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SC562529

THE COMPANIES ACT 2006 PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
of  
PAYSEND GROUP LIMITED



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Company number SC562529

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

PAYSEND GROUP LIMITED

(Adopted by special resolution passed on 26 March 2021)

## INTRODUCTION

### 1. Interpretation

1.1 The following definitions and rules of interpretation apply in these Articles:

<b>"Act"</b>	means the Companies Act 2006.
<b>"acting in concert"</b>	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended).
<b>"Adoption Date"</b>	means the date of adoption of these Articles.
<b>"Articles"</b>	means the Company's articles of association for the time being in force.
<b>"Available Profits"</b>	means profits available for distribution within the meaning of part 23 of the Act.
<b>"Bad Leaver"</b>	in relation to any series of Growth Ordinary Shares, shall have the meaning given in the subscription agreement under which the Shareholder subscribed for those Growth Ordinary Shares.
<b>"Board"</b>	means the board of Directors and any committee of the board of Directors constituted for the purpose of taking any action or decision contemplated by these Articles.
<b>"Business Day"</b>	means a day other than a Saturday, Sunday or public holiday in England when banks in London, Edinburgh and Luxembourg, the Grand Duchy of Luxembourg are open for business.
<b>"Called Shares"</b>	has the meaning given to it in Article 27.2(a).
<b>"Chairman"</b>	has the meaning given to it in Article 7.11.
<b>"Company"</b>	means Paysend Group Limited (Company number SC562529).
<b>"Company's Lien"</b>	has the meaning given to it in Article 32.1.
<b>"connected"</b>	has the meaning given in section 252 of the Act.
<b>"Controlling Interest"</b>	means an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.

<b>"Deemed Transfer Notice"</b>	means a Transfer Notice which is deemed to have been served by any of the provisions of these Articles.
<b>"Deferred Shares"</b>	means the deferred shares of £0.01 each in the capital of the Company having the rights attaching to them as set out in Article 11.
<b>"Directors"</b>	means the directors of the Company from time to time (and Director shall mean any one of them).
<b>"Disposal"</b>	means the disposal by the Company of all, or a substantial part of, its business and assets.
<b>"Distribution Preference"</b>	has the meaning given in Article 16.2.1(a)(i);
<b>"Eligible Director"</b>	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).
<b>"Equity Shares"</b>	means the Preferred Shares and the Ordinary Shares and excluding, for the avoidance of doubt, the Deferred Shares and the Growth Ordinary Shares.
<b>"Exit"</b>	means a Share Sale, a Disposal, or a Listing.
<b>"Exit Proceeds"</b>	means: <ul style="list-style-type: none"> <li>(a) the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares on a Share Sale, less any fees, costs and expenses payable in connection with the Share Sale as approved by an Investor Majority, or</li> <li>(b) the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders on a Disposal less any fees, costs and expenses payable in connection with the Disposal as approved by an Investor Majority.</li> </ul>
<b>"Fair Value"</b>	has the meaning given in Article 24.2.
<b>"Family Trust"</b>	means as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons).

<b>"Financial Year"</b>	means an accounting reference period (as defined in section 391 of the Act) of the Company.
<b>"First Offer Shareholders"</b>	means in respect of: (a) an offer of Preferred Shares, the holders of Preferred Shares; and (b) an offer of Ordinary Shares, the Company.
<b>"Founders"</b>	means Abdul Abdulkerimov and Ronald Millar.
<b>"Founder Directors"</b>	means the Directors appointed by the Founders in accordance with Article 7.7.
<b>"Founder Incident"</b>	means whilst Abdul Abdulkerimov and/or his affiliates (which shall include, without limitation, Digital Space Ventures S.C.Sp, Olenice Investment Limited and their respective Permitted Transferees) remains a shareholder in the Company, Abdul Abdulkerimov dies or becomes critically ill (as certified by a medical professional appointed by the Company).
<b>"Fund Manager"</b>	means a person whose principal business is to make, manage or advise upon investments in securities.
<b>"Group"</b>	means the Company and any subsidiary of the Company from time to time and "Group Company" shall be construed accordingly.
<b>"Good Leaver"</b>	in relation to any series of Growth Ordinary Shares, shall have the meaning given in the subscription agreement under which the Shareholder subscribed for those Growth Ordinary Shares.
<b>"Growth Ordinary Shares"</b>	growth ordinary shares of £0.0001 each in the capital of the Company.
<b>"Hurdle Amount"</b>	means, in respect of any series of Growth Ordinary Shares, the Hurdle Amount set out in the subscription agreement(s) under which the Shareholder(s) subscribed for those Growth Ordinary Shares.
<b>"Independent Expert"</b>	means the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller (or, for the purposes of article 18.4, appointed with Investor Majority Consent) or, in the absence of agreement between the Company and the Seller (with Investor Majority Consent, as the case may be) on the identity of the expert within 5 Business Days of the expiry of the 10 Business Day period referred to in Article 24.1, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of Scotland (in each case acting as an expert and not as an arbitrator).

<b>"Investor(s)"</b>	has the meaning as set out in the Shareholders' Agreement.
<b>"Investor Directors"</b>	means the Series A Investor Directors and the Series B Investor Director, as defined in, and appointed from time to time in accordance with, Articles 7.1, 7.3 and 7.5 (and each an <b>"Investor Director"</b> respectively).
<b>"Investor Majority"</b>	means the holders of more than 60% of the Preferred Shares.
<b>"Investor Majority Consent"</b>	means the prior consent of the Investor Majority.
<b>"Issue Price"</b>	means in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium provided that the Issue Price of any Anti-Dilution Shares shall be deemed to be par value.
<b>"Leaver"</b>	a Shareholder after their Termination Date, who does not continue as an employee, consultant, or director of another Group Company.
<b>"Lien Enforcement Notice"</b>	means a notice in writing which complies with the requirements of Article 33.2.
<b>"Listing"</b>	means the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the Financial Conduct Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) of equivalent standing as the foregoing;.
<b>"Member of the Same Group"</b>	means as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company.
<b>"Member of the Same Fund Group"</b>	<p>means if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an Investment Fund) or a nominee of that person:</p> <ul style="list-style-type: none"> <li>(a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);</li> <li>(b) any Investment Fund managed by that Fund Manager or a Fund Manager which is a Member of the Same Group as that Fund Manager;</li> <li>(c) any trustee, nominee or custodian of such Investment Fund and vice versa;</li> <li>(d) the Fund Manager of that Investment Fund or a Fund Manager of any other Investment Fund which is a Member of the Same Fund Group as that Investment Fund (or a nominee of any such Fund Manager) and vice versa; or</li> <li>(e) any Member of the same Group as that Fund Manager.</li> </ul>

<b>"Model Articles"</b>	means the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 ( <i>SI 2008/3229</i> ), as amended prior to the Adoption Date.
<b>"One Peak"</b>	means One Peak Growth II Holdings S.à r.l..
<b>"Ordinary Shares"</b>	means the ordinary shares of £0.0001 each in the capital of the Company.
<b>"Original Shareholder"</b>	has the meaning given in Article 21.1.
<b>"Permitted Transfer"</b>	means a transfer of Shares made in accordance with Article 22.
<b>"Permitted Transferee"</b>	<p>means in relation to:</p> <ul style="list-style-type: none"> <li>(a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust;</li> <li>(b) a Shareholder which is a company, a Member of the Same Group as that company; and</li> <li>(c) an Investor, to (i) a Member of the Same Fund Group as that Investor, or (ii) a Member of the Same Group as that Investor, or (iii) any nominee of that Investor (or of a Member of the Same Fund Group as that Investor), or (iv) to any other Investor;;</li> <li>(d) in relation to Seedrs, as set out at Article 22.8; and</li> <li>(e) in relation to a Seedrs Member to any of his Privileged Relations or the trustee(s) of a Family Trust.</li> </ul>
<b>"Preferred Shares"</b>	means the Series A Shares and the Series B Shares.
<b>"Pre-New Money Valuation"</b>	means the result of multiplying the total number of shares in the Company in issue immediately after the Listing (including without limitation any shares arising from conversion of or reclassification of Equity Shares and Growth Ordinary Shares in connection with the Listing but excluding any new shares issued to investors upon the Listing to raise new money) by the subscription price per share (including any premium) in respect of new shares issued to the public at the time of the Listing.
<b>"Privileged Relation"</b>	means in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue).
<b>"Qualifying Financing"</b>	means the Company issuing fully paid up Equity Shares by way of one or a series of transactions which relate to the same funding round (namely, a series C funding round) resulting in the Company raising net primary cash proceeds in excess of US\$200,000,000 at a price per Equity Share issued of at least \$42.16.
<b>"Qualifying Listing"</b>	means a Listing which produces (i) a net offering price per share of at least \$52.70 (if applicable, adjusted as referred to in Article 19.5); and (ii) net aggregate new money proceeds to the Company of not less than \$200,000,000.

<b>"Relevant Securities"</b>	<p>means any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than:</p> <p>(a) the grant of any options under a Share Option Scheme (and the issue of Shares on the exercise of any such options);</p> <p>(b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the written agreement between the members and the Company dated on or around the Adoption Date;</p> <p>(c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Investor Majority Consent, and</p> <p>(d) any Growth Ordinary Shares.</p>
<b>"Restricted Shares"</b>	has the meaning given in Article 25.5.
<b>"Sale Shares"</b>	has the meaning given in Article 23.2.1.
<b>"Second Offer Shareholders"</b>	<p>means in respect of:</p> <p>(a) an offer of Preferred Shares, the Founders; and</p> <p>(b) an offer of Ordinary Shares, the holders of Preferred Shares.</p>
<b>"Secondary Share Purchase Agreement"</b>	means the share purchase agreement between Harbrook Limited and Marcorp Fintech LLC entered into on or around the Adoption Date.
<b>"Seedrs"</b>	means Seedrs Nominees Limited, a company incorporated in England & Wales with company number 08756825 and having its registered office at Churchill House, 142-146 Old Street, London, England, EC1V 9BW.
<b>"Seedrs Member"</b>	means any member of the Seedrs investor network, including Seedrs and any underlying beneficiaries and their Permitted Transferees holding Shares through Seedrs.
<b>"Seller"</b>	has the meaning given in Article 23.2.
<b>"Series A1 Investor"</b>	means Marcorp Fintech LLC.
<b>"Series A1 Investor Director"</b>	means the Director appointed by the Series A1 Investor in accordance with Article 7.1.
<b>"Series A2 Investor"</b>	means Harbrook Limited.
<b>"Series A2 Investor Director"</b>	means the Director appointed by the Series A2 Investor in accordance with Article 7.3.
<b>"Series A Investor Directors"</b>	means the Series A1 Investor Director and the Series A2 Investor Director.
<b>"Series A Shares"</b>	means the series A preferred shares of £0.0001 each in the capital of the Company and "Series A Shareholder" shall mean the holder of any one of such series A preferred shares.
<b>"Series A Preferred Amount"</b>	has the meaning given to it in Article 15.1.2(a).



<b>"Series A Preferred Shareholder Consent"</b>	means the consent of a simple majority of all holders of Series A Shares, and which majority shall be determined by way of the amount invested (\$USD) in the Company in Series A Shares by such holders of Series A Shares.
<b>"Series A Starting Price"</b>	means \$7.88 per Series A Share (if applicable, adjusted as referred to in Article 19.5).
<b>"Series B Investor Director"</b>	means the Director appointed by One Peak in accordance with Article 7.5.
<b>"Series B Preferred Amount"</b>	has the meaning given to it in Article 15.1.1(a).
<b>"Series B Shares"</b>	means the series B preferred shares of £0.0001 each in the capital of the Company and <b>"Series B Shareholder"</b> shall mean the holder of any one of such series B preferred shares.
<b>"Series B Majority"</b>	means the holders of more than 50% of the Series B Shares.
<b>"Series B Majority Consent"</b>	means prior consent of the Series B Majority.
<b>"Series B Starting Price"</b>	means \$21.08 per Series B Share held by the Subscribing Investors (as defined in the Subscription Agreement) (if applicable, adjusted as referred to in Article 19.5); or \$14.76 per Series B Share held by the Convertible Lenders (as defined in the Subscription Agreement) (if applicable, adjusted as referred to in Article 19.5).
<b>"Shareholder"</b>	means a holder for the time being of any Share or Shares, but excluding any member holding Shares in treasury.
<b>"Shareholders' Agreement"</b>	means the Shareholders' Agreement entered into on or around the Adoption Date by and between the Key Shareholders (as defined therein), the Investors and the Company.
<b>"Share Option Scheme"</b>	means any share option scheme in relation to the Company, the terms of which have been approved by an Investor Majority.
<b>"Shares"</b>	means shares (of any class and including the Growth Ordinary Shares) in the capital of the Company and Share shall be construed accordingly.
<b>"Share Sale"</b>	means the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the shareholders in the buyer and the proportion of shares of the buyer held by each of them following completion of the sale are the same as the Shareholders and their respective shareholdings in the Company immediately before the sale.
<b>"Strategic Investor"</b>	means any non-pure financial investor with experience, market knowledge and contacts in the Business, including any captive venture (or similar) capital arm of a non-financial investor.
<b>"Subscription Agreement"</b>	means the subscription agreement relating to the issuance of Series B Shares between the Company, the Investors (as defined therein) and the Key Shareholders (as defined therein), entered into on or around the Adoption Date

- "Termination Date"** means (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- (c) where an Employee dies, the date of his death;
- (d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or
- (e) in any other case, the date on which the employment or holding of office is terminated.
- "Third Shareholders"** **Offer** means in respect of an offer of Ordinary Shares, the Founders.
- "Transfer Notice"** has the meaning given in Article 23.2.
- "Transfer Price"** has the meaning given in Article 24.
- "Unvested Growth Ordinary Shares"** Growth Ordinary Shares which are not Vested Growth Ordinary Shares.
- "Vested Growth Ordinary Shares"** Growth Ordinary Shares which have vested in accordance with the relevant Growth Ordinary Share subscription agreement.
- "Writing or written"** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, in relation to a Transfer Notice (or Deemed Transfer Notice), "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax).
- 1.2 Headings in these Articles shall not affect the interpretation of these Articles.
- 1.3 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).
- 1.6 A reference in these Articles to:
- 1.6.1 an **Article** is a reference to the relevant numbered article of these Articles; and
- 1.6.2 a **model article** is a reference to the relevant article, unless expressly provided otherwise.

- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.10 A reference in these Articles to a holder, or the holder(s), of Shares, Equity Shares or any class of Shares as the case may be shall, in each case, be deemed to exclude any member holding Shares in treasury.
- 1.11 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- 1.11.1 another person (or its nominee), by way of security or in connection with the taking of security; or
- 1.11.2 its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

## **2. Adoption of the Model Articles**

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 17(1)(b), 18(e), 22, 26(5), 38, 39, 44(2), 49, 50 and 51 to 53 (inclusive) shall not apply to the Company.
- 2.3 In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.4 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

## **3. Investor Majority Consent**

In respect of any actions or matters requiring Investor Majority Consent in accordance with these Articles, any such consent request shall be notified by the Company to the Investors at the same time.

## **DIRECTORS**

**4. Number of directors**

- 4.1 Unless otherwise determined by an Investor Majority, the number of Directors shall not be less than two and not more than seven.

**5. Proceedings of directors**

- 5.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 5.2 (subject to Article 5.3 and Article 5.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes.
- 5.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 5.3 A decision taken in accordance with Article 5.2 may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 5.4 A decision may not be taken in accordance with Article 5.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with Article 5.7 and Article 5.8.
- 5.5 Model articles 5(1) to (3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with Investor Majority Consent)" following each reference to "the directors" in such model articles.
- 5.6 Meetings of the Directors shall take place every calendar quarter. Any Director may call a meeting of the Directors. At least 5 Business Days' advance notice in writing of each such meeting shall be given to each Director (except with the prior consent in writing of an Investor Director, when meetings of the Directors may take place on shorter notice).
- 5.7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be three Eligible Directors, which must include at least two Investor Directors (one of which must be the Series B Investor Director) in office for the time being and at least one Founder Director (if appointed), unless:
- 5.7.1 there is only one Investor Director appointed in which case only one Investor Director shall be required for the meeting to be quorate;
- 5.7.2 there are no Investor Directors or Founder Directors in office for the time being; or
- 5.7.3 the Investor Directors and Founder Directors (as applicable and as appointed from time to time) have, in respect of any particular meeting (or part of a meeting), otherwise agreed in writing ahead of such meeting; or
- 5.7.4 an Investor Director or Founder Director is not, in respect of any particular meeting (or part of a meeting), an Eligible Director,

in which case, subject to Article 5.8, the quorum for such meeting (or part of the meeting, as the case may be) shall be any two Eligible Directors. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed.

- 5.8 For the purposes of any meeting (or part of a meeting) held pursuant to Article 9 to authorise a Conflict (as defined in Article 9.1), if there is only one Eligible Director in office other than the

conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

- 5.9 If the number of Directors in office for the time being is less than two, the Director in office must not take any decision other than a decision to:

5.9.1 appoint further Directors; or

5.9.2 call a general meeting so as to enable the Shareholders to appoint further Directors.

- 5.10 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) shall not have a second or casting vote.

- 5.11 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

## **6. Appointment and removal of directors**

- 6.1 Model article 17(1) shall be modified by the inclusion, at the end of that model article, of the words "provided that the appointment does not cause the number of Directors to exceed the maximum number set out in article 4.1 of these Articles".

- 6.2 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:

6.2.1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director; and

6.2.2 in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company.

## **7. Investor Directors, Founder Directors, Chairman and observer**

- 7.1 For so long as the Series A1 Investor holds not less than 511,700 Preferred Shares and, on the basis that the Preferred Shares are still outstanding (and have not been converted into Ordinary Shares), represent no less than 10% of the Equity Shares in issue at any time (the "**Series A1 Threshold**"), it shall have the right to appoint and maintain in office one director of the Company (the "**Series A1 Director**") and to remove any director so appointed and, upon his removal whether by the Series A1 Investor or otherwise, to appoint another director in his place.

- 7.2 Any appointment or removal of an Investor Director made in accordance with Article 7.1 shall take immediate effect upon receipt (or deemed receipt) at its registered office by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.

- 7.3 For so long as the Series A2 Investor holds not less than 900,000 Preferred Shares at any time (the "**Series A2 Threshold**"), it shall have the right to appoint and maintain in office one director of the Company (the "**Series A2 Director**") and to remove any director so appointed and, upon his removal whether by the Series A2 Investor or otherwise, to appoint another director in his place.

- 7.4 Any appointment or removal of an Investor Director made in accordance with Article 7.3 shall take immediate effect upon receipt (or deemed receipt) at its registered office by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.

- 7.5 For so long as One Peak holds not less than 1,185,959 Preferred Shares (the "**Series B Threshold**"), it shall have the right to appoint and maintain in office one director of the Company (the "**Series B Investor Director**") (and such director shall have the right to appoint a member (whom shall either be the Series B Investor Director or the One Peak observer) of the Audit Committee and Compensation Committee of the Company) and to remove any director so appointed and, upon his removal whether by One Peak or otherwise, to appoint another director in his place. The other holders of Shares shall not vote their Shares so as to remove such director from office.
- 7.6 Any appointment or removal of an Investor Director made in accordance with Article 7.5 shall take immediate effect upon receipt (or deemed receipt) at its registered office by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.
- 7.7 The (i) Series A1 Investor, so long as it satisfies the Series A1 Threshold, (ii) the Series A2 Investor, so long as it satisfies the Series A2 Threshold and (iii) One Peak, so long as it satisfies the Series B Threshold (each test only being applicable to the relevant Investor), shall each have the right to appoint and maintain in position one observer and to remove any observer so appointed and, upon his removal whether by such Investor or otherwise, to appoint another observer in his place. The other holders of Shares shall not vote their Shares so as to remove such observer. Such observer shall be entitled to attend the meetings of the Board and, in the case of the One Peak observer only, committees of the Directors; provided, however, that only one of (i) the Series A1 Director or observer appointed by the Series A1 Investor; and (ii) the Series A2 Director or observer appointed by the Series A2 Investor, shall be entitled to attend any meeting of the Board. The observers shall be entitled to receive notice of, attend (subject to the aforementioned proviso), and speak at all meetings of the Board and committee meetings but shall not have a vote.
- 7.8 Each Founder, for so long as he continues to hold Shares and remains an employee or provides consultancy services to, the Company or any member of the Group shall (i) be entitled to nominate one person to act as a director of the Company (each a "**Founder Director**") which, whilst they are still employed or providing consultancy services, shall be such Founder; and (ii) shall collectively (acting by a simple majority by reference to the Shares held by the Founders) be entitled to nominate one additional person to act as a director of the Company by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove such directors from office. Each Founder shall be entitled to remove their nominated director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place. In addition, the Founders shall collectively be entitled to remove their nominated additional director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.
- 7.9 As soon as reasonably practicable, and in any event, within five months of the Adoption Date, the Board will unanimously appoint, by notice in writing addressed to the Company, one person as an independent director of the Company (the "**Independent Director**"). In the event that the Board cannot reach a unanimous vote on two consecutively proposed candidates for the Independent Director position, any subsequent candidate for the Independent Director position shall only require the approval of a simple majority of the Founder Directors and Investor Directors (to include the Series B Investor Director) only. In any event, the Board shall, by simple majority vote (following consultation with the Investor Directors), have the right to remove any such Independent Director and to appoint a replacement. Following the removal of an Independent Director, the provisions above shall apply to all further appointments of an Independent Director, provided that such replacement shall be made within three months of such removal.
- 7.10 The reasonable expenses of each Investor Director and each observer shall be payable by the Company but no other fees shall be payable to an Investor Director by the Company.

- 7.11 The Directors may, with Investor Majority Consent, appoint any person as chairman of the board of Directors ("**Chairman**") and may, with Investor Majority Consent, remove and replace any such Chairman.

**8. Transactions or other arrangements with the Company**

- 8.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- 8.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 8.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 8.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 8.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
- 8.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 8.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

**9. Directors' conflicts**

- 9.1 The Directors may, in accordance with the requirements set out in this Article 9, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 9.2 Any authorisation under this Article 9 will be effective only if:
- 9.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
  - 9.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - 9.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 9.3 Any authorisation of a Conflict under this Article 9 may (whether at the time of giving the authorisation or subsequently):

- 9.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 9.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
  - 9.3.3 subject to Investor Majority Consent, provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
  - 9.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
  - 9.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - 9.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 9.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 9.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 9.6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 9.1 shall be necessary in respect of any such interest.
- 9.7 An Investor Director shall be entitled from time to time to disclose to his appointor(s) (and to any Permitted Transferee of such appointor(s)) such information concerning the business and affairs of the Company as he shall at his discretion see fit.
- 9.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **SHARES AND DISTRIBUTIONS**

### **10. Preferred Shares and Ordinary Shares**

- 10.1 The Series A Shares shall confer on each holder of Series A Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 10.2 The Series B Shares shall confer on each holder of Series B Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.



- 10.3 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

**11. Deferred Shares**

- 11.1 The Deferred Shares shall carry the following rights:
- 11.1.1 the Deferred Shares shall not entitle the holders of such Deferred Shares to any dividend in respect of those Deferred Shares;
  - 11.1.2 the holders of the Deferred Shares shall only be entitled to returns of capital as set out in Article 15 and no further;
  - 11.1.3 the Deferred Shares shall not entitle the holders of such Deferred Shares to receive notice of, or attend or vote at any general meeting of the Company, by virtue of their holdings of any such Deferred Shares;
  - 11.1.4 the Deferred Shares shall not be capable of being redeemed; and
  - 11.1.5 notwithstanding any other provision of these Articles, the Deferred Shares are not transferable other than on an Exit or pursuant to Article 26 and, in any such case, their value shall be the aggregate of the nominal value for all of the Deferred Shares then in issue.

**12. Growth Ordinary Shares**

- 12.1 All Growth Ordinary Shares issued on or around the same date and with the same Hurdle Amount shall be given a unique series number (with the first such series being "1", the second being "2" and so on). Such unique series number shall be recorded on the relevant share certificate and in the register of allotments against the relevant shares (at the same time as the Hurdle Amount for the shares concerned is recorded in such places as prescribed in the definition of Hurdle Amount).
- 12.2 Notwithstanding that the Growth Ordinary Shares may belong to one or more series, the Growth Ordinary Shares shall be treated as one and the same class for the purposes of Chapter 9 of Part 17 of the Companies Act, except as expressly provided for in these Articles.
- 12.3 The Growth Ordinary Shares shall carry the following rights:
- 12.3.1 the Growth Ordinary Shares shall not entitle the holders of such Growth Ordinary Shares to any dividend in respect of those Growth Ordinary Shares;
  - 12.3.2 the Growth Ordinary Shares shall not entitle the holders of such Growth Ordinary Shares to receive notice of or attend or vote at any general meeting of the Company by virtue of their holdings of any such Growth Ordinary Shares nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company,
  - 12.3.3 the Growth Ordinary Shares shall not be capable of being redeemed; and
  - 12.3.4 notwithstanding any other provision of these Articles, the Growth Ordinary Shares are not transferable other than on an Exit, pursuant to Article 27, or with the consent of the Board (acting with Investor Majority Consent).

**13. Vesting of Growth Ordinary Shares**

- 13.1 Subject to Article 13.3, all Growth Ordinary Shares held by a Bad Leaver (or by any person to whom he has transferred the Growth Ordinary Shares) at the time he becomes a Bad Leaver

shall immediately convert into Deferred Shares at the rate of one Deferred Share for each Growth Ordinary Share so converting.

- 13.2 Subject to Article 13.3, all Unvested Growth Ordinary Shares held by a Good Leaver (or by any person to whom he has transferred the Unvested Growth Ordinary Shares) at the time he becomes a Good Leaver shall immediately convert into Deferred Shares at the rate of one Deferred Share for each Unvested Growth Ordinary Share so converting, save for such number of Unvested Growth Ordinary Shares as have a value equal to the aggregate subscription price paid by the Good Leaver for those Unvested Growth Ordinary Shares.
- 13.3 Notwithstanding the provisions of Article 13.1 and 13.2, the Board may (acting with the consent of at least two Investor Directors), in its absolute discretion, agree not to apply the provisions of Article 13.1 or 13.2 (as applicable) to any Shareholder that becomes a Leaver.

#### **14. Dividends**

- 14.1 In respect of any Financial Year, the Available Profits of the Company may be used to pay such dividends as the Directors, acting with Series B Majority Consent, may determine.
- 14.2 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.
- 14.3 Notwithstanding any other provision of this Article 14, no dividend may be paid to the Company in respect of any Shares held in treasury.

#### **15. Liquidation preference**

- 15.1 Subject to Article 15.2, on a return of assets on a liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:
- 15.1.1 first, in paying to the holders of the Series B Shares, in priority to any other classes of Shares, in respect of each Series B Share held the greater of:
- (a) the aggregate of (i) the Issue Price of that Series B Share plus a sum equal to any arrears and accruals of dividend in respect of such Series B Share; and (ii) the prorated amount of all proceeds or asset values available that remain after the priority payments described in Article 15.1.2(a) (if applicable) equal to the amount which reflects the holder's common share interest as if that Series B Share were converted into Ordinary Shares, in any event under 15.1.1(a)(i) and 15.1.1(a)(ii) up to an aggregate maximum amount of three times the Issue Price of that Series B Share, (provided that if there are insufficient surplus assets to pay the amounts per Series B Share equal to the Issue Price and the Distribution Preference, the remaining surplus assets shall be distributed to the Series B Shareholders pro rata to the amounts paid up (including any premium) on the Series B Shares); or
  - (b) a prorated amount of all proceeds or asset values available equal to the amount which reflects the holder's common share interest as if all Series B Shares were converted to Ordinary Shares; and
- 15.1.2 second, in paying to the holders of the Series A Shares in respect of each Series A Share held the greater of:
- (a) the Issue Price of that Series A Share, together with a sum equal to the accruals of a fixed, cumulative, preferential amount at an annual rate of 10% of the Issue Price per Series A Share ("**Series A Preference Amount**") which shall have accrued daily (based on a 365 day year) for the benefit of the person registered as its holder from the date of allotment of such Series A Share, save

for the Series A Shares held by the Series A1 Investor, which Series A Preference Amount shall be calculated on the basis of (i) the Series A Shares having been allotted as at 23 December 2019, and (ii) calculated on the basis of an aggregate subscription amount of \$10,750,000 (and allocated on a per share basis as required) calculated down to (and including) the date of the return of capital; or

- (b) a prorated amount of all proceeds or asset values available equal to the amount which reflects the holder's common share interest as if all Series A Shares were converted to Ordinary Shares; and

15.1.3 third, in paying to the holders of the Ordinary Shares in respect of each Ordinary Share held, the Issue Price of that Ordinary Share, together with a sum equal to any arrears and accruals of dividend in respect of that Ordinary Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Ordinary Shares pro rata to the aggregate amounts due under this Article 15.1.3 to each such Ordinary Share held;

15.1.4 fourth (or where Article 16.2 applies, first), the holders of the Deferred Shares shall be entitled to a payment of an amount equal to the aggregate of the nominal value of all the Deferred Shares (which payment shall be deemed satisfied by payment to any holder of Deferred Shares); and

15.1.5 thereafter, in distributing the balance (if any) among the holders of the Ordinary Shares and Vested Growth Ordinary Shares (as if, together, they all constituted shares of the same class) pro rata to the number of Ordinary Shares and Vested Growth Ordinary Shares, SAVE THAT no Vested Growth Ordinary Share shall be entitled to any amount pursuant to this sub-paragraph 15.1.5 prior to each Ordinary Share receiving an amount equal to the Hurdle Amount of that Vested Growth Ordinary Share, and no member of the Company shall have any entitlement to any amount so allocated other than as set out above (and, for the avoidance of doubt, Unvested Growth Ordinary Shares shall not be entitled to share in any assets).

15.2 In the event that a Qualifying Financing occurs within 24 months following the Completion Date (as defined in the Subscription Agreement), on a return of assets on a liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:

15.2.1 first, in paying to the holders of the Series B Shares, in priority to any other classes of Shares, in respect of each Series B Share held the greater of:

- (a) the Issue Price of that Series B Share plus a sum equal to any arrears and accruals of dividend in respect of such Series B Share (provided that if there are insufficient surplus assets to pay the amounts per Series B Share equal to the Issue Price, the remaining surplus assets shall be distributed to the Series B Shareholders pro rata to the amounts paid up (including any premium) on the Series B Shares); or
- (b) a prorated amount of all proceeds or asset values available equal to the amount which reflects the holder's common share interest as if all Series B Shares were converted to Ordinary Shares; and

15.2.2 thereafter the distribution shall be in the order of priority as set out in Articles 15.1.2 to 15.1.5.

## 16. Exit provisions

- 16.1 In the event of an Exit approved by the Directors (acting with Investor Majority Consent) ("**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are reasonably required by the Directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article 16.1:
- 16.1.1 the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;
  - 16.1.2 the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and
  - 16.1.3 the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest).
- 16.2 On a Share Sale or a Disposal, the Exit Proceeds shall be distributed in the order of priority set out below:
- 16.2.1 first, in paying to the holders of the Series B Shares in priority to any other classes of Shares, in respect of each Series B Share held:
    - (a) in the event that no Qualifying Financing occurs within 24 months following the Completion Date (as defined in the Subscription Agreement), the greater of:
      - (i) the aggregate of (x) the Issue Price of that Series B Share plus a sum equal to any arrears and accruals of dividend in respect of such Series B Share; and (y) the prorated amount of all proceeds or asset values available that remain equal to the amount which reflects the holder's common share interest as if that Series B Share were converted into Ordinary Shares, in any event under 16.2.1(a)(i)(x) and 16.2.1(a)(i)(y) up to an aggregate maximum amount of three times the Issue Price of that Series B Share (the "**Distribution Preference**") (provided that if there are insufficient surplus assets to pay the amounts per Series B Share equal to the Issue Price and the Distribution Preference, the remaining surplus assets shall be distributed to the Series B Shareholders pro rata to the amounts paid up (including any premium) on the Series B Shares); or
      - (ii) a prorated amount of all proceeds or asset values available equal to the amount which reflects the holder's common share interest as if all Series B Shares were converted to Ordinary Shares; or
    - (b) in the event a Qualifying Financing occurs within 24 months following the Adoption Date, in the order of priority as set out in Article 15.2.1; and
  - 16.2.2 second, the holders of the Deferred Shares shall be entitled to a payment of an amount equal to the aggregate of the nominal value of all the Deferred Shares (which payment shall be deemed satisfied by payment to any holder of Deferred Shares); and
  - 16.2.3 thereafter, in distributing the balance (if any) among the holders of the Ordinary Shares, Series A Shares and Vested Growth Ordinary Shares (as if, together, they all constituted shares of the same class) pro rata to the number of Ordinary Shares, Series A Shares and Vested Growth Ordinary Shares held, SAVE THAT no Vested Growth Ordinary Share shall be entitled to any amount pursuant to this sub-paragraph 16.2.3 prior to each Ordinary Share and Series A Share receiving an amount equal to the Hurdle Amount of that Vested Growth Ordinary Share, and no member of the Company shall have any entitlement to any amount so allocated other than as set out above (and, for the avoidance of doubt, Unvested Growth Ordinary Shares shall not be entitled to share in any assets).

16.3 On a Listing:

16.3.1 the Company shall issue to each Series B Shareholder such number (if any) of Ordinary Shares such that the proportion which the Series B Shares held by that Shareholder bears to the issued Equity Shares following the completion of all such issues and the conversion of all Series B Shares shall be equal to the proportion that the proceeds that Series B Shareholder would have been entitled to receive on a Share Sale (including the Distribution Preference and any accrued but unpaid dividends) on that date would bear to the valuation of the Company at that date (assuming that the valuation of the Company was equal to the Pre-New Money Valuation); and

16.3.2 the additional Ordinary Shares to be issued pursuant to Article 16.3.1 shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the Directors and those additional Ordinary Shares shall be issued at par fully paid. The capitalisation shall be automatic and shall not require any action on the part of the Shareholders and the Directors shall allot the Ordinary Shares arising on the capitalisation to the Shareholders entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation the Series B Shareholders shall be entitled to subscribe in cash at par for that number of additional Ordinary Shares as would otherwise have been issued pursuant to Article 16.3.1.

17. **Variation of class rights**

17.1 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class (excluding any holder(s) of Restricted Shares), save that (i) the special rights attached to the Series A Shares may only be varied or abrogated with Series A Preferred Shareholder Consent and (ii) the special rights attached to the Series B Shares may only be varied or abrogated with Series B Majority Consent.

17.2 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not constitute a variation of the rights of those existing classes of Shares.

18. **Conversion of Preferred Shares and Growth Ordinary Shares**

18.1 Any holder of Preferred Shares may at any time, by notice in writing to the Company, require conversion of all of the Preferred Shares held by it at any time into Ordinary Shares. Those Preferred Shares shall convert automatically on the date of service of such notice on the Company (unless such notice states that conversion is to be effective on some later date, or when any conditions specified in the notice have been fulfilled, in which case conversion shall take effect on that later date, or when such conditions have been fulfilled, as the case may be) (the "Conversion Date").

18.2 All of the Preferred Shares shall automatically convert into Ordinary Shares immediately upon the occurrence of a Qualifying Listing. At least 5 Business Days before the date of the Qualifying Listing, each holder of the relevant Preferred Shares converted or to be converted shall deliver the certificate(s) (or an indemnity in a form reasonably satisfactory to the Directors for any lost share certificate) for the Preferred Shares being converted (together with such other evidence (if any) as the Directors may reasonably require to prove good title to those Shares) to the Company at its registered office for the time being.

18.3 Where conversion of any Preferred Share is mandatory on the occurrence of a Qualifying Listing, that conversion shall only be effective immediately before such Qualifying Listing. If such Qualifying Listing does not become effective, or does not take place, such conversion shall be deemed not to have occurred.

18.4 On conversion pursuant to this Article 18:

18.4.1 subject to Article 16.3, the relevant Preferred Shares shall (without any further authority than that contained in these Articles) stand converted into Ordinary Shares on the basis of one Ordinary Share for each Preferred Share held (subject to adjustment to take account of any sub-division, consolidation or re-classification of either the Preferred Shares or the Ordinary Shares at any time before a conversion in accordance with this Article 18) and the Ordinary Shares resulting from the conversion shall rank *pari passu* in all respects with the existing issued Ordinary Shares; and

18.4.2 on the date of conversion (or as soon afterwards as it is possible to calculate the amount payable), the Company will, if it has sufficient Available Profits, pay to holders of the Preferred Shares falling to be converted a dividend equal to all accruals of dividends (that remain unpaid) in relation to those Preferred Shares to be calculated on a daily basis down to and including the day immediately preceding the date of conversion. If the Company has insufficient Available Profits to pay all such accruals of dividends in full then it will pay the same to the extent that it is lawfully able to do so and any accruals of dividends that remain outstanding shall continue to be a debt due from and immediately payable by the Company.

18.5 On a Listing:

18.5.1 any Growth Ordinary Shares held by a Shareholder shall immediately prior to and with effect from the completion of a Listing convert into a number of Ordinary Shares of equivalent economic value (by reference to the Pre-New Money Valuation and after deducting the costs and expenses borne by Shareholders attributable to the Listing) to the proportion of the surplus assets which that Shareholder would have been entitled to receive had an event under Article 16 occurred on that date, assuming for the purposes of this Article that the aggregate surplus assets were equal to the Pre-New Money Valuation after deducting the costs and expenses borne by Shareholders attributable to the Listing, and in the event that fractions would otherwise result from such conversion then as rounded down to the nearest whole share number without involving fractions;

18.5.2 such conversion shall be effected by reclassification of the Growth Ordinary Shares into the Ordinary Shares the subject of the Listing or by such other mechanism as the Board considers appropriate provided that:

- (a) in the event that additional Ordinary Shares are to be issued to comply with Article 18.5.1 such additional number of ordinary shares shall be paid up by the capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the Directors and those additional Ordinary Shares shall be issued at par fully paid. The capitalisation shall be automatic and shall not require any action on the part of the Shareholder(s) and the Board shall allot the Ordinary Shares arising on the capitalisation to the Shareholders entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation the relevant Shareholders shall be entitled to subscribe in cash at par for that number of additional Ordinary Shares as would otherwise have been issued pursuant to Article 18.5.1; and
- (b) in the event that the aggregate nominal value of the Ordinary Shares into which the Growth Ordinary Shares are to convert is less than the aggregate nominal value of the converting Growth Ordinary Shares then any excess Growth Ordinary Shares shall convert into Deferred Shares.

18.6 Forthwith following a conversion pursuant to this Article 18, the Company shall enter the holder(s) of the converted Preferred Shares or Growth Ordinary Shares in the register of Shareholders of the Company as the holder(s) of the appropriate number of Ordinary Shares and, subject to the relevant holder of Preferred Shares or Growth Ordinary Shares delivering

the relevant share certificate(s) (or an indemnity for lost share certificate(s) in a form acceptable to the Board) in respect of the Preferred Shares or Growth Ordinary Shares (as applicable) in accordance with Article 18.3, the Company shall, within 10 Business Days of conversion, forward a definitive share certificate for the appropriate number of fully paid Ordinary Shares to such holder of converted Preferred Shares or Growth Ordinary Shares, by post to his address as shown in the Company's register of Shareholders, at his own risk and free of charge.

## 19. Anti-dilution

- 19.1 If the Company issues any Relevant Securities for a consideration per Share less than the Series A Starting Price or the Series B Starting Price (as the case may be) (a "**Qualifying Issue**") the Company shall make a bonus issue of such number of Series A Shares or Series B Shares (as the case may be) ("**Anti-Dilution Shares**") to each holder for the time being of Series A Shares or Series B Shares (as the case may be) (unless and to the extent that any such holder of Preferred Shares has specifically waived his rights under this Article 19 in writing) (each an "**Exercising Investor**") as shall be calculated in accordance with this Article 19.1.

The number of Anti-Dilution Shares to be issued to each Exercising Investor shall be the number equal to N (rounded down to the nearest whole number), where N is calculated as follows:

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

Where:

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

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

SIP = Series A Starting Price or the Series B Starting Price (as the case may be)

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

QISP = the lowest per share price of the Relevant Securities issued pursuant to the Qualifying Issue

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

Z = the number of Series A Shares or Series B Shares (as the case may be) held by the Exercising Investor prior to the Qualifying Issue.

- 19.2 The Anti-Dilution Shares shall:

19.2.1 be paid up by the automatic capitalisation of available reserves of the Company (without any further authority required than that contained in these Articles);

19.2.2 within 5 Business Days of the date of the Qualifying Issue be issued to the relevant Exercising Investors in accordance with Article 19.1 and credited as fully paid up in cash; and

19.2.3 shall rank pari passu in all respects with the existing Preferred Shares.

- 19.3 If and to the extent that the Company is prohibited from issuing the Anti-Dilution Shares in accordance with Article 19.1 (whether by virtue of the Act or otherwise), the Exercising Investors

shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved in advance by Investor Majority Consent) and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 19.1 so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par and, following such a subscription, Article 19.2.3 shall apply.

- 19.4 In the case of an issue of Relevant Securities for a consideration in whole or in part other than in cash, the Series A Starting Price or the Series B Starting Price (as the case may be) of each Relevant Security for the purposes of Article 19.1 and Article 19.2 shall be a price certified by the Independent Expert (acting as experts and not as arbitrators) as being, in their opinion, the current cash value of the non-cash consideration for the allotment of the Relevant Securities.
- 19.5 In the event of any Issue or Re-organisation, the Series A Starting Price or the Series B Starting Price (as the case may be) shall be adjusted to take account of such Issue or Re-organisation on such basis as may be agreed between the Directors and the holders for the time being of the Series A Shares or Series B Shares (as the case may be) or, failing such agreement within 10 Business Days after (and excluding) the date of such Issue or Re-organisation, as determined by the Independent Expert (at the Company's cost).
- 19.6 If there is a dispute between the Company and any holder for the time being of Preferred Shares as to the operation of this Article 19, the matter shall be referred (at the cost of the Company) to the Independent Expert who shall determine the number of Anti-Dilution Shares to be issued.
- 19.7 The Independent Expert's determination of any matter under this Article 19 shall, in the absence of manifest error, be final and binding on the Company and each of its Shareholders.
- 19.8 In this Article 19, "Issue or Re-organisation" means any return of capital, issue of Shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for, or as an alternative to, a cash dividend which is made available to the holders of Preferred Shares), any consolidation, sub-division or re-classification or the cancellation of any shares following a repurchase or redemption of Shares (other than Preferred Shares), or any variation in the Series A Starting Price or the Series B Starting Price (as the case may be) or conversion rate applicable to any other outstanding Shares of the Company.

## **20. Pre-emption rights on the issue of further shares**

- 20.1 Save to the extent authorised by these Articles, the Directors shall not, save with Series B Majority Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.
- 20.2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 20.3 Save with Investor Majority Consent and Series B Majority Consent if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Equity Shares (each an "Offeree") on the same terms and at the same price as those Relevant Securities are being offered to other persons on a pari passu basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Equity Shares held by each such holder bears to the total number of Equity Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.
- 20.4 An offer made under Article 20.3 shall:
  - 20.4.1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;



- 20.4.2 remain open for a period of at least 10 Business Days from the date of service of the offer; and
- 20.4.3 stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under Article 20.3 shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe.
- 20.5 If, on the expiry of an offer made in accordance with Article 20.3 the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.
- 20.6 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Article 20.3 shall be used to satisfy any requests for Excess Securities made pursuant to Article 20.4.3. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Equity Shares held by each such applicant bears to the total number of such Equity Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After those allotments, any Excess Securities shall, subject to Article 20.8, be offered to any other person(s) as the Directors may, with Investor Majority Consent, determine, at the same price and on the same terms as the offer to the Shareholders.
- 20.7 If, after completion of the allotments referred to in Article 20.5 and Article 20.6, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, subject to Article 20.9 be offered to any other person(s) as the Directors may, with Investor Majority Consent, determine, at the same price and on the same terms as the offer to the Shareholders.
- 20.8 Any Relevant Securities offered under this Article 20 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor or a Member of the same Group as that Investor in accordance with the terms of this Article 20.
- 20.9 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431(1) of the Income Tax (Earnings and Pensions) Act 2003.
- 21. Transfers of shares: general**
- 21.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 21.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to Article 21.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 21.3 Notwithstanding any other provision of these Articles, no Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, to a Strategic Investor, unless otherwise approved by an Investor Majority.
- 21.4 If a Shareholder transfers (or purports to transfer) a Share (other than a Growth Ordinary Share) other than in accordance with these Articles, he shall, save with Investor Majority Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him. If a Shareholder transfers (or purports to transfer) a Growth Ordinary Share other than in accordance with these Articles, all Growth Ordinary Shares held by him shall, save with Investor Majority Consent to the contrary, immediately convert into Deferred Shares at the rate of one Deferred Share for each Growth Ordinary Share so converting.

- 21.5 The Directors shall, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company and the Investors agreeing to be bound by the terms of the written agreement between some or all of the members and the Company dated on or around the Adoption Date, in such form as the Directors (acting with Investor Majority Consent) may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this Article 21.5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.
- 21.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by an Investor Director, require:
- 21.6.1 any holder (or the legal representatives of a deceased holder); or
  - 21.6.2 any person named as a transferee in a transfer lodged for registration; or
  - 21.6.3 such other person as the Directors or an Investor Director may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 21.7 If any such information or evidence referred to in Article 21.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors (including an Investor Director) within 5 Business Days of receipt of such written notice, then, unless otherwise directed in writing, with Investor Majority Consent:
- 21.7.1 the relevant Shares shall cease to confer on the holder of them any rights:
    - (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
    - (b) to receive dividends or other distributions (other than the amount to which they may be entitled pursuant to the application of Article 14.2) otherwise attaching to those Shares; or
    - (c) to participate in any future issue of Shares; and
  - 21.7.2 the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).
- The Directors may (with Investor Majority Consent) reinstate the rights referred to in Article 21.7.1 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 21.7.2 on completion of such transfer.
- 21.8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:
- 21.8.1 it does not contain a Minimum Transfer Condition; and

- 21.8.2 the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).
- 22.1 Any Transfer Notice (but not an Offer Notice (as defined in Article 26) or a Drag Along Notice (as defined in Article 27)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Investor Majority Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.
- 22. Permitted transfers of shares**
- 22.1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares (other than, for the avoidance of doubt, Growth Ordinary Shares or Deferred Shares) to a Permitted Transferee.
- 22.2 Subject to Article 23, Ronald Millar or Digital Space Ventures S.C.Sp may transfer up to five per cent (5%) of the Shares held it as of the Adoption Date (other than, for the avoidance of doubt, Growth Ordinary Shares or Deferred Shares) to any person other than a Strategic Investor.
- 22.3 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to:
- 22.3.1 the Original Shareholder;
- 22.3.2 any Privileged Relation(s) of the Original Shareholder;
- 22.3.3 subject to Article 22.4, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or
- 22.3.4 subject to Article 22.4, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,
- without any price or other restriction.
- 22.4 A transfer of Shares may only be made to the trustee(s) of a Family Trust (with Investor Majority Consent) if the Board is satisfied:
- 22.4.1 with the terms of the trust instrument and, in particular, with the powers of the trustee(s);
- 22.4.2 with the identity of the proposed trustee(s);
- 22.4.3 that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- 22.4.4 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.
- 22.5 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 5 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:
- 22.5.1 the Original Shareholder; or
- 22.5.2 a Member of the Same Group as the Original Shareholder,
- (which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 22.5, a Transfer Notice shall be deemed to have been given in respect of such

Shares on the expiry of the period set out in this Article 22.5.

- 22.6 If the Original Shareholder is an Investment Fund (or nominee of such person) and a Permitted Transfer has been made, the Permitted Transferee shall, within 5 Business Days of ceasing to be a Member of the Same Fund Group as the Original Shareholder, transfer the Shares held by it to:

22.6.1 the Original Shareholder; or

22.6.2 a Member of the Same Fund Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 22.6, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 22.6.

- 22.7 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 5 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) 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, failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 22.7. This Article 22.7 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares.

- 22.8 Notwithstanding any other provision of these Articles, the following transfers by Seedrs Nominees Limited shall be considered Permitted Transfers:

22.8.1 Seedrs Nominees Limited may transfer the relevant shares to any person who is the beneficial owner of such shares;

22.8.2 Seedrs Nominees Limited may transfer the relevant shares to any person who is to hold the shares as nominee for that beneficial owner in substitution for the then registered Shareholder; and

22.8.3 any transfer of the beneficial ownership of a share, where Seedrs Nominees Limited remains holder of the legal title before and immediately after such transfer, shall be considered a Permitted Transfer.

- 22.9 Notwithstanding any other provisions of this Article 22, a transfer of any Shares approved by the Directors (acting with Investor Majority Consent) may be made without any price or other restriction and any such transfer shall be registered by the Directors.

- 22.10 Notwithstanding any other provisions of these Articles, the transfers contemplated by the Secondary Share Purchase Agreement shall be considered Permitted Transfers.

### **23. Pre-emption rights on the transfer of shares**

- 23.1 Except where the provisions of Article 22 (excluding Article 22.2), Article 26, Article 27 or Article 28 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 23.

- 23.2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying:

23.2.1 subject to Article 21.8.2, the number of Shares he wishes to transfer (**Sale Shares**);

- 23.2.2 the name of the proposed transferee, if any;
- 23.2.3 the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Transfer Price**), provided that if no Transfer Price is specified, the provisions set forth in Article 24.1 shall apply; and
- 23.2.4 subject to Article 21.8.1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).
- 23.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Transfer Price the Seller may, within 5 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with Investor Majority Consent.
- 23.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 23.5 As soon as practicable following the later of:
  - 23.5.1 receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
  - 23.5.2 the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 23.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 23 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.
- 23.6 If the Sale Shares are Preferred Shares, the Company shall, subject to Article 25, offer them in the following order of priority:
  - 23.6.1 first, to the holders of Preferred Shares; and
  - 23.6.2 second, to the Founders,

in each case on the basis set out in Article 23.8 to Article 23.18 (inclusive).
- 23.7 If the Sale Shares are Ordinary Shares, the Company shall offer them in the following order of priority:
  - 23.7.1 first, to the Company;
  - 23.7.2 second, to the holders of Preferred Shares; and
  - 23.7.3 third, to the Founders

in each case on the basis set out in Article 23.8 to Article 23.18 (inclusive).
- 23.8 The Directors shall offer the Sale Shares in the order of priority referred to in Article 23.6 or Article 23.7 (as appropriate) to the First Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy.
- 23.9 If:

- 23.9.1 at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all First Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor Majority Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
- 23.9.2 not all Sale Shares are allocated following allocations in accordance with Article 23.9.1, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 23.9.1. The procedure set out in this Article 23.9.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- 23.9.3 at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the First Offer Shareholders in accordance with their applications. The balance (the "**Initial Surplus Shares**") shall be dealt with in accordance with Article 23.10.
- 23.10 At the end of the First Offer Period, the Directors shall offer the Initial Surplus Shares (if any) to the Second Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the "**Second Offer Period**") for the maximum number of Initial Surplus Shares they wish to buy.
- 23.11 If:
- 23.11.1 at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to each Second Offer Shareholder who has applied for Initial Surplus Shares in the proportion which his existing holding of Shares of the class held by Second Offer Shareholders bears to the total number of Shares of the class held by all Second Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor Majority Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy;
- 23.11.2 not all Initial Surplus Shares are allocated following allocations in accordance with Article 23.11.1, but there are applications for Initial Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in Article 23.11.1. The procedure set out in this Article 23.11.2 shall apply on any number of consecutive occasions until either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied; and
- 23.11.3 at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to the Second Offer Shareholders in accordance with their applications. The balance (the "**Second Surplus Shares**") shall, (i) in the case of Sale Shares that are Preferred Shares, subject to Article 23.12, be offered to any other person in accordance with Article 23.18 and (ii) in the case of Sale Shares that are Ordinary Shares, be dealt with in accordance with Article 23.12.

23.12 At the end of the Second Offer Period, in the case of Sale Shares that are Ordinary Shares, the Directors shall offer the Second Surplus Shares (if any) to the Third Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the "Third Offer Period") for the maximum number of Second Surplus Shares they wish to buy.

23.13 If:

23.13.1 at the end of the Third Offer Period, the number of Second Surplus Shares applied for is equal to or exceeds the number of Second Surplus Shares, the Directors shall allocate the Second Surplus Shares to each Third Offer Shareholder who has applied for Second Surplus Shares in the proportion which his existing holding of Shares of the class held by Third Offer Shareholders bears to the total number of Shares of the class held by all Third Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Second Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor Majority Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Second Surplus Shares which he has stated he is willing to buy;

23.13.2 not all Second Surplus Shares are allocated following allocations in accordance with Article 23.13.1, but there are applications for Second Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Second Surplus Shares to such applicants in accordance with the procedure set out in Article 23.13.1. The procedure set out in this Article 23.13.2 shall apply on any number of consecutive occasions until either all Second Surplus Shares have been allocated or all applications for Second Surplus Shares have been satisfied; and

23.13.3 at the end of the Third Offer Period, the total number of Second Surplus Shares applied for is less than the number of Second Surplus Shares, the Directors shall allocate the Second Surplus Shares to the Third Offer Shareholders in accordance with their applications. The balance (the **Third Surplus Shares**) shall, subject to Article 23.14, be offered to any other person in accordance with Article 23.18.

23.14 Where the Transfer Notice contains a Minimum Transfer Condition:

- (a) any allocation made under Articles 23.8 to Article 23.13 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and
- (b) if the total number of Sale Shares applied for under Article 23.8 to Article 23.13 (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

23.15 Where either:

- (a) the Transfer Notice does not contain a Minimum Transfer Condition; or
- (b) allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under Articles 23.8 to Article 23.13 (inclusive), give notice in writing of the allocations of Sale Shares (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (each an "**Applicant**"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 25 Business Days, after the date of the Allocation Notice).

- 23.16 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.
- 23.17 If the Seller fails to comply with Article 23.16:
- 23.17.1 the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller:
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
  - (b) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
  - (c) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- 23.17.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
- 23.18 Where a Transfer Notice lapses pursuant to Article 23.14(b) or an Allocation Notice does not relate to all the Sale Shares, then, subject to Article 23.19, the Seller may, at any time during the 15 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer), the Second Surplus Shares (as the case may be) or the Third Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this Article 23.18 shall continue to be subject to any Minimum Transfer Condition.
- 23.19 The Seller's right to transfer Shares under Article 23.18 does not apply if the Directors reasonably consider that:
- 23.19.1 the transferee is a person (or a nominee for a person) whom the Investors (acting by Investor Majority Consent) determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
- 23.19.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- 23.19.3 the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in Article 23.19.2.
- 23.20 Any Sale Shares offered under this Article 23 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor or a Member of the same Group as that Investor in accordance with the terms of this Article 23.

## **24. Valuation**

- 24.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with Investor Majority Consent, and the Seller or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice (or, in the case of a



Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.

- 24.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) that the Sale Shares are capable of being transferred without restriction;
  - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
  - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 24.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 24.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.
- 24.5 The parties are entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.
- 24.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 24.7 The Independent Expert shall be requested to determine the Fair Value within 15 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.
- 24.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless:
- 24.8.1 the Seller withdraws the relevant Transfer Notice in accordance with Article 23.3; or
  - 24.8.2 in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,
- in which case the Seller shall bear the cost.
- 25. Compulsory transfers**
- 25.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside Scotland) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors (acting with Investor Majority Consent) may determine.

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

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

25.2.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 25.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

25.3 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside Scotland, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors (acting with Investor Majority Consent) may determine.

25.4 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice. This Article 25.4 shall not apply to a Shareholder that is an Investor.

25.5 Forthwith upon a Transfer Notice being deemed to be served under this Article 25 the Shares subject to the relevant Deemed Transfer Notice ("**Restricted Shares**") shall cease to confer on the holder of them any rights:

(a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;

(b) to receive dividends or other distributions otherwise attaching to those Shares; or

(c) to participate in any future issue of Shares.

The Directors may (with Investor Majority Consent) reinstate the rights referred to in this Article 25.5 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 25 on completion of such transfer.

## **26. Mandatory offer on change of control**

26.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to Articles 22, 25 or Article 31.2, but after the operation of the pre-emption procedure set out in Article 23), whether made as one or as a series of transactions (a "**Proposed Transfer**") would, if completed, result in any person other than an existing Shareholder (the "**Buyer**"), together with any person acting in concert with the Buyer acquiring a Controlling Interest, the remaining provisions of this Article 26.1 shall apply.

- 26.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the "**Offer**") to each Shareholder and, in respect of all Equity Shares held in treasury, the Company (each an **Offeree**) on the date of the Offer other than any holder(s) of Restricted Shares, to buy all of the Equity Shares, the Deferred Shares and the Growth Ordinary Shares held by such Offerees on the date of the Offer on the same terms, and for a consideration in cash per Equity Share, Deferred Share or Growth Ordinary Share, as applicable (the "**Offer Price**") which is equal to the highest price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer, provided that the total consideration paid by the Buyer in respect of the Proposed Transfer is distributed to the Seller and the Accepting Offerees in accordance with the provisions of Article 15 and 16.
- 26.3 The Offer shall be made by notice in writing (an "**Offer Notice**") addressed to each Offeree on the date of the Offer at least 10 Business Days (the "**Offer Period**") before the date fixed for completion of the Proposed Transfer (the "**Sale Date**"). The Offer Notice shall specify:
- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer);
  - (b) the Offer Price and any other terms and conditions of the Offer;
  - (c) the Sale Date; and
  - (d) the number of Equity Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.
- 26.4 The completion of the Proposed Transfer shall be conditional in all respects on:
- (a) the making of an Offer in accordance with this Article 26; and
  - (b) the completion of the transfer of any Equity Shares by any Offeree (each an "**Accepting Offeree**") who accepts the Offer within the Offer Period,
- and the Directors shall refuse to register any Proposed Transfer made in breach of this Article 26.4.
27. **Drag along**
- 27.1 In the event that:
- 27.1.1 a Founder Incident occurs, (i) the holders of 67% or greater of the Equity Shares in issue for the time being or an Investor Majority; and (ii) solely in the event that the Drag Consideration (as defined below) results in proceeds for the Series B Shareholders of less than \$52.70 per Series B Share occurring within the three year period following the Completion Date (as defined in the Subscription Agreement), the Series B Majority; or
  - 27.1.2 in all other events (A) (i) the holders of 67% or greater of the Equity Shares in issue for the time being; (ii) an Investor Majority; and (iii) solely in the event that the Drag Consideration (as defined below) results in proceeds for the Series B Shareholders of less than \$52.70 per Series B Share occurring within the three year period following the Completion Date (as defined in the Subscription Agreement), the Series B Majority or (B) on or after the sixth anniversary of the Completion Date (as defined in the Subscription Agreement), an Investor Majority;
- (in each case being the "**Selling Shareholders**") wish to transfer all of their interest in Equity Shares ("**Sellers' Shares**") to a bona fide purchaser on arm's-length terms ("**Proposed Buyer**"), the Selling Shareholders shall have the option ("**Drag Along Option**") to require all the other holders of Equity Shares, Growth Ordinary Shares and Deferred Shares on the date of the request, including the Company in respect of Equity Shares held in treasury, if any ("**Called Shareholders**") to sell and transfer all their interest in Equity Shares and/or Growth

Ordinary Shares and/or Deferred Shares to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 27.

- 27.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a "**Drag Along Notice**"), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:
- (a) that the Called Shareholders are required to transfer all their Equity Shares and/or Growth Ordinary Shares and/or Deferred Shares ("**Called Shares**") pursuant to this Article 27;
  - (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
  - (c) the consideration payable for the Called Shares calculated in accordance with Article 27.4;
  - (d) the proposed date of completion of transfer of the Called Shares.
- 27.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with Investor Majority Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 27.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 15 and 16 (the "**Drag Consideration**").
- 27.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 27.
- 27.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:
- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree; or
  - (b) that date is less than 10 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 20 Business Days after the date of service of the Drag Along Notice.
- 27.7 Within 20 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Equity Shares and/or Deferred Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Equity Shares and/or Deferred Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 20 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to Article 27.4 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 27.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 27.4 in trust for the Called Shareholders without any obligation to pay interest.

- 27.8 To the extent that the Proposed Buyer has not, on the expiration of the 20 Business Day period, put the Company in funds to pay the amounts due pursuant to Article 27.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Equity Shares and/or Deferred Shares and the Called Shareholders shall have no further rights or obligations under this Article 27 in respect of their Equity Shares and/or Deferred Shares.
- 27.9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to take such actions and to execute and deliver all agreements or documents as are necessary to effect the transfer of Called Shareholder's Shares on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this Article 27.
- 27.10 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any documents required, a Called Shareholder shall be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for any lost certificate in a form acceptable to the Board, if so necessary) in receipt of the Drag Consideration when due and:
- 27.10.1 may be required to accept that some or all of the Drag Consideration will be paid as deferred consideration, provided that the Called Shareholders shall receive any Drag Consideration due to them no later than the Selling Shareholders;
- 27.10.2 may be required to make a contribution towards any escrow, retention of consideration or similar arrangement on the same basis as the Selling Shareholders, on a pro-rata basis to their respective entitlement to the Drag Consideration;
- 27.10.3 shall be required to provide representations and warranties related to capacity, authority, ownership and the ability to convey title to the Called Shares, including, but not limited to, representations and warranties that the Called Shareholder holds all right, title and interest in and to the Called Shares such Called Shareholder purports to hold, free and clear of all encumbrances, on a several and not joint basis with any other person;
- 27.10.4 shall not be required to give any other warranties or indemnities unless and to the extent that:
- (a) the Selling Shareholders give the same warranties or indemnities (including a leakage indemnity, if applicable) (as the case may be);
  - (b) liability in respect of such warranties and/or indemnities is shared between all Shareholders pro-rata in proportion to, and does not exceed, their entitlement to the Drag Consideration; and
  - (c) the overall liability of each Shareholder in respect of such warranties and indemnities is capped at an amount not exceeding the value of the Drag Consideration received or receivable by such Shareholder (except with respect to claims related to fraud, wilful default or wilful concealment by such Shareholder, the liability for which shall be unlimited); and
- 27.10.5 no Called Shareholder shall be liable for the inaccuracy of any representation or warranty made by any other person in connection with the sale, other than the Company, except to the extent that funds may be paid out of an escrow established to

cover, or a holdback of the purchase monies in respect of, breach of representations, warranties and covenants of the Company,

provided that Articles 27.10.2, 27.10.4 and 27.10.5 shall not apply to Seedrs.

- 27.11 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Equity Shares, whether or not pursuant to a Share Option Scheme (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Equity Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 27 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Equity Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this Article 27.10 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Equity Shares.
- 27.12 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of Article 23.
- 27.13 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

**28. Co-Sale right**

- 28.1 No transfer (other than a Permitted Transfer) of any of the Shares relating to a Shareholder may be made or validly registered if it is in respect of more than 1 per cent of the Equity Shares (excluding Treasury Shares) unless the relevant Shareholder and any Permitted Transferee of that Shareholder (each a "**Co-Sale Seller**") shall have observed the following procedures of this Article unless the Investor Majority and the Series B Majority has determined that this Article 28 shall not apply to such transfer.
- 28.2 After the Co-Sale Seller has gone through the pre-emption process set out in Article 23, the Co-Sale Seller shall give to each holder of Preferred 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:
- 28.2.1 the identity of the proposed purchaser (the "**Buyer**");
- 28.2.2 the price per share which the Buyer is proposing to pay;
- 28.2.3 the manner in which the consideration is to be paid;
- 28.2.4 the number of Equity Shares which the Co-Sale Seller proposes to sell; and
- 28.2.5 the address where the counter-notice should be sent.
- 28.3 For the purposes of this Article 28, it is acknowledged that Shares of different classes will be transferable at different prices, such price 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 Seller were used to determine the valuation of the entire issued share capital of the Company and such valuation was then allocated as between the Shares in accordance with Articles 15 and 16.
- 28.4 Each Equity Holder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Co-Sale Seller that they wish to sell a certain number of Equity Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number

of Equity Shares which such 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 Equity Shares held by the Equity Holder;

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

Z is the number of Equity Shares the Co-Sale Seller 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.

- 28.5 Following the expiry of five Business Days from the date the Equity Holders receive the Co-Sale Notice, the Co-Sale Seller 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 Seller from the Buyer.
- 28.6 No sale by the Co-Sale Seller shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.
- 28.7 Sales made in accordance with this Article 28 shall not be subject to Article 23.

#### **DECISION-MAKING BY SHAREHOLDERS**

##### **29. General meetings**

- 29.1 No business other than, subject to Article 29.2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 29.2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

##### **30. Voting**

- 30.1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company.
- 30.2 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article.
- 30.3 Model article 45(1) shall be amended by:

- (a) the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours

before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"; and

- (b) the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that model article.

**31. Purchase of own shares**

- 31.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; and
- (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each Financial Year.

- 31.2 Subject to the remaining provisions of this Article 31, on a purchase of Shares in accordance with Chapter 4 of Part 18 of the Act, the Company may:

- (a) hold the Shares (or any of them) in treasury;
- (b) deal with any of the Shares, at any time, in accordance with section 727; or
- (c) cancel any of the Shares, at any time, in accordance with section 729 of the Act.

- 31.3 The provisions of Articles 20.2 to 20.8 (inclusive) shall apply to a sale or transfer of Shares held in treasury pursuant to article 30.2 save that, for the purposes of this Article 31.3

- (a) reference in 20 to an allotment shall include the sale or transfer of Shares; and
- (b) reference in the definition of "Relevant Securities" to Shares "issued after the Adoption Date" shall include Shares to be sold or transferred by the Company,

that immediately before the sale or transfer were, in each case, held by the Company as treasury shares.

**32. Company's Lien over Shares**

- 32.1 The Company has a lien (the **Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

- 32.2 The Company's Lien over a Share:

- (a) takes priority over any third party's interest in that Share; and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.



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

**33. Enforcement of the Company's Lien**

33.1 Subject to the provisions of this Article 33, if:

- (a) a Lien Enforcement Notice has been given in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it, the Company may sell that Share in such manner as the Directors decide.

33.2 A Lien Enforcement Notice:

- (a) may only be given in respect of a Share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed;
- (b) must specify the Share concerned;
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- (d) must be addressed either to the holder of the Share or to a transmittee of that holder; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

33.3 Where Shares are sold under this Article 33:

- (a) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

33.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
- (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.

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

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

#### **ADMINISTRATIVE ARRANGEMENTS**

##### **34. Means of communication to be used**

34.1 Subject to Article 34.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by fax, at the time of transmission; or
- (c) if sent by pre-paid first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at
- (e) 9.00 am on the fifth Business Day after posting; or
- (f) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (g) if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
- (h) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
- (i) if deemed receipt under the previous paragraphs of this Article 34.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

34.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

34.3 A Transfer Notice (or Deemed Transfer Notice) may not be served or delivered in electronic form (other than by fax), or by means of a website.

- 34.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

**35. Indemnity and insurance**

- 35.1 Subject to Article 35.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

35.1.1 each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation thereto; and
- (b) in relation to the Company's (or other Group Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs; and

35.1.2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 35.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

- 35.2 This Article 35 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

- 35.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.

- 35.4 In this Article 35:

- (a) **"Relevant Loss"** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and
- (b) **"Relevant Officer"** means any director or other officer or former director or other officer of any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)), but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor.

**36. Data protection**

- 36.1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a **"Recipient"**) for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.

- 36.2 The personal data that may be processed for such purposes under this Article 36 shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to:
- (a) a Member of the Same Group as the Recipient (each a "**Recipient Group Company**");
  - (b) employees, directors and professional advisers of that Recipient or any Recipient Group Company; and
  - (c) funds managed by any of the Recipient Group Companies.
- 36.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.

**These are the Articles of Association of the Company adopted by special resolution passed on 26 March 2021.**