

Company Number: 06935972

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION
of
SCRIBESTAR LIMITED

(Adopted by Special Resolution passed on 2021)

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
NEW ARTICLES OF ASSOCIATION
OF
SCRIBESTAR LIMITED

(Adopted by Special Resolution passed on 2020)
(the “Articles”)

1. DEFINITIONS

1.1 Model Articles

These Articles adopt the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (the “Model Articles”), but only insofar as these Articles do not exclude or modify the Model Articles. Articles 13, 14, 16, 26(5), 44(4), 46(4) of the Model Articles shall not apply to the Company.

1.2 Interpretation

In these Articles the following words and expressions shall have the respective meanings set out below:

“ <u>Accepting Shareholder</u> ”	has the meaning given in Article 10.5.
“ <u>Act</u> ”	the Companies Act 2006.
“ <u>Acting in Concert</u> ”	has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).
“ <u>Adoption</u> ”	the date of adoption of these Articles by the Company.
“ <u>Affiliate</u> ”	in respect of any undertaking, means any of its group undertakings.
“ <u>Associate</u> ”	in respect of any person being an individual (the “ <u>Principal Person</u> ”): (i) any Privileged Relation of, or other person connected with, the Principal Person; (ii) any trust of which the Principal Person or any person within (i) above, is the settlor or a beneficiary;

- (iii) any person (other than the Company) which is Controlled by the Principal Person or any persons within (i) – (ii) above (or is (or would be) jointly Controlled on aggregation of the rights and interests of the foregoing and the Principal Person) (an “Associated Company”);
- (iv) any Affiliate of an Associated Company; and
- (v) any other person whom the Board (acting reasonably and in good faith) determines to be closely associated with the Principal Person.

<u>“Beneficial Owner”</u>	means a person whose Shares are held on trust by NomineeCo and “Beneficial Owners” shall mean all of them;
<u>“Business Day”</u>	a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday).
<u>“Business Sale”</u>	the sale or transfer of the whole or substantially the whole of the business and assets of the Company.
<u>“Compulsory Transfer Event”</u>	has the meaning given in Article 8.1(A).
<u>“Compulsory Transfer Notice”</u>	has the meaning given in Article 8.2(A).
<u>“Control”</u>	a person shall “ <u>Control</u> ” an undertaking, if such undertaking is a subsidiary undertaking of such person (or would be if such person (in aggregate with all his Connected persons) were considered an ‘undertaking’ for such purposes only).
<u>“Controlling Interest”</u>	the possession, directly or indirectly, of interests in Shares conferring the right to exercise more than 50% in number of all votes as may be exercisable at a general meeting of the members of the Company.
<u>“Delayed Consideration”</u>	has the meaning given in Article 3.4.
<u>“Drag Along Notice”</u>	has the meaning given in Article 11.1(A).
<u>“Dragged Interests”</u>	has the meaning given in Article 11.1(A).
<u>“Electronic Communication”</u>	a communication by facsimile or electronic mail, and any other form of communication sent by electronic means as defined by the Act, but not including the placing of a document on a website.
<u>“Family Trust”</u>	has the meaning given in Article 7.1(A)(2).

“Holder” or
“Shareholder”

in relation to any Shares, the member whose name is for the time being entered in the register of members of the Company as the holder of the Shares, including for such purposes the NomineeCo.

“Independent Expert”

an accountant or other expert (acting as expert and not as an arbitrator) nominated by the Company and whom the Board has determined (acting reasonably and in good faith) to be independent.

“Investment Fund”

has the meaning given in Article 7.1(C)(2).

“Investment Manager”

has the meaning given in Article 7.1(C)(1).

“Liquidation Event”

a return of assets by the Company on a liquidation or capital reduction or otherwise (including following a Business Sale) other than a conversion, redemption or purchase of shares.

“Market Value”

in respect of any Share shall be such price as may, for the purpose of these Articles, be agreed in writing between the Vendor and the Company or, in the absence of such agreement, such price as the Board (acting reasonably and in good faith) shall determine and notify to the Vendor in writing, save that if the Vendor gives written notice to the Company of his objection to such price as so determined by the Board within 7 days of such notification, then the Board shall seek quotes from three Independent Experts to provide a Market Value from which the Vendor shall (acting reasonably including as to the costs in the quote) choose one to provide a Market Value. The Market Value shall then (unless otherwise agreed in writing between the Vendor and the Company) be such value as the Independent Expert shall certify to be in his opinion the market value thereof as at the date of his certificate. In arriving at his opinion the Independent Expert will value the Shares on a going concern basis and assume a sale between a willing seller and a willing buyer (ignoring any reduction or increase in value which may be ascribed to any Shares by virtue of the fact that they may represent a minority or majority interest) and on the assumption that the Shares are capable of transfer without restriction and the Independent Expert may consider (or fail to consider) any matters in the sole discretion of the Independent Expert. The fees and expenses of the Independent Expert shall be payable by the Vendor unless the Market Value is more than fifteen percent above the price otherwise determined by the Board (and, to the extent payable by the Vendor, the Company may apply any consideration for the Shares received by the Company on behalf of the Vendor in satisfaction of any

such obligation of the Vendor). Save in the case of manifest error, the determination of the Independent Expert shall be final and binding on all persons.

<u>“New Shareholder”</u>	has the meaning given in Article 11.2.
<u>“NomineeCo”</u>	a company or trust (or any number of companies or trusts) which is or are approved by the board of directors upon a simple majority vote, to hold shares on behalf of one or a number of Beneficial Owner(s), or Crowdcube Nominees Limited (company number 09820478, registered in England & Wales), and for such purposes be the registered Holder of those Shares and for the purposes of these Articles thereby exercise the rights in its own name as a Shareholder.
<u>“Non-accepting Seller”</u>	has the meaning given in Article 11.1(A).
<u>“Non-cash Consideration”</u>	has the meaning given in Article 3.4.
<u>“Offer”</u>	has the meaning given in Article 10.2.
<u>“Offer Notice”</u>	has the meaning given in article 8.2(B).
<u>“Offer Period”</u>	has the meaning given in Article 10.3.
<u>“Offeree”</u>	has the meaning given in Article 8.2(B).
<u>“Ordinary Shares”</u>	ordinary shares of £0.00001 each in nominal value having the rights set out in these Articles.
<u>“Permitted Transfer”</u>	a transfer of Shares permitted by Article 7.1.
<u>“Permitted Transferee”</u>	a person to which Shares may be transferred pursuant to a Permitted Transfer.
<u>“Privileged Relation”</u>	in relation to any individual: the spouse or civil partner (as defined in the Civil Partnership Act 2004) or widow of such individual and the lineal descendants (including step and adopted children) of such individual.
<u>“Proposed Purchaser”</u>	a proposed purchaser of Shares who at the relevant time has made an offer on arm’s length terms.
<u>“Proposed Sale Date”</u>	has the meaning given in Article 10.3.
<u>“Proposed Sale Notice”</u>	has the meaning given in Article 10.3.
<u>“Proposed Seller”</u>	any person proposing to transfer any Shares.
<u>“Proposed Transfer”</u>	has the meaning given in Article 10.1, provided that if such Proposed Transfer comprises a series of Related Transactions, the Proposed Transfer shall for the

	purpose of Article 10.2 be the transfer(s) which would result in an acquisition of a Controlling Interest.
<u>“Related Transactions”</u>	are such transactions as the Board (acting reasonably and in good faith) deems to be related, save that for the purpose of Articles 9 and 10 (and without prejudice to the generality of the foregoing), all sales of Shares to the same Proposed Purchaser (and Associates of his or persons Acting in Concert with him) occurring during any period of 12 consecutive months shall be deemed to be Related Transactions.
<u>“Relevant Issue”</u>	has the meaning given in Article 4.2(A).
<u>“Relevant Securities”</u>	has the meaning given in Article 4.2(A).
<u>“Relevant Sum”</u>	has the meaning given in Article 10.6(B).
<u>“Sale”</u>	a Business Sale or Share Sale.
<u>“Sale Price”</u>	has the meaning given in Article 8.2(F).
<u>“Sale Proceeds”</u>	has the meaning given in Article 3.3.
<u>“Sale Shares”</u>	has the meaning given in Article 8.2(B).
<u>“Sellers’ Shares”</u>	has the meaning given in Article 11.1
<u>“Selling Shareholders”</u>	has the meaning given in Article 11.1.
<u>“Shares”</u>	Ordinary Shares (and all other classes of share (if any)) comprised in the capital of the Company from time to time.
<u>“Share Sale”</u>	a sale or other transfer of the whole or any part of the issued share capital of the Company to any person (or any merger or scheme of arrangement resulting in any person holding shares in the capital of the Company) and resulting in that person (together with all persons (if any) Acting in Concert with such person) acquiring a Controlling Interest in the Company.
<u>“Specified Price”</u>	has the meaning given in Article 10.6(B).
<u>“Supplemental Consideration”</u>	has the meaning given in Article 10.6(B).
<u>“Transfer Agreement”</u>	has the meaning given in Article 11.1
<u>“Vendor”</u>	has the meaning given in Article 8.2(A).

1.3 Construction of certain references

In these Articles, where the context admits:

- (A) words and phrases the definitions of which are contained or referred to in the Act shall have the meanings thereby respectively attributed to them;
- (B) any question as to whether a person is “connected” with another shall be determined in accordance with section 993 and section 994 of the Income Tax Act 2007 (subject to the deletion of the words from "But" to "arrangements" in sub-section (4) of the said section 993);
- (C) references to the singular shall include the plural and vice versa and references to the masculine, the feminine and the neuter shall include each other such gender;
- (D) except where otherwise stated in these Articles, “person” includes any individual, partnership, body corporate, corporation sole or aggregate, state or agency of a state, and any unincorporated association or organisation, in each case whether or not having separate legal personality;
- (E) “company” includes any body corporate; and
- (F) for the purposes of the definition of a “Compulsory Transfer Event” every reference to an English legal term is deemed to include reference to any analogous legal term in any other jurisdiction.

2. PRELIMINARY MATTERS

- 2.1 The Company is a private company within the meaning of the Act and its registered office shall be situated in England & Wales.
- 2.2 The liability of each member is limited to the amount, if any, unpaid on the Shares held by him.
- 2.3 The share capital of the Company is comprised of Ordinary Shares. No limit shall apply to the amount of the Company’s share capital.
- 2.4 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) with cash up to any amount in a financial year not exceeding the lower of:
 - (A) £15,000; and
 - (B) the value of 5% of the Company's share capital.

3. DISTRIBUTIONS

- 3.1 Liquidation Event

On a Liquidation Event, the assets of the Company remaining after the payment of its liabilities shall be applied amongst, and distributed to, the Shareholders pro rata as to the number of Shares held by each Shareholder.

3.2 Business Sale

On a Business Sale, the Company shall distribute the assets of the Company remaining after payment of its liabilities in accordance with Article 3.1.

3.3 Share Sale

On a Share Sale, the proceeds of such Share Sale (the “Sale Proceeds”) shall be applied amongst the Holders of Shares which are transferred as part of such Share Sale pro rata as to the number of Shares so transferred by each such Shareholder.

3.4 If any available assets on a Liquidation Event or Business Sale or any Sale Proceeds include: (i) any non-cash assets or proceeds (“Non-Cash Consideration”); and/or (ii) any deferred and/or contingent assets or proceeds (“Delayed Consideration”) then Articles 3.1, 3.2 and 3.3 shall apply to such Non-Cash Consideration and/or Delayed Consideration in such manner as the Board (acting reasonably and in good faith) may determine (including, without limitation, as to the cash equivalent value of any such assets or proceeds and/or the timing of any payment or distribution thereof).

3.5 Dividends

All dividends shall be paid to all Shareholders pro rata as to the number of Shares held by each Shareholder.

4. ISSUE OF SHARES

4.1 Authority to allot

(A) Subject to the provisions of these Articles and the Act and provided that the Company has only one class of Share, the board of directors have general and unconditional authority pursuant to section 550 of the Act to allot Shares of that class or to grant rights to subscribe for or to convert any security into such Shares of the Company and without limitation on number, to such persons, at such times and on such terms and conditions as the board of directors may decide. To the extent only that there are more than one class of Shares in issue, then any subsequent allotment by the board of directors to allot Shares or to grant rights to subscribe for, or to convert any security, into, any Shares, shall only be in such amounts as are approved by the Shareholders through an ordinary resolution. None of the foregoing approvals by any shareholder shall be required where such Shares are allotted pursuant to any share option scheme adopted by the Company for employees, consultants, workers or Board members or for the grant of any warrants by the Company, where the total options and warrants in issue, including that that have been issued but not at that time exercised, are less than or equal to twenty

percent (20.0%) of the total issued share capital of the Company at that time.

- (B) Where the Company validly grants any rights to subscribe for or convert into Shares pursuant to Article 4.1(A), the directors may thereafter allot Shares in pursuance of such rights without requiring additional approvals (to the extent required) pursuant to Article 4.1(A).

4.2 Pre-emption Rights

- (A) The Company shall not allot any Shares or grant any right to subscribe for or convert into Shares (all the foregoing being “Relevant Securities” and any such allotment or grant being a “Relevant Issue”) to any person unless:
 - (1) the Company has first invited each Shareholder to participate in the Relevant Issue on the same terms and for such proportion of the Relevant Securities that is (as nearly as practicable) equal to in the case of each Shareholder the total number of Shares held by such Shareholder (A) divided by the sum of the total number of Shares in issue (B); and
 - (2) the earlier of (i) a period of not less than 14 days, during which any such offer pursuant to Article 4.2(A)(1) may be accepted, has expired or (ii) the Company has received notice of the acceptance or refusal of every offer so made.
- (B) The directors may exclude from any invitation to Shareholders pursuant to Article 4.2(A)(1) any Shareholder who is a resident or national of, or organised under the laws of, any jurisdiction outside the United Kingdom if the directors reasonably believe that the communication of such invitation would be unlawful or would require the Company to incur disproportionate cost and expense in order to comply with applicable foreign laws.
- (C) Any Shares remaining following the offer under Article 4.2(A) shall be offered to any other person as the directors may determine at the same price and on the same terms as the offer to the Shareholders.
- (D) The foregoing provisions of this Article 4.2 may be disapplied (either specifically or generally) with the approval in writing of Shareholder(s) together holding not less than seventy five percent (75%) in number of issued Shares.
- (E) In respect of any grant of any rights to subscribe for or convert into Shares, provided the foregoing provisions of this Article 4.2 have been complied with (or disapplied under Article 4.2(D)) in reference to the grant of such rights, a subsequent allotment of Shares in pursuance of such rights shall not be subject to the requirements of Article 4.2(A).

- (F) Subject to Articles 4.2(A) to 4.2(E) any new Shares shall be at the disposal of the board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- (G) The statutory pre-emption rights contained in Section 561 of the Act shall not apply to the Company.
- (H) The right to pre-emption described in this Article 4.2 will not apply in respect of any share options or warrants that are to be awarded and are subsequently exercised as described in Article 4.1(A).

5. TRANSFER OF SHARES

5.1 Transfers restricted

No Shareholder may transfer any Share except in accordance with Article 6 (Transfers with Shareholders' Approval), Article 7 (Permitted Transfers), Article 8 (Compulsory Transfers), Article 9 (Tag Rights), Article 10 (Mandatory Offer on a Change of Control) or Article 11 (Drag Rights) and any purported transfer in breach of this Article 5.1 shall be of no effect and the directors shall refuse to register any such purported transfer.

5.2 Transfers or grants of interests

References in Article 5.1 to a transfer of any Share includes a transfer or grant of any interest in any Share or of any right attaching to any Share, whether by way of sale, gift, holding on trust, charge, mortgage or pledge, or in any other way, and whether at law or in equity, and also includes an agreement to make any such transfer or grant or to exercise the voting rights attaching to a Share at the direction of any third party.

5.3 Registration of transfers

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

- (A) the duly stamped transfer;
- (B) the certificates for the Shares to which the transfer relates or an indemnity in lieu of the certificates in a form reasonably satisfactory to the directors;
- (C) where made in reliance on Article 6 (Transfers with Shareholder's Approval) or Article 7 (Permitted Transfers), such documentation as the directors may reasonably require evidencing the compliance of such transfer with such Article; and
- (D) if so required by the directors, an agreement (in such form as the directors may require) confirming the adherence of such transferee to

any applicable agreement as between the Company and (some or all of) its Shareholders.

5.4 To enable the directors to determine whether or not there has been any disposal of Shares in breach of these Articles the directors may require any Holder or the legal personal representatives of any deceased Holder or any person named as transferee in any transfer lodged for registration or any other person whom the directors may reasonably believe to have information relevant to that purpose, to furnish to the Company in accordance with Article 5.3(C) such information and evidence that the directors may request regarding any matter which they deem relevant to that purpose. If the information or evidence is not provided to enable the directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the directors are reasonably satisfied that a breach has occurred, the directors shall immediately notify the Holder of such Shares in writing of that fact and the following shall occur:

(A) the relevant Shares shall cease to confer upon the Holder of them (including any proxy appointed by the Holder) any rights:

(1) to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class of Shares in question);

(2) to receive dividends or other distributions otherwise attaching to those Shares or to any further Shares issued in respect of those Shares; and

(B) the Holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the directors may require by notice in writing to that Holder.

The rights referred to in (A) above may be reinstated by the board and shall in any event be reinstated upon the completion of any transfer referred to in (B) above.

6. TRANSFERS WITH SHAREHOLDERS' APPROVAL

Notwithstanding any other provisions of these Articles but subject to Article 12, a transfer of any interest in any Shares if approved by a special resolution of the Shareholders, in writing, may be made without restriction and, subject to Article 5.3, any such transfer shall be registered by the directors.

7. PERMITTED TRANSFERS

7.1 Unless otherwise prohibited by these Articles, the following transfers may be made without restriction and, subject to Article 5.3, any such transfer shall be registered by the directors:

(A) a transfer of Shares by an individual to:

- (1) a Privileged Relation (aged 18 or over) of such individual; or
 - (2) the trustee(s) of a trust (acting in that capacity) where the only beneficiaries of such trust are the relevant individual and/or his Privileged Relations (a “Family Trust”);
- (B) a transfer of Shares by a Shareholder (other than an individual) to any of its Affiliates, provided that if the transferee ceases to be an Affiliate of such transferor the transferee shall immediately on written request by the Company re-transfer the Shares in question to the transferor (or other person approved by the Company) and failing such transfer, the Company may authorise some person to execute transfers of the relevant Shares in favour of such transferor and may thereupon enter the name of such transferor in the register of members of the Company as the Holder of such Shares;
- (C) a transfer of Shares by a Shareholder which is:
- (1) a person whose principal business is to arrange, manage or advise upon investments (being, where applicable, duly authorised to do so by the Financial Conduct Authority or other relevant regulator) (an “Investment Manager”); or
 - (2) a collective investment scheme, partnership, syndicate or other entity whose principal business is to make investments and whose business is managed by an Investment Manager (an “Investment Fund”); or
 - (3) a nominee of an Investment Manager or Investment Fund,
- to any of the following transferees:
- (a) where the Shareholder is an Investment Manager (or a nominee thereof), to any person who is: (i) a participant (directly or indirectly) or partner in or member of an Investment Fund which is managed by such Investment Manager (but only in connection with a distribution of assets by such Investment Fund); (ii) an Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor; or (iii) any other Investment Manager who manages the business of the Investment Fund in respect of which the Shares are held; or
 - (b) where the Shareholder is an Investment Fund (or a nominee thereof), to any person who is: (i) a participant (directly or indirectly) or partner in or member of such Investment Fund (but only in connection with a distribution of assets by such Investment Fund); (ii) any other Investment Fund (or nominee thereof) whose business is managed by the same Investment Manager as manages the transferor Investment Fund; or (iii) an

Investment Manager who manages the business of the transferor Investment Fund,

or, a nominee of any such transferee.

(D) a transfer of Shares from NomineeCo to a Beneficial Owner or to a successor trust company to NomineeCo in respect of all of the Beneficial Owners (unless otherwise permitted by article 7.1(E) below provided that prior to such transfer the board of directors of the Company have by simple majority vote approved the transfer to such successor company to NomineeCo in their absolute and sole discretion and upon such terms as they may determine for such purposes) or a transfer of a Beneficial Owner's beneficial interest (only) in their Shares to another Beneficial Owner provided that such Shares remain with the NomineeCo.

(E) A transfer of Shares from Crowdcube Nominees Limited to a third party replacement nominee, in the event that Crowdcube Nominees Limited is unable to hold legal title to the Shares on behalf of its Beneficial Owners.

7.2 Any interest in Shares the subject of a Compulsory Transfer Notice under Article 8.2 or a Transfer Agreement under Article 11 may not be transferred under Article 7.1 without the written approval of the Board.

7.3 A Proposed Seller may transfer (whether by a single transfer or by a series of transfers at different times), free from restriction, Shares to another Shareholder (provided that prior to such transfer the board of directors of the Company have by simple majority vote approved the transfer).

8. COMPULSORY TRANSFERS

8.1 Compulsory Transfer Events

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

(1) makes any proposal for a composition in satisfaction of his debts, or a scheme of arrangement of his affairs, or makes any arrangement or compromise with his creditors generally or has a bankruptcy order made against him, or is subject to any order or resolution for the commencement of any winding-up, administration, liquidation or dissolution (or is otherwise subject to any event analogous to any of the foregoing in any jurisdiction);

(2) dies (if an individual) (other than where such Shares are within 12 months of the relevant Shareholder's death, transferred by the deceased's legal personal representative to the deceased's Permitted Transferee(s) or within such 12 month period the legal personal representatives of that deceased Shareholder 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);

- (3) is an individual, and by reason of his mental health he becomes the subject of an order of the court which wholly or partly prevents him from personally exercising any powers or rights he may otherwise have;
 - (4) is an undertaking, and is subject to a change of Control (save where the person(s) so acquiring Control were Permitted Transferee(s) of the Holder prior to such change of Control); or
 - (5) is a nominee or trustee (excluding Crowdcube Nominees Limited), and if: (i) any person holding any beneficial interest in the Shares so held by such Holder is subject to a Compulsory Transfer Event (or would be if such person were himself the Holder); or (ii) any person acquires any beneficial interest in the Shares so held by such Holder other than as permitted by Article 5.1.
- (B) Where any person has been the subject of a Compulsory Transfer Event, if such person thereby ceases to hold (or does not otherwise hold) any interest in issued Shares, then if such person subsequently acquires any interest in any Shares a Compulsory Transfer Notice may, if so determined by the Board, be served on the Holder thereof in respect of such Shares.
- (C) If a Compulsory Transfer Event occurs (or is due to occur), then the Holder to whom such event relates shall promptly notify the Board in writing (specifying such details of the Compulsory Transfer Event as the Board may reasonably require).

8.2 Compulsory Transfer Notices

- (A) At any time prior to the date 3 months after the Board has received all details concerning such a Compulsory Transfer Event as the Board may reasonably require (or, if later, the date 3 months from the occurrence of the Compulsory Transfer Event) the Board may determine that a notice (a “Compulsory Transfer Notice”) be deemed to have been served in respect of the entire legal and beneficial interest in all (or such other portion as may be determined by the Board) of the Shares held by the relevant Shareholder (and its Permitted Transferees and/or Associates, and/or anyone to whom Shares have been transferred under Article 7.3, if and to the extent the Board determines that Shares held by such persons are to be so offered for transfer in connection with the relevant Compulsory Transfer Event) (each person so deemed to have served a Compulsory Transfer Notice being a “Vendor”). A Compulsory Transfer Notice may only be revoked by the Board and no Vendor the subject of an outstanding Compulsory Transfer Notice may transfer any Share(s) other than in accordance with this Article 8.2 (save to the extent obliged to do so pursuant to Article 11).

(B) A Compulsory Transfer Notice shall constitute the Company as the Vendor's agent for the offer and sale of the Shares the subject thereof (the "Sale Shares"). The Company shall by notice in writing (an "Offer Notice") offer the Sale Shares for sale at the Sale Price in one or more lots at the discretion of the directors to:

- (1) if the Board so resolves, the Company for purchase pursuant to the provisions of Part 18 of the Act, for the Company to either cancel, use for the purposes of any share option plan or warrants or otherwise as the Board shall determine in compliance with the Act. The Company shall have a period of 21 days (Company Offer Period) within which to accept such offer. If by the end of the Company Offer Period, the Company has accepted such offer in respect of all of the Sale Shares, the Vendor will be notified of the same in accordance with Article 8.2(D) immediately following such acceptance. If by the end of the Company Offer Period, the Company has accepted such offer in respect of some but not all of the Sale Shares, or has declined the offer, the Board shall, immediately following such decision, allocate to the Company the Sale Shares accepted by it for the purpose of Article 8.2(D), and the balance shall be offered for sale in accordance with Articles 8.2(B)(2) and/or 8.2(B)(3);
- (2) all the Holders of Shares in the Company (other than the Vendor and such other persons whose Shares are then also subject to Compulsory Transfer Notices), and in which event such offer shall be made pro rata as nearly as practicable in proportion to the existing numbers of Shares held by such persons; or
- (3) such person(s) (whether or not Shareholders) and on such basis as may be otherwise determined by the Board with the approval in writing of Shareholder(s) holding not less than fifty per cent. (50%) in number of issued Shares,

the persons to whom the Sale Shares are so offered being "Offerees".

(C) The offer of Sale Shares pursuant to Article 8.2(B)(2) and/or 8.2(B)(3) shall remain open for acceptance by Offerees for an initial period the duration of which shall be determined by the directors (not exceeding 21 days from the date of the Offer Notice). If at the end of such initial period acceptances have not been received in respect of all Sale Shares offered, the Company may again offer for sale at the Sale Price such unaccepted Sale Shares and the provisions of Article 8.2(B) and this Article 8.2(C) shall apply mutatis mutandis in respect of such offer (save that the Company shall not be required to offer any such Sale Shares to any person who declined to accept all Sale Shares previously offered to him). The Company may continue to make such offers of Sale Shares until acceptances are received in respect of all the Sale Shares or all Offerees have declined to accept all Sale Shares so offered to them.

(D) Following conclusion of the offer process referred to in Articles 8.2(B) and 8.2(C), the Company shall notify the Vendor and the accepting Offeree(s) of the allocation of the Sale Shares as between such Offeree(s) and the Sale Price payable in respect thereof, whereupon:

- (1) the Vendor shall be obliged to transfer the Sale Shares to such accepting Offeree(s) in accordance with the instructions of the Company and to deliver up to the Company the certificates for such Sale Shares (or an indemnity in lieu of the certificates in a form reasonably satisfactory to the directors);
- (2) each accepting Offeree shall be obliged to make payment to the Vendor (or the Company on behalf of the Vendor) of the Sale Price payable in respect of the Sale Shares transferable to it; and
- (3) the Company shall have power and authority to receive and give a good discharge for the purchase money on behalf of the Vendor and (if applicable) to authorise any director to execute transfers of the Sale Shares in favour of the Offeree(s) and, in default of the Vendor delivering up certificates in respect of the Sale Shares, to execute an indemnity in lieu of such certificates in a form reasonably acceptable to the directors,

and the Vendor shall be deemed to represent and warrant to the Company and the Offeree(s) that all such Sale Shares are so transferred with full title guarantee free from all encumbrances.

(E) If the Company does not find purchaser(s) for all of the Sale Shares under the terms of this Article 8.2, any such unsold Sale Shares may be retained by the Vendor.

(F) In this Article 8.2:

- (1) the applicable “Sale Price” of any Sale Shares shall be the Market Value thereof;
- (2) the “Market Value” of the Sale Shares shall be as defined in Article 1.2.

9. TAG RIGHT

In the event that a proposed sale or transfer of Shares by a Shareholder in one or a series of Related Transactions would result in the transfer of not less than 25% (twenty five per cent) of the entire share capital in issue at the time of any proposed sale by any other Shareholder, (other than (i) a Permitted Transfer or (ii) a sale or transfer pursuant to Article 8 (Compulsory Transfers), then such proposed sale or transfer (or if part of a series of Related Transactions, the proposed sale(s) or transfer(s) which would result in the threshold set out in Article 9(A) being exceeded) may not be made or validly registered unless the Proposed Purchaser (or his nominee) has offered to purchase from each of the other Shareholders a proportion of the Shares held by each of them / to which each of them is entitled (as applicable) as is

equivalent to the proportion of the Proposed Seller's entire holding of Shares, as at the time of the proposed transfer, that the Proposed Purchaser proposes to acquire, at the same price per Share as is proposed to be paid by the Proposed Purchaser for the Proposed Seller's Shares.

10. MANDATORY OFFER ON A CHANGE OF CONTROL

- 10.1 Except in the case of Permitted Transfers, transfers pursuant to Article 8, the provisions of Article 10.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of Related Transactions any Shares (the "Proposed Transfer") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 10.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "Offer") to the other Shareholders to acquire all of the issued Shares in the capital of the Company for a consideration per Share the value of which is at least equal to the Specified Price (as defined in Article 10.6).
- 10.3 The Offer must be given by written notice (a "Proposed Sale Notice") at least 10 Business Days (the "Offer Period") prior to the proposed sale date ("Proposed Sale Date"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser.
- 10.4 If any other Shareholder is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 10.5 If the Offer is accepted by any Shareholder (an "Accepting Shareholder") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 10.6 For the purpose of this Article
- (A) the expression "Specified Price" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:
- (1) in the Proposed Transfer; or
- (2) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,
- plus an amount equal to the Relevant Sum, as defined in Article 10.6(B), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the

Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the “Supplemental Consideration”).

(B) Relevant Sum = $C \div A$

where: A = number of Shares being sold in connection with the relevant Proposed Transfer;

C = the Supplemental Consideration.

11. DRAG RIGHT

11.1 Scope and application of Drag Rights

If the terms of an agreement, offer or other arrangement (a “Transfer Agreement”) are accepted in writing by Shareholders (the “Selling Shareholders”) together holding more than fifty per cent (50%) in number of the issued Shares (“Sellers’ Shares”) and such Transfer Agreement provides for a sale or transfer of Shares to be made such that the Proposed Purchaser (together with any of his Associates and all persons (if any) Acting in Concert with the Proposed Purchaser) will acquire more than 50% of the issued Share capital of the Company then:

(A) the Selling Shareholders may (with the consent of the Proposed Purchaser and at any time before completion of the transfer of the Sellers’ Shares to the Proposed Purchaser) give written notice (“Drag Along Notice”) of the proposed Transfer Agreement to any person (including as applicable the NomineeCo) who has not accepted the Transfer Agreement (a “Non-accepting Seller”) requesting that such Non-accepting Seller transfer all Shares held by him (“Dragged Interests”) to the Proposed Purchaser, and specifying the consideration for which the Dragged Interests are to be transferred (calculated in accordance with this Article) and the proposed date of the transfer, and if such Non-accepting Seller does not within 7 days of the Drag Along Notice accept the offer in the Drag Along Notice in accordance with its terms in respect of all his Dragged Interests, such Non-accepting Seller shall in any event be deemed:

- (1) to have irrevocably waived any pre-emption rights he may have in relation to any transfer or issue of any interests in Shares in connection with the proposed acquisition by the Proposed Purchaser;
- (2) on the date provided for the sale and purchase of the Sellers’ Shares and Dragged Interests in accordance with the terms of the Transfer Agreement, to transfer to the Proposed Purchaser with full title guarantee free from all encumbrances all his Dragged Interests for the consideration payable in respect thereof (calculated in accordance with this Article). Crowdcube Nominees Limited shall only be required to give warranties relating to title and capacity in respect of its Shares only;

provided that no Drag Along Notice may require a Non-accepting Seller to agree to any terms except those specifically provided for in this Article;

- (B) if any Non-accepting Seller fails within 7 days of the Drag Along Notice to deliver executed form(s) of acceptance, transfer form(s), certificate(s) (or an indemnity in a form reasonably acceptable to the directors in respect of any lost certificate(s)), any notice(s) of exercise or waiver of any right(s), and/or any other document(s), in each case concerning any Dragged Interests and as may be necessary or desirable (as determined by the Board) in connection with the transactions the subject of the Transfer Agreement, then to the extent the Proposed Purchaser has, at the expiration of that seven day period, put the Company in funds to pay the amounts due pursuant to Article 11.1(D) for the Non-accepting Seller's Dragged Interests offered to him, such person shall be deemed to have appointed any director of the Company to be his agent and attorney to approve, agree, execute and deliver any or all of the foregoing on his behalf and to deliver the same to the Proposed Purchaser (or other relevant person(s)). It shall be no impediment to completion of the transfer of any Dragged Interests that any such person's certificate(s) in respect thereof has/have not been produced. The Company may receive, and give good receipt for, any consideration payable to any Non-accepting Seller (and for such purposes good receipt for any Beneficial Owner shall be the payment made to the NomineeCo), which consideration shall be held by the Company for the benefit of such Non-accepting Seller and payment of which to the Non-accepting Seller by the Company may, in the sole discretion of the Board, be withheld pending any ratification by the Non-accepting Seller of the sale and transfer of Dragged Interests to the Proposed Purchaser and/or any act undertaken on behalf of (or deemed to be undertaken by) such Non-accepting Seller pursuant to this Article 11. To the extent that the Proposed Purchaser has not, within 7 days of the Drag Along Notice, put the Company in funds to pay the amounts due pursuant to Article 11.1(D), the Non-Accepting Sellers shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) in respect of the Dragged Interests, and the Non-accepting Sellers shall have no further rights or obligations under this Article 11 in respect of their Shares. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice;
- (C) after the Proposed Purchaser (or his nominee) has been registered as the Holder of any Dragged Interests transferred in accordance with this Article 11 the validity of such transaction shall not be questioned by any person; and
- (D) the consideration for which the Non-accepting Sellers shall be obliged to sell each of their Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser were distributed to the holders of the Dragged Interests and the Sellers' Shares in accordance with the provisions of Article 3.3.

- 11.2 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire Shares (a “New Shareholder”), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice and such New Shareholder shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

12. PRIMACY OF TAG RIGHTS AND DRAG RIGHTS

Save as expressly provided in these Articles, all further provisions of the Articles and all other regulations of the Company relating to the transfer of Shares and the rights to registration of transfers shall be read subject to the provisions of Articles 9, 10 and 11.

13. DIRECTORS’ CONFLICTS OF INTEREST

- 13.1 Subject to the provisions of the Act and provided that he has disclosed to the Board the nature and extent of any material interest of his, a director notwithstanding his office:

- (A) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
- (B) may be a director or other officer of or employed or engaged by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
- (C) may (and any firm or company of which he is a partner, member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- (D) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (E) shall be entitled to vote and be counted in the quorum in relation to any matter concerning the foregoing paragraphs of this Article 13.1.

- 13.2 For the purposes of this Article 13:

- (A) a general notice to the Board that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director

has an interest in any such transaction of the nature and extent so specified;

- (B) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- (C) an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

13.3 Subject to Articles 13.1 and 13.2, if a question arises as to the right of a director to participate in any meeting (or part of any meeting) for voting or quorum purposes, the question may be referred to the chairman of the meeting (or, where the question concerns the right of the chairman to participate, to the other members of the meeting who shall decide upon such matter by simple majority) and whose ruling in relation thereto shall be final and conclusive.

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

14. CHAIRMAN

The chairman of the Board will be appointed at the start of any board meeting as agreed by a majority of the directors attending that board meeting.

In the case of an equality of votes at a meeting of the directors, the chairman of the Company shall not have a second or casting vote.

15. DIRECTORS AND BOARD MEETINGS

15.1 For Board meetings to be quorate they require the higher of three directors or a simple majority of directors.

15.2 The office of a director shall be vacated if:

- (A) he resigns by notice delivered to the secretary at the registered office or tendered at a board meeting;

- (B) he ceases to be a director by virtue of a provision of the Act, is removed from office pursuant to the Articles or becomes prohibited by law from being a director;
- (C) he has a bankruptcy order made against him;
- (D) a composition or arrangement is made with his creditors generally;
- (E) by reason of his mental health a court makes an order which wholly or partly prevents him from exercising any powers or rights which he would otherwise have;
- (F) a registered medical practitioner who is treating him gives a written opinion that he has become physically incapable of acting as a Director and may remain so for more than three months;
- (G) he shall be removed from office by notice in writing served upon him signed by a simple majority of his co-directors. Notwithstanding the foregoing, this Article 15(G) shall not be invoked by any director for so long as there are only 2 directors of the Company;
- (H) he holds an appointment to an executive office which terminates or otherwise determines, (unless resolved otherwise by the Board) and such removal shall take effect at the time such appointment terminates or otherwise determines and shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of contract of service or otherwise between him and the Company.

16. WRITTEN RESOLUTIONS OF MEMBERS

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

17. SHAREHOLDER MEETINGS

- 17.1 Articles 44(4) and 46(4) of the Model Articles shall not apply.
- 17.2 Polls must be taken in such manner as the chairman directs. A poll on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The requirement to hold a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 17.3 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf in such form as is acceptable to the directors.

18. ADMINISTRATIVE ARRANGEMENTS

- 18.1 Subject to Articles 18.3 and 18.4, any notice or other document may be served on or delivered to any Shareholder by any of the methods and in the manner in relation to each which are specified in schedule 5 to the Act. A notice or other document need not be served or delivered to all Shareholders in the same manner.
- 18.2 Any such notice or other document, if sent by first class post, shall be deemed to have been served or delivered 48 hours after it was put in the post and in proving such service or delivery it shall be sufficient to prove that the notice or document was properly addressed, prepaid and put in the post. Proof that a notice or other document contained in an Electronic Communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice or other document was given or sent. Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left. Any notice or other document contained in an Electronic Communication shall be deemed to have been delivered at the expiration of 48 hours after it was sent.
- 18.3 Any notice or other document delivered or sent by post to or left at the registered address of any Shareholder or which is given by using Electronic Communication in pursuance of these Articles shall, notwithstanding that such Shareholder is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Shareholder as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share. Such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.