company's re-purchase of Leaver's Shares**
 - 13.5.1 In respect of any Shares which are held by a Leaver (or a Permitted Transferee or Associate of a Leaver) which are the subject of a Compulsory Transfer Notice, if so determined by the Board (with Investor Director Approval), the Company may (notwithstanding any provision of articles 13.2, 13.3 and/or 13.4 to the contrary):
 - (a) subject to the Act, re-purchase any such Shares ("**Re-purchase Shares**") at the applicable Sale Price (whereupon such Shares shall be cancelled) and the Company shall have no obligation to offer any such Re-purchase Shares to Eligible Offerees pursuant to article 13.2; or
 - (b) designate such person(s) as the Board may determine to be the Eligible Offerees (whether or not such person(s) are Shareholders) and the Final Allocation of Sale Shares to be offered to each such Eligible Offeree, provided that any such Eligible Offeree is:
 - (i) a director or employee of, or a consultant to, the Company or any other member of the Company's Group; or
 - (ii) an Associate of any person within (i) as aforesaid; or
 - (iii) a trustee or nominee who shall hold such Sale Shares on behalf of any person(s) (or class of present and/or future person(s) whether or not then identifiable) within (i) as aforesaid.
 - 13.5.2 Where article 13.5.1(a) applies, the Company shall notify the Seller of any proposed re-purchase of Shares pursuant to article 13.5.1(a) and the date such re-purchase shall be made and on which date the Seller shall sell with full title guarantee free from all encumbrances and third party interests the Re-purchase Shares to the Company at the Sale Price per share and:
 - (a) the Seller shall deliver a duly executed instrument of transfer in respect of such Re-purchase Shares to the Company together with the share certificate in respect thereof (or an indemnity in a form approved by the Board in respect of any lost or destroyed certificate); and
 - (b) the Company shall pay to the Seller the aggregate price payable at the Sale Price in respect of the Re-purchase Shares to be so re-purchased.
 - 13.5.3 If the Seller defaults in complying with its obligations under article 13.5.2 then the Board may authorise some person to execute transfers, and (where applicable) any indemnity in respect of any missing share certificate, on behalf of the Seller and deliver the same to the Company.

14. COMPULSORY TRANSFERS

14.1 Compulsory Transfer Events

14.1.1 For the purposes of these Articles, a Compulsory Transfer Event shall occur in relation to a Holder, if that Holder:

- (a) makes any proposal for a composition in satisfaction of his debts, or a scheme of arrangement of his affairs, or makes any arrangement or compromise with his creditors generally or has a bankruptcy order made against him, or is subject to any order or resolution for the commencement of any winding-up, administration, liquidation or dissolution (or is otherwise subject to any event analogous to any of the foregoing in any jurisdiction);
- (b) dies (if an individual) (other than to the extent such Shares are (or will be) transferred by the deceased's estate to persons who (immediately prior to the deceased's death) were Permitted Transferee(s) of the deceased);
- (c) is an individual, and by reason of his mental health he becomes the subject of an order of the court (or applicable law) which wholly or partly prevents him from personally exercising the powers or rights he may otherwise have in his capacity as a Holder of Shares;
- (d) is an undertaking (other than an undertaking which the Company and the Investors (acting by way of an Investor Approval obtained in writing) have agreed to be exempt from the provisions of this article 14.1.1(d)), and it (or its parent undertaking) is subject to a change of Control (save where the person(s) so acquiring Control were Permitted Transferee(s) of the Holder prior to such change of Control); or
- (e) is a nominee or trustee, and if:
 - (i) any person holding any beneficial interest in the Shares so held by such Holder is subject to a Compulsory Transfer Event (or would be if such person were himself the Holder); or
 - (ii) any person acquires any beneficial interest in the Shares so held by such Holder in breach of article 10.1.

14.1.2 If a person becomes a Leaver (or notice is given, or received, pursuant to which he will become a Leaver) then a Compulsory Transfer Event shall occur in respect of such person (other than in respect of any Ordinary Shares held by that person at the Commencement Date and any Ordinary Shares held as a result of the valid exercise of options granted from the Option Pool) and, if and to the extent so determined by the Board (with Investor Director Approval), his Permitted Transferees and Associates.

14.1.3 Where any person has been (or was liable to have been) the subject of a Compulsory Transfer Event, if such person thereby ceases to hold (or does not otherwise hold) any interest in issued Shares, then if such person subsequently acquires any interest in any Shares a Compulsory Transfer Notice may, if so determined by the Board (with Investor Director Approval), be served on the Holder thereof in respect of such Shares.

14.1.4 If a Compulsory Transfer Event occurs in respect of any Holder, then such Holder shall promptly notify the Board in writing of such occurrence (and shall provide such further information in relation thereto as the Board may reasonably request).

14.2 Compulsory Transfer Notices

14.2.1 If any Holder is the subject of a Compulsory Transfer Event:

- (a) under article 14.1.1(a) a Transfer Notice (a “**Compulsory Transfer Notice**”) shall be deemed to be served on the date of the event referred to there;
- (b) under articles 14.1.1(b) to 14.1.1(e) the Board may (with Investor Approval obtained in writing) require that a Compulsory Transfer Notice be served:
 - (i) where the Compulsory Transfer Event arises under any of articles 14.1.1(a) to 14.1.1(d), then in respect of all of the Shares held by the relevant Holder;
 - (ii) where the Compulsory Transfer Event arises under article 14.1.1(e), then in respect of such number of Shares as the relevant Holder shall evidence in writing to the reasonable satisfaction of the Board as being beneficially held for any person(s) within the scope of:
 - (1) article 14.1.1(e)(i) (but excluding Shares which would be Retained Shares if article 14.2.1(b)(iii)(2) would apply if the person beneficially entitled to such Shares were the Holder); and/or
 - (2) article 14.1.1(e)(ii),and if such evidence is not so provided by such Holder then all (or such lesser proportion may be determined by the Board (with Investor Director Approval)) of the Shares held by the relevant Holder;
 - (iii) where the Compulsory Transfer Event arises under article 14.1.2, then:
 - (1) if the relevant Leaver is a Bad Leaver, then in respect of all Shares (other than in respect of any Ordinary Shares held by that person at the Commencement Date and any Ordinary Shares held as result of a valid exercise of options granted from the Option Pool) held by the Leaver and his Permitted Transferees and Associates; and
 - (2) if the relevant Leaver is not a Bad Leaver, then in respect of:
 - (aa) all Shares (other than in respect of any Ordinary Shares held by that person at the Commencement Date and any Ordinary Shares held as result of a valid exercise of options granted from the Option Pool) (other than Retained Shares) held by the Leaver; and
 - (bb) such Shares (other than in respect of any Ordinary Shares held by that person at the Commencement Date and any Ordinary Shares held as result of a valid exercise of options granted from the Option Pool) (other than

Retained Shares) held by such Leaver's Permitted Transferees and Associates as the Board may in each case so determine (with Investor Director Approval).

- 14.2.2 A Compulsory Transfer Notice shall be deemed served (whether or not actually served by the relevant Holder) on the date the Board requires such notice to be served in accordance with article 14.2.1.
- 14.2.3 A Compulsory Transfer Notice may only be revoked by the Board (acting with Investor Director Approval).
- 14.2.4 The provisions of article 14.2.1. shall be subject to any agreement to the contrary made by the Company in accordance with article 14.2.5.
- 14.2.5 If so approved by the Board (acting with Investor Director Approval) the Company may (in its discretion) agree in writing that a Compulsory Transfer Notice shall not apply in respect of some (or all) of those Shares as would (but for this article 14.2.4) otherwise be the subject of a Compulsory Transfer Notice as determined in accordance with article 14.2.1.

14.3 **Market Value and Leaver Sale Price**

14.3.1 The “**Market Value**” of any Shares shall be:

- (a) such price as may be agreed in writing between the Holder thereof and the Board (with Investor Director Approval); or
- (b) in the absence of such agreement under article 14.3.1(a) such price as the Board (acting reasonably and in good faith and with Investor Director Approval) shall determine and notify to such Holder in writing,

save that if, within the period of five Business Days following notification of the Board's determination of Market Value pursuant to article 14.3.1(b), the relevant Holder gives written notice to the Company of his objection to such determination, then the Market Value shall instead (unless otherwise agreed in writing between such Holder and the Board) be such value as an Independent Expert shall certify to be in his opinion the market value thereof (as at the date of his certificate). In arriving at his opinion the Independent Expert will value the Shares on a going concern basis and assume an unrestricted sale between a willing seller and a willing buyer (ignoring any reduction or increase in value which may be ascribed to any Shares by virtue of the fact that they may represent a minority or majority interest) and the Independent Expert may choose to consider (or not consider) any further matters as the Independent Expert may in his sole discretion decide. The fees and expenses of the Independent Expert shall be payable by the Company and/or the Holder of such Shares in such proportion as the Independent Expert may so determine and notify to the Company (and, to the extent payable by the relevant Holder, the Company may apply any consideration for the sale of such Shares received by the Company on behalf of the Holder in satisfaction any such obligation of the Holder to pay towards that part of the Independent Expert's fees so payable by the Holder).

- 14.3.2 Where a Leaver is a Bad Leaver the Sale Price of each Share the subject of a Compulsory Transfer Notice deemed served by such Bad Leaver (and each of his Permitted Transferees and Associates) shall be the lesser of:
- (a) the Subscription Price paid in respect of the relevant Share; or
 - (b) the Market Value of the relevant Share.
- 14.3.3 Where a Leaver is not a Bad Leaver the Sale Price of each Share (other than a Retained Share) the subject of a Compulsory Transfer Notice deemed served by such Leaver (and, to the extent so determined by the Board (with Investor Director Approval), each of his Permitted Transferees and Associates) shall be the greater of:
- (a) the Subscription Price paid in respect of the relevant Share; or
 - (b) the Market Value of the relevant Share.
- 14.3.4 The determination of the Sale Price of any Share in accordance with this article 14.3 shall be final and binding on all persons.

14.4 Retained Shares

- 14.4.1 In respect of any Leaver (or, if so determined by the Board (with Investor Director Approval), any Permitted Transferee or Associate of such Leaver), unless the relevant Leaver is a Bad Leaver, a proportion of the Shares held by such person (other than, for the avoidance of doubt, any Ordinary Shares held by persons at the Commencement Date and any Ordinary Shares held as a result of the valid exercise of options granted from the Option Pool) shall be designated “**Retained Shares**”. The applicable proportion shall be determined as follows by reference to the date on which the relevant Leaver first became a Leaver:

Date on which the relevant Leaver first became a Leaver	Applicable proportion of the Shares to which the relevant Date of Acquisition relates
(a) prior to the first anniversary of the Date of Acquisition	Nil
(b) on the first anniversary of the Date of Acquisition	25%
(c) after the first anniversary of the Date of Acquisition	the Monthly Proportion per month elapsed subsequent to the first anniversary of the Date of Acquisition

(i.e., such that at the end of the Vesting Period the applicable proportion is 100 per cent).

- 14.4.2 Where a Leaver (and/or his Permitted Transferees and Associates) hold different classes of Share and/or such Shares are subject to different Dates of Acquisition, then the applicable proportion of such Shares shall be severally determined and applied in accordance with article 14.4.1 in respect of each such class of Share acquired on each such Date of Acquisition.
- 14.4.3 Retained Shares shall not constitute a separate class of share.

- 14.4.4 Where Shares held by a Permitted Transferee or Associate of a Leaver are to be designated Retained Shares, then the applicable proportion shall be by reference to such Shares (which may be some or all of the Shares held by such Holder) as the Board shall determine to be held by such Holder in connection with its being a Permitted Transferee or Associate of such Leaver.
- 14.4.5 Notwithstanding the provisions of article 14.1.1, if so determined by the Board with Investor Approval in writing, any Shares may be designated as Retained Shares in accordance with such dates and/or applicable proportions or on any other basis agreed in writing between the Company and the relevant Holder.

15. TAG RIGHT

In the event that a proposed transfer (or series of connected transfers) of any interest in any Share (except in accordance with article 11 (*Transfers with Investor Approval*), article 12 (*Permitted Transfers*), article 16 (*Drag Rights*) or in acceptance of an offer made pursuant to this article 15 (*Tag Rights*)) would result in any person thereby acquiring a Controlling Interest in the Company, then such transfer may not be made unless the proposed transferee (or his or nominee) has first made an offer to all Shareholders to purchase the entire issued Share capital of the Company at the Sale Consideration Price applicable in respect of each Share (which offer shall remain open for acceptances for at least 5 Business Days and not more than 15 Business Days).

16. DRAG RIGHTS

16.1 Scope and application of Drag Rights

- 16.1.1 If the terms of an agreement, offer or other arrangement (a “**Transfer Agreement**”) are accepted in writing by the Investor Majority and such Transfer Agreement provides for a sale or transfer of Shares to be made such that the transferee (the “**Purchaser**”) (together with all persons (if any) acting in concert (within the meaning given in the City Code on Takeovers and Mergers) with such transferee) proposes to acquire the entire issued Share capital of the Company at the applicable Sale Consideration Price per Share then:
- (a) the Investor Majority who have accepted such Transfer Agreement may (with the consent of the Purchaser) give notice of the proposed Transfer Agreement to each other holder of Shares (a “**Non-accepting Seller**”) requesting that such Non-accepting Seller accept the terms thereof in respect of all Relevant Securities which he may hold (or thereafter acquire) and which are proposed to be acquired by the Purchaser pursuant to the Transfer Agreement (“**Dragged Interests**”), and if such Non-accepting Seller does not within 10 Business Days of such notice accept the Transfer Agreement in accordance with its terms in respect of all his Dragged Interests, such Non-accepting Seller shall in any event be deemed:
 - (i) to have irrevocably consented to, and waived any pre-emption rights he may have in relation to, any transfer or issue of any Relevant Securities in connection with the proposed acquisition by the Purchaser;
 - (ii) on the date for the sale and purchase of such Dragged Interests in accordance with the terms of the Transfer Agreement, to transfer to the Purchaser with full title guarantee free from all encumbrances

and third party interests the Dragged Interests for the consideration (if any) payable in respect thereof pursuant to the terms of the Transfer Agreement provided it is equal to the applicable Sale Consideration Price per Share; and

(iii) to be bound by the further terms and conditions of the Transfer Agreement applicable to the Non-accepting Seller to the maximum extent permitted by applicable laws; and

(b) if any Non-accepting Seller fails to deliver executed form(s) of acceptance, transfer form(s), certificate(s) (or an indemnity in lieu of lost or destroyed certificates in a form reasonably satisfactory to the Board), any notice(s) of exercise or waiver of any right(s), and/or any other document(s), in each case concerning any Dragged Interests and as may be necessary or desirable (as determined by the Board) in connection with the transactions the subject of the Transfer Agreement, then such person shall be deemed to have appointed any director of the Company to be his agent and attorney (to the extent permitted by law) to approve, agree, execute and deliver any or all of the foregoing on his behalf and to deliver the same to the Purchaser. It shall be no impediment to completion of the transfer of any Dragged Interests that any certificate in respect thereof has not been produced.

16.1.2 The Company (or its nominee) may receive, and give good receipt for, any consideration payable to any Non-accepting Seller, which consideration shall be held by the Company (or its nominee) for the benefit of such Non-accepting Seller. The Company shall be entitled to be paid from such consideration any amount otherwise due and payable by the Non-accepting Seller to any member of the Company's Group (including, without limitation, any payments due in connection with the exercise of any option to acquire Shares). The payment of the remaining balance of such consideration due to the Non-accepting Seller may, in the sole discretion of the Board, be withheld pending any ratification by the Non-accepting Seller of the sale and transfer of Dragged Interests to the Purchaser and/or any act undertaken on behalf of (or deemed to be undertaken by) such Non-accepting Seller pursuant to this article 16 and/or such Non-accepting Seller's express written agreement (in a form acceptable to the Board) to be bound by the terms of the Transfer Agreement applicable to the Non-accepting Seller.

16.1.3 After the Purchaser (or his nominee) has been registered by the Company as the holder of any Dragged Interests transferred in accordance with this article 16 the validity of such transaction shall not be questioned by any person.

17. PRIMACY OF TAG RIGHTS AND DRAG RIGHTS

Save as expressly provided in these Articles, all further provisions of the Articles and all other regulations of the Company relating to the transfer of Shares and the rights to registration of transfers shall be read subject to the provisions of articles 15 and 16.

18. CO-SALE RIGHT

18.1 No transfer (other than a Permitted Transfer) of any of the Shares may be made or validly registered if it is in respect of more than 10 per cent (10%) of the Shares (excluding Treasury Shares) unless the relevant Shareholder and any Permitted Transferee of that Shareholder (each a "Co-Sale Selling Shareholder") shall have observed the following procedures of this Article.

18.2 After the Co-Sale Selling Shareholder has gone through the pre-emption process set out in article 13, the Co-Sale Selling Shareholder shall give to each holder of Shares (an “**Equity Holder**”) not less than 15 Business Days’ notice in advance of the proposed sale (a “**Co-Sale Notice**”). The Co-Sale Notice shall specify:

18.2.1 the identity of the proposed purchaser (the “**Buyer**”);

18.2.2 the price per share which the Buyer is proposing to pay;

18.2.3 the manner in which the consideration is to be paid;

18.2.4 the number of Shares which the Co-Sale Selling Shareholder proposes to sell; and

18.2.5 the address where the counter-notice should be sent.

For the purposes of this article 18, it is acknowledged that Shares of different classes will be transferable at different prices, such price per class of Share per class of Share being a sum equal to that to which they would be entitled if the consideration payable by the Buyer to the Co-Sale Selling Shareholder were used to determine the valuation of the entire issued share capital of the Company and such valuation was then allocated as between the Shares in accordance with article 7.

18.3 Each Equity Holder shall be entitled within 5 Business Days after receipt of the Co-Sale Notice, to notify the Co-Sale Selling Shareholder that they wish to sell a certain number of Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Shares which such Equity Holder wishes to sell. The maximum number of shares which an Equity Holder can sell under this procedure shall be:

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

where:

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

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

Z is the number of Equity Shares the Co-Sale Selling Shareholder proposes to sell.

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

18.4 Following the expiry of 5 Business Days from the date the Equity Holders receive the Co-Sale Notice, the Co-Sale Selling Shareholder shall be entitled to sell to the Buyer on the terms notified to the Equity Holders a number of shares not exceeding the number specified in the Co-Sale Notice less any shares which Equity Holders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Equity Holders the number of shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Co-Sale Selling Shareholder from the Buyer.

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

18.6 Sales made in accordance with this article 18 shall not be subject to article 13.

DIRECTORS

19. NUMBER OF DIRECTORS

The number of Directors shall be not more than seven.

20. DIRECTORS' CONFLICTS OF INTEREST

20.1 Subject to the provisions of the Act and provided that the relevant director has disclosed to the Board the nature and extent of any relevant material interest, a director notwithstanding their office:

- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in relation to which the Company is in any way interested;
- (b) may be a director or other officer of, or employed or engaged by, or be a party to any transaction or arrangement with, or otherwise interested in any undertaking promoted by, the Company or any undertaking in which the Company is in any way interested;
- (c) may (and any undertaking of which he is a partner, member or director may) act in a professional capacity for the Company or any undertaking in which the Company is in any way interested;
- (d) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment, or from any such transaction or arrangement, or from any interest in any such undertaking, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (e) shall be entitled to vote and be counted in the quorum in relation to any matter concerning the foregoing paragraphs of this article 20.1.

20.2 For the purposes of this article 20:

- (a) a general notice to the Board that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;
- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect such director to have knowledge shall not be treated as an interest of such director; and
- (c) an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of such alternate directors appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

20.3 Subject to articles 20.1 and 20.2, if a question arises as to the right of a director to participate in any meeting (or part of any meeting) for voting or quorum purposes, the question may be referred to the chairman of the meeting (or, where the question concerns the right of the chairman to participate, to the other members of the meeting who shall decide upon such matter by simple majority) and whose ruling in relation thereto shall be final and conclusive.

- 20.4 The directors may authorise conflicts of interest in accordance with section 175 of the Act. Without prejudice to any other provision of these Articles, in exercising their powers to so authorise conflicts of interest contained in section 175 of the Act, each such authorisation may be granted on such terms as the Board (excluding the conflicted director) may determine, including (without limitation) the imposition on the conflicted director of obligations of confidentiality, exclusion from meetings of the directors at which matters relating to the conflict are to be discussed, exclusion from voting on matters relating to the conflict or the release of the conflicted director from any obligation to make available to the Company information imparted to him by, or obtained by him from, any party to whom he owes any relevant conflicting duty and every such authorisation may be withdrawn at any time by a resolution of the Board (excluding the conflicted director).

21. APPOINTMENT OF DIRECTORS

21.1 Investor Directors

- 21.1.1 DDF shall be entitled to appoint and maintain in office such natural person as DDF may from time to time nominate as Director (the “**DDF Director**”) to act as a Director of the Company (and as a member of each and any committee of the Board) and to remove from office any person so appointed and, upon such person’s removal whether by DDF or otherwise, to appoint another person in his/her place.
- 21.1.2 Takeda shall be entitled to appoint and maintain in office such natural person as Takeda may from time to time nominate as Director (the “**Takeda Director**”) to act as a Director of the Company (and as a member of each and any committee of the Board) and to remove from office and person so appointed and, upon such person’s removal whether by Takeda or otherwise, to appoint another person in his/her place.
- 21.1.3 Appointment and removal of the DDF Director and the Takeda Director shall be made by written notice to the Company signed by or on behalf of DDF or Takeda (as applicable) which notice shall take effect on delivery at the registered office or at any meeting of the Board.
- 21.1.4 The Investor Directors shall have the right to receive notice of, and to attend, all meetings of directors (and the meetings of any sub-committee(s) of the directors) of each member of the Company’s Group (whether in person, by telephone or otherwise). The Company will procure the provision to the Investor Directors concurrently with the relevant directors/committee members, and in the same manner, notice of such meetings and a copy of all materials provided to such persons.
- 21.1.5 Save as may otherwise be agreed in writing by the Company and the Investors, the Investor Directors shall be non-executive directors and no fee or other remuneration shall be payable by the Company’s Group in respect of the services of the Investor Directors.

21.2 CEO Director

- 21.2.1 The Shareholders shall procure that the chief executive officer of the Company from time to time shall be appointed as a director of the Company (provided he or she consents to act in such capacity) (the “**CEO Director**”). Upon any person appointed as the CEO Director pursuant to this article 21.2.1 ceasing to hold office as the CEO, such person shall be deemed to have resigned as a Director with immediate effect.

21.3 **Ordinary Directors**

- 21.3.1 The holders of Ordinary Shares (acting by way of an Ordinary Majority) shall be entitled to appoint and maintain in office one natural person as they may from time to time collectively nominate as Director of the Company (the “**Ordinary Director**”); and to remove any person so appointed and upon such persons removal (whether by the Ordinary Majority or otherwise) to appoint another person in his/her place.
- 21.3.2 Appointment and removal of an Ordinary Director shall be by written notice to the Company signed by or on behalf the holders of Ordinary Shares (acting by way of an Ordinary Majority), which notice shall take effect on delivery at the registered office or at any meeting of the Board.

21.4 **Independent Directors**

- 21.4.1 The Board shall have the right to nominate two natural persons with relevant industry experience and not otherwise being affiliated with the Company, any Founder or any of the Investors to act as a Director of the Company (each an “**Independent Director**”), provided that the appointment of any person as Independent Director shall be subject to the approval of the Investors (acting by way of an Investor Director Approval).
- 21.4.2 Subject to the approval of the Investors in accordance with article 21.4.1, appointment of an Independent Director shall take effect upon a resolution being passed by the Board to that effect.
- 21.4.3 Removal of an Independent Director shall take effect upon a resolution being passed by the Board to that effect.

21.5 **Chair**

- 21.5.1 The Board will appoint an independent candidate to act as chairperson of the Board (the “**Chair**”) within 180 days of the Adoption Date, unless otherwise agreed by the Board, and may replace such Chair with a different candidate approved by the Board.
- 21.5.2 If there is no Chair in office for the time being, or the Chair is unable to attend any meeting of the Board, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chair of the meeting must be the first business of the meeting.
- 21.5.3 The Chair will not have a casting vote unless the number of Directors present at any meeting is of an even number.

21.6 **Directors’ meetings**

- 21.6.1 Meetings of the Board shall be held (either in person or virtually) as often as may be necessary but not less than five times every calendar year (or with such other frequency as the Board (with Investor Director Approval) may determine).
- 21.6.2 The Company shall send to every Director (in electronic form if so required):
- (a) reasonable advance notice of each meeting of the Board (being not less than one week) and each committee of the Board of which such Director is a member, such notice to be accompanied by a written agenda specifying the business to be discussed at such meeting;

- (b) all relevant papers and reporting information at least two (2) Business Days before each meeting of the Board (or committee of the Board) (the “**Board Papers**”); and
 - (c) as soon as practicable after each meeting of the Board (or committee of the Board) a copy of the minutes thereof.
- 21.6.3 The format of the Board Papers has been agreed by a decision of the Directors and may be amended from time to time with the consent of the Board. Unless the Board decides otherwise in accordance with this article 21.6.3, the Board Papers shall include copies of the latest management accounts and cash flow statements of the Company for the preceding quarter.
- 21.6.4 A Director may waive any breach of article 21.6.2 insofar as it concerns any failure by the Company to provide any such notice or minutes to such Director.
- 21.6.5 Subject to article 21.6.6, the quorum for the transaction of the business of the Board shall be any five Directors (including any two of the Investor Directors (if appointed) and the CEO Director (if appointed)) provided that an Investor Director shall not be required to constitute one of the quorum if such Investor Director has waived the requirement for him to be present. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 21.6.6 Where a meeting of the Board is convened and notice of such meeting was given in accordance with article 21.6.2, if a quorum for the transaction of business at such meeting (as required by article 21.6.5) is not present by reason of the absence of any Directors, then such meeting may be re-convened and, provided that notice of such re-convened meeting is given in accordance with article 21.6.2, the quorum for the re-convened meeting shall be any three Directors (including at least one Investor Director) and article 21.6.5 shall not apply in respect of such re-convened meeting and instead only any one Investor Director shall be required.

21.7 **Observers**

- 21.7.1 For so long as an Investor (and/or its Permitted Transferees) holds Shares then it shall have the right to appoint a representative to attend as an observer (an “**Observer**”) at each and any meeting of the Board and of each committee of the Board who will be entitled to speak at such meetings but will not be entitled to vote.
- 21.7.2 Appointment and removal of an Observer shall be by written notice to the Company signed by or on behalf of the relevant Investor appointing such Observer, which notice shall take effect on delivery at the registered office or at any meeting of the Board.
- 21.7.3 The holders of the Ordinary Shares (acting by way of an Ordinary Majority) shall have the right to appoint a representative to attend as an observer (the “**Ordinary Observer**”) at each and any meeting of the Board and of each committee of the Board who will be entitled to speak at such meetings but will not be entitled to vote.
- 21.7.4 Appointment and removal of the Ordinary Observer shall be by written notice to the Company signed by or on behalf of the holders of a majority of the Ordinary Shares, which notice shall take effect on delivery at the registered office or at any meeting of the Board.
- 21.7.5 The Company will procure the provision to each Observer, concurrently with the relevant directors/committee members and in the same manner, notice of all such

meetings which the Observer is entitled to attend and a copy of all materials provided to such directors/committee members in connection with such meeting (including, for the avoidance of doubt, the Board Papers).

22. REMOVAL OF DIRECTORS

22.1 The office of a director shall be vacated if:

- (a) he resigns by written notice delivered to the Company or tendered (whether or not in writing) at a meeting of the Board or to the chairman of the Board;
- (b) he ceases to be a director by virtue of a provision of the Act, is removed from office pursuant to the Articles or becomes prohibited by law from being a director;
- (c) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated);
- (d) he has a bankruptcy order made against him;
- (e) a composition or arrangement is made with his creditors generally;
- (f) a registered medical practitioner who is treating him gives a written opinion that he has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
- (g) not being an Investor Director, he shall be removed from office by notice in writing served upon him signed by all of his co-directors (such number of co-directors being not less than two).

MISCELLANEOUS

23. INDEMNITY

23.1 **Directors and secretaries may be indemnified subject to the statutes**

Subject to the term of the Act and without prejudice to any indemnity which any person referred to in this article 23.1 may otherwise be entitled, every present and former director, alternate director and secretary of the Company (each an “**Indemnified Person**”) shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him to any person(s) other than the Company or any company associated with the Company (within the meaning of section 256 of the Act) in the execution and discharge of his duties to the Company and/or any company associated with the Company (within the meaning of section 256 of the Act) including any liability incurred by any Indemnified Person to any person(s) other than the Company or any company associated with the Company (within the meaning of section 256 of the Act) in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or any company associated with the Company (within the meaning of section 256 of the Act) provided that the indemnity set out in this article 23.1 shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled and further, in no event shall any Indemnified Person be entitled to any indemnity against:

- (a) any liability incurred by him to the Company or any company associated with the Company (within the meaning of section 256 of the Act);
- (b) any liability incurred by him to pay any fine imposed in any criminal proceedings;

- (c) any liability incurred by him to pay any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising);
- (d) any liability incurred by him in defending any criminal proceedings in which he has been convicted and such conviction has become final;
- (e) any liability incurred by him in defending any civil proceedings brought by the Company or any company associated within the Company (within the meaning of section 256 of the Act) in which a final judgement has been given against him; nor
- (f) any liability incurred by him in connection with any application under sections 661(3) or (4) of the Act or section 1157 of the Act where in either such case the court refuses to grant him relief and such refusal has become final.

23.2 **Power to provide funds**

The Company may provide funds (either directly or indirectly) to any Indemnified Person to meet expenditure incurred or to be incurred by him in proceedings (whether civil or criminal) brought by any person which relate to anything done or omitted, or alleged to be done or omitted, by him as an officer or employee of the Company or any company associated with the Company (within the meaning of section 256 of the Act) provided that he will be obliged to repay such funds no later than:

- (a) in the event that he is convicted in criminal proceedings, the date when the conviction becomes final;
- (b) in the event of judgement being given against him in civil proceedings, the date when the judgement becomes final (except that such funds need not be repaid to the extent that the expenditure to which the funds were applied is recoverable under article 23.1); or
- (c) in the event that the court refuses to grant him relief on any application under sections 661(3) or (4) of the Act or section 1157 of the Act, the date when the refusal becomes final.

23.3 **Power to purchase and maintain insurance**

Without prejudice to the provisions of article 23.1, the Company shall have power to purchase and maintain, at the cost of the Company, insurance for, or for the benefit of, any persons who are or were at any time directors, officers (excluding auditors) or employees (but not advisers) of the Company, or of any other company associated with the company (within the meaning of section 256 of the Act) (an “**Insured Person**”). Such insurance may cover any liability of the Insured Person in connection with any negligence, default, breach of duty or breach of trust by him in relation to any such company as aforesaid or otherwise in connection with his duties powers or office.