

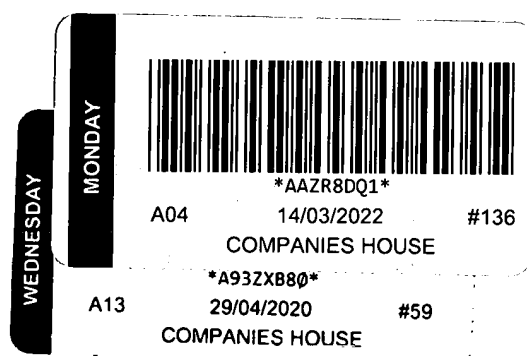
Company Number: 9250826

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

**NEW
ARTICLES OF ASSOCIATION
of
APPLESEED HOLDCO LIMITED**

Adopted by Written Resolution passed on 28 February 2022



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Company Number: 9250826

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

**NEW
ARTICLES OF ASSOCIATION
of
APPLESEED HOLDCO LIMITED
("Company")**

(Adopted by Written Resolution passed on 5 April 2019)

INTRODUCTION

1. INTERPRETATION

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

A Shares: means the A ordinary shares of £0.0088 each in the issued share capital of the Company.

Act: means the Companies Act 2006.

appointor: has the meaning given in article 12.1.

Articles: means the company's articles of association for the time being in force.

B Shares: means the B ordinary shares of £0.0012 each in the issued share capital of the Company.

Business Day: means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.

C Shares: means the C ordinary shares of £0.0000001 each in the issued share capital of the Company.

Capital Contributions: the amount of capital contributed by any holder of shares (whether directly or indirectly in the case of the holders of B shares through Hanging Tree LLP) to Appleseed Investments LLP on the date before the date of adoption of these Articles, plus the issue price (including any premium) of any shares in the

capital of the Company issued to such shareholders following the date of adoption of these Articles.

Catch-up Amount: means the amount required such that the holders of B Shares have received their Member's Catch-up Return.

Conflict: has the meaning given in article 7.1.

Controlling Interest: means an interest in shares giving to the holder or holders a control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.

Disposal: means any transaction or series of related transactions whereby any person or group of persons purchases all or substantially all of the business and assets of the Company.

eligible director: 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).

Initial Return: means the amount required such that the holders of A Shares have received their Member's Priority Return.

IRR: means the annualised internal rate of return.

Listing: means:

- (a) the admission of all or any of the shares in the Company to trading on a market for listed securities operated by a recognised investment exchange (as that term is defined in the Financial Services and Markets Act 2000), together with the admission of such shares to the Official List of the Financial Conduct Authority;
- (b) the admission of all or any of the shares in the Company to trading on the Alternative Investment Market of the London Stock Exchange plc; or
- (c) the admission of all or any of the shares in the Company to, or to trading on, any other market wherever situated, together, if necessary, with the admission of such shares to listing on any official or otherwise prescribed list maintained by a competent or otherwise prescribed listing authority;

Majority Shareholders: means those members holding more than 50% of the B Shares in the issued share capital of the company from time to time.

Member's Priority Return: means the Capital Contributions of the relevant holder of A Shares plus an IRR of 20% (including amounts returned on the C Shares).

Member's Catch-up Return: means an amount to be distributed to the holders of B Shares and Ordinary Shares such that the following the distribution of the aggregate amount of the Catch-up Amount and the Member's Priority Return plus the amounts returned on the C Shares equals the total of the Capital Contributions plus an IRR of 30%.

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

Ordinary Shares: means the ordinary shares of £0.01 each in the issued share capital of the Company.

Share Sale: means any transaction or series of related transactions whereby any person (together with its Connected Persons (as defined in section 1122 of the Corporation Tax Act 2010) and any other persons with whom it is Acting in Concert (as defined in the City Code on Takeovers and Mergers for the time being)) obtains the ownership of more than 50 per cent in nominal value of the issued share capital of the Company.

- 1.2 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.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.7 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.

- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 1.11 Article 7 of the Model Articles shall be amended by:
- (a) the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - (b) the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.13 Article 29 of the Model Articles 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) of the Model Articles," after the words "the transmittee's name".
- 1.14 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

DIRECTORS

2. UNANIMOUS DECISIONS

- 2.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 2.2 Such a decision 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.
- 2.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

3. CALLING A DIRECTORS' MEETING

Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

4. QUORUM FOR DIRECTORS' MEETINGS

4.1 Subject to article 4.2, the quorum for the transaction of business at a meeting of directors is any two eligible directors.

4.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a director's conflict, 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.

4.3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:

- (a) to appoint further directors; or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors.

5. CASTING VOTE

5.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote.

5.2 Article 5.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director *for the purposes of that meeting (or part of a meeting)*.

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

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 Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- (a) 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;

- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) 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;
- (d) 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;
- (e) 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
- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) 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.

7. DIRECTORS' CONFLICTS OF INTEREST

7.1 The directors may, in accordance with the requirements set out in this article, 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**).

7.2 Any authorisation under this article 7 will be effective only if:

- (a) 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;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.

- 7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) 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;
 - (c) 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;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - (e) 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
 - (f) 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.
- 7.4 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.
- 7.5 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.
- 7.6 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 or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8. FINANCING

- 8.1 It is agreed that to the extent that further funding is required by the company in order to develop or carry on its business that such funding should first be sought by the directors, with prior written consent from the Majority Shareholders, from the shareholders of the Company. The directors shall provide the shareholders with written notice thereof and the shareholders shall, within 6 weeks from the date of the notice, communicate to the directors its decision in writing.
- 8.2 If the shareholders elects not to provide funding, then the directors may seek further funding from external funding sources, on such terms to be determined by the directors and any security required in relation to such external funding shall, if possible, be provided by the company.

9. RECORDS OF DECISIONS TO BE KEPT

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.

10. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.

11. APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

12. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 12.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
- (a) exercise that director's powers; and
 - (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

12.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

12.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

13. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

13.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

13.2 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

13.3 A person who is an alternate director but not a director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
- (c) shall not be counted as more than one director for the purposes of articles 12.3(a) and (b).

13.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

- 13.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

14. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a director terminates.

15. SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

SHARES

16. SHARE CAPITAL

- 16.1 The issued share capital of the company on the date of adoption of these Articles is 750,000 A Shares, 750,000 B Shares and 84,250 C Shares.
- 16.2 Except as provided otherwise in these Articles, the Ordinary Shares, the A Shares, the B Shares and the C Shares shall rank *pari passu* but they shall constitute separate classes of Shares.

Return of Capital

- 16.3 On a return of capital of the Company on a winding up or otherwise (other than a redemption of Shares or the purchase by the Company of its own Shares), the surplus assets and retained profits of the Company available for distribution among the Shareholders shall be applied in the following order and priority:

Priority	Class of Share	Amount to be paid:
1.	C Shares	£842,500
2.	A Shares and Ordinary Shares (as if one class)	the Initial Return
3.	B Shares and the Ordinary Shares (as if one class)	the Catch-up Amount
4.	Ordinary Shares, A Shares and B Shares (such that the A Shares shall be entitled to A% of such amount, the B Shares shall be entitled to B% of such amount and the Ordinary Shares shall be entitled to C% of such amount)	any balance of such surplus assets and retained profits

Where:

A: shall be an amount equal to:

(a) where C is calculated to be more than 10: $60 - ((C-10) \times (2/3))$

(b) where C is calculated to be 10: 60

(c) where C is calculated to be less than 10: $60 + ((10-C) \times (2/3))$

B: shall be an amount equal to:

(a) where C is calculated to be more than 10: $30 - ((C-10) \times (1/3))$

(b) where C is calculated to be 10: 30

(c) where C is calculated to be less than 10: $30 + ((10-C) \times (1/3))$

C: shall be an amount equal to the number of Ordinary shares in issue multiplied by $(1 / \text{the aggregate of the total nominal value of the A Shares, B Shares and Ordinary Shares in issue})$

- 16.4 Any return on a particular class of Shares shall be made amongst their holders pro rata as nearly as possible to their respective holdings of Shares of that class.

Exit

- 16.5 In the event of a Share Sale or a sale of shares in the capital of the Company made in accordance with Article 19 (Drag along option), the selling shareholders shall procure that the amount (if any) of consideration which they shall be entitled to receive for the shares they are transferring shall be that to which they would be entitled if the aggregate value of the total consideration to be paid for such shares as a whole was allocated to the selling shareholders in the order of priority set out in Articles 16.3 to 16.4 (Return of capital). The reasonable transaction fees, costs and expenses incurred by the Majority Shareholders that (as determined by the Majority Shareholders) are attributable to the transfer of shares made in accordance with this Article shall be borne by each of the shareholders pro rata to their holdings of shares being transferred.
- 16.6 For the avoidance of doubt, "**total consideration**" for the purposes of Article 16.5 shall be construed as meaning the value or worth of the total consideration regardless of the form of the total consideration and shall exclude any offer to subscribe for or acquire any share, debt instrument or other security in the capital of any person which is purchasing or acquiring the selling shareholders' shares made to a selling shareholder which is in addition to the consideration proposed to be paid for all the selling shareholders' shares.
- 16.7 In the event of a Disposal, the shareholders shall procure that the proceeds of sale arising from the Disposal shall (to the extent that the Company is lawfully able to do so) be distributed to the shareholders in the order of priority set out in Articles 16.3 to 16.4 (Return of capital). The reasonable transaction fees, costs and expenses incurred by the Company and the Majority Shareholders that (as determined by the Majority Shareholders) are attributable to the Disposal made shall be borne by each of the shareholders pro rata to their holdings of shares.
- 16.8 If any of the consideration to be paid on a Share Sale or a sale of shares in the capital of the Company made in accordance with Article 19 (Drag along option) or a Disposal is to be deferred or is otherwise not payable until after completion of such Share Sale or a sale of shares in the capital of the Company made in accordance with Article 19 (Drag along option) or Disposal, the selling shareholders (in the case of a Share Sale or a sale of shares in the capital of the Company made in accordance with Article 19 (Drag along option)) or the shareholders (in the case of a Disposal) shall procure that:
- (a) any initial consideration to be paid at the time of completion shall:
 - (i) in the case of a Share Sale or a sale of shares in the capital of the Company made in accordance with Article 19 (Drag along option), be allocated to the selling Shareholders in the order of priority set out in Articles 16.3 to 16.4 (Return of capital); and

- (ii) in the case of a Disposal, (to the extent that the Company is lawfully able to do so) be distributed to the Shareholders in the order of priority set out in Articles 16.3 to 16.4 (Return of capital); and
 - (b) if, and to the extent that, any such deferred or other consideration is subsequently to be paid, it shall:
 - (i) in the case of a Share Sale or a sale of shares in the capital of the Company made in accordance with Article 19 (Drag along option), be allocated to the selling Shareholders in the order of priority set out in Articles 16.3 to 16.4 (Return of capital) after taking into account any prior allocations of consideration to the selling Shareholders that have already taken place; and
 - (ii) in the case of a Disposal, (to the extent that the Company is lawfully able to do so) be distributed to the shareholders of the Company in the order of priority set out in Articles 16.3 to 16.4 (Return of capital) after taking into account any prior distributions of the proceeds of sale to the shareholders that have already taken place.
- 16.9 In the event of a Listing, the shareholders shall procure that the proceeds of the sale of all or any of the shares pursuant to the Listing shall be allocated to the selling shareholders in the order of priority set out in Articles 16.3 to 16.4 (Return of capital).

Voting

- 16.10 The holders of A Shares and C Shares will not have the right to receive notice of or to attend and speak at general meetings of the Company.
- 16.11 The A Shares and C Shares will carry no right to vote at general meetings of the Company or on any written resolution of the shareholders of the Company.
- 16.12 The holders of B Shares and Ordinary Shares will be entitled to receive notice of and to attend and speak at general meetings of the Company.
- 16.13 The B Shares and Ordinary Shares will be entitled to vote at every general meeting of the Company and to vote on every written resolution of the shareholders of the Company, except that the number of votes attaching to the relevant classes of shares in the Company at any such general meeting and on any such written resolution will be as set out below:

Class of Share	Votes:
Ordinary Shares	votes will represent D per cent of the voting rights attaching to all shares in the Company after the application of this Article
B Shares	votes will represent E per cent of the voting rights attaching to all shares in the Company after the application of this Article

Where:

D: shall be an amount equal to the number of Ordinary shares in issue multiplied by (1 / the aggregate of the total nominal value of the A Shares, B Shares and Ordinary Shares in issue)

E: shall be an amount equal to:

(a) where D is calculated to be more than 10: 90 - (D-10)

(b) where D is calculated to be 10: 90

(c) where D is calculated to be less than 10: 90 + (10-D)

16.14 The Company shall not acquire a business or undertaking that has no commercial connection to the medical packaging business carried on by Medica Packaging Limited (in the reasonable determination of the Majority Shareholders which is important for the development of the business carried on by the Company) without the consent of those members who directly held more than 75% of the Capital Contributions.

16.15 Notwithstanding anything to the contrary in these Articles:

- (a) Meetings of the holders of A Shares and B Shares ("**Members**") shall be held at least once a year ("**Annual Meeting**").
- (b) At such Annual Meeting, the holders of A Shares shall have the right to vote to resolve by a majority of 75% of their Capital Contributions to remove the management of the Company from the holders of the B Shares, and by the passing of such resolution these Articles shall be automatically deemed varied, such that the current references in Articles 16.10 to 16.14 to "A Shares" shall be deleted and replaced with "B Shares" and the current references to "B Shares" shall be deleted and replaced with "A Shares".
- (c) Meetings of the Members shall be governed by the following provisions:
 - (i) a meeting of the Members may be called by those Members holding 25% of the A Shares. A meeting may also be called by the Majority Shareholders or any liquidator of the Company appointed under the Insolvency Act 1986;
 - (ii) a meeting may be held at such time and place as the Members or liquidator or Majority Shareholders calling the meeting think fit;
 - (iii) a notice of meeting shall be served on all those entitled to attend the meeting and such notice shall specify the place, day and time of the meeting and a statement of the matters to be discussed at the meeting;

- (iv) not less than 14 clear days' notice is to be given of a meeting to all those entitled to attend, provided that valid shorter notice is deemed to have been given if all Members attend the meeting or if it is ratified by the Members at a subsequent duly convened meeting;
- (v) for so long as the resolution referred to in Article (b) has not been passed, a Majority Shareholder shall chair the meeting, or at the commencement of any meeting, those in attendance shall elect the chairman of the meeting, who shall not have a casting vote;
- (vi) the quorum for a meeting is three Members present in person or by video or telephone conference call (to include a Majority Shareholder for so long as the resolution referred to in Article (b) has not been passed);
- (vii) where the appropriate quorum is not present within 30 minutes of the start time stated in the notice of the meeting, any resolution passed at the inquorate meeting is deemed to have been passed if it is ratified later by the required majority in attendance at a duly quorate meeting;
- (viii) a meeting may be conducted by electronic means, such as via telephone or video conference. Members participating in a meeting via electronic means shall be deemed to be present in person at the meetings and shall be entitled to be counted in the quorum and to vote;
- (ix) a Member (being a body corporate) may be resolution of its directors or other governing body authorise person to act as its representative at a meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual Member; and
- (x) minutes shall be prepared of all meetings and shall be approved and signed by the chairman of the meeting as evidence of the proceedings.

16.16 Any deemed variation of the Articles made in accordance with Article 16.15(b) shall not constitute an alteration of the rights attached to any classes of Shares and the class consent of the holders of the holders of B Shares or A Shares shall not be required in connection with such deemed variation of the Articles.

17. PURCHASE OF OWN SHARES

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.

18. TRANSFERS OF SHARES AND ISSUES OF SHARES

- 18.1 Notwithstanding any other of the Articles, no person shall be entitled to transfer any Shares unless the transfer is made pursuant to obtaining the approval in writing of the Majority Shareholders.
- 18.2 Notwithstanding any other provisions of these Articles, the directors shall not register a transfer of shares:
 - (a) to any person who is bankrupt, is less than 18 years of age and/or does not have (or whom the directors reasonably believe does not have) legal capacity to hold and/or transfer such shares or to comply with these Articles;
 - (b) (except with consent of the Majority Shareholders) if the shares are not fully paid;
 - (c) if the instrument of transfer is not either duly stamped or duly certified (or otherwise shown to the satisfaction of the Directors to be exempt from stamp duty); or
 - (d) if not transferred in accordance with Article 18.1
- 18.3 Model Article 63 (other than 63(5)(a)) shall apply, except Model Article 63(1)(b) shall be modified by replacing the words "is partly paid" with the words "are not fully paid".
- 18.4 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share until it is transferred in accordance with these Articles. Pending such a transfer, the Transmittee has the same rights as the holder had in respect of such Share except, unless and to the extent that the Majority Shareholders otherwise direct the Company in writing. Any transfer of a share in the Company by a transmittee shall be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.
- 18.5 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 (within the meaning of section 560 of the Act) by the Company.
- 18.6 No shares in the capital of the Company (other than Ordinary Shares pursuant to the EMI Option agreement entered into by the Company on 12 October 2017) may be allotted by the Company to any person without the consent of the Majority Shareholders.
- 18.7 Any shares proposed to be allotted shall (excluding in respect of the Ordinary Shares pursuant to the EMI Option agreement entered into by the Company on 12 October 2017), subject to the consent of the Majority Shareholders, be offered by the Company at the same price and on the same terms to the shareholders, pro rata to their holding of shares (as nearly as possible without involving fractions) ("**Pre-emptive Offer**").
- 18.8 The Pre-emptive Offer shall be made by notice specifying the shares offered, the price for them, a time (being 10 Business Days) within which the offer, if not accepted, shall be deemed to be declined and any other terms (including the reasons and basis for such funding).

- 18.9 With the consent of the Majority Shareholders, the Company may, in respect of any shares not accepted (or deemed to be declined) under the Pre-emptive Offer ("**Declined Securities**"), invite other parties and/or existing shareholders to accept such shares ("**Extra Securities**") that he wishes to apply for, subject to such Extra Securities being offered on the same terms as under the initial Pre-Emptive Offer.
- 18.10 Shareholders who have accepted shares under the Pre-emptive Offer shall not be obliged to complete their application for such shares until they have received confirmation from the Company that there were no Declined Securities or that the Declined Securities have all been accepted by other parties and/or existing shareholders pursuant to Article 18.9 and shall provide the subscription monies for their accepted shares within 5 Business Days of confirmation from the Company that there were no Declined Securities or the Declined Securities have all been accepted under this Article 18.10.
- 18.11 The Company must complete the process set out in Articles 18.7 to 18.10 within 2 months of the first invitation under Article 18.7 or recommence the process, in which the Company shall provide updated rationale and information to shareholders.

19. DRAG ALONG OPTION

- 19.1 If the Majority Shareholders (**Selling Shareholders**) wish to transfer all (but not some only) of their Shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other Members (**Called Shareholders**) to sell and transfer their Shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**).
- 19.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to the Company which will subsequently give notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall, amongst other things, specify:
- (a) that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 19;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount equal to the consideration per share offered by the Proposed Buyer for the Sellers' Shares whether in cash, shares or other form of consideration (**Consideration**);
 - (d) the proposed date of completion of the transfer, not being less than 5 business days after the date of the notice; and
 - (e) any other terms and conditions on which the Called Shares are to be transferred (which shall be no less favourable than those offered to, or require from, the Selling Shareholders).

- 19.3 A Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Seller's Shares to the Proposed Buyer within 60 business days (as defined in section 1173 of the Act) of serving the Drag Along Notice. The Selling Shareholders may give notice revoking a Drag Along Notice and may serve further Drag Along Notices following the lapse of any particular Drag Along Notice and, for the avoidance of doubt, there shall be no limit on the number of Drag Along Notices Served.
- 19.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 19.
- 19.5 Completion of the sale of the Called Shares shall take place on the date, **(Completion Date)** proposed for completion of the sale of the Sellers' Shares (as set out in the relevant Drag Along Notice) unless all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and Selling Shareholders.
- 19.6 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the Consideration in cash (if any) to the extent that the Proposed Buyer has put the Company in the requisite funds and shall deliver such other documentation and/or evidence of the satisfaction of any non-cash Consideration as is made available to the Company. The Company's receipt for the cash element of the Consideration shall be a good discharge for the Proposed Buyer. The Company shall hold the amounts of Consideration in cash due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 19.7 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the cash element of the Consideration and suitable documentation and/or other evidence on non-cash Consideration due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights of obligations under this Article 19 in respect of their Shares.
- 19.8 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 19.7) transfer(s) in respect of all the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have appointed irrevocably another person nominated for the purpose by the Selling Shareholders and/or the Company to be its agent to execute all necessary transfer(s) (including, without limitation, any stock transfer form(s) in respect of the relevant Called Shares) on its behalf, against receipt by the Company (on trust for such holder) of the

Consideration or suitable documentation or evidence of the Consideration payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article.

- 19.9 Following the issue of a Drag Along Notice, upon any person exercising a pre-existing option to acquire shares in the Company or exercising a conversion right in respect of any convertible security of the Company (**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. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer 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 on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.

20. TAG ALONG RIGHTS ON A CHANGE OF CONTROL

- 20.1 The provisions of Article 20.2 to Article 20.5 shall apply if, in one or a series of related transactions, one or more members (**Sellers**) propose to transfer any of the Shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**), and any person acting in concert (has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers as amended from time to time) with the Buyer, acquiring a Controlling Interest.

- 20.2 Before making a Proposed Transfer, the Sellers shall procure that the Buyer makes an offer (**Offer**) to:

- (a) the other member to purchase all of the shares held by them;
- (b) the holders of any existing options to acquire shares (granted by the Company or under any share option arrangement established by the Company) that are already capable of exercise before the Proposed Transfer (**Options**), to purchase any Shares acquired on the exercise of Options at any time during the Proposed Transfer; and
- (c) the holders of any securities of the Company that are convertible into Shares (**Convertible Securities**), to purchase any Shares arising from the conversion of such Convertible Securities at any time before the Proposed Transfer

in each case for the price per Share as agreed by the Sellers in respect of the Proposed Transfer (**Specified Price**).

- 20.3 The Offer shall be made by written notice (**Offer Notice**), at least 15 business days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:

- (a) the identity of the Buyer;
- (b) the Specified Price and other terms and conditions of payment;
- (c) the Sale Date; and
- (d) the number of Shares proposed to be purchased by the Buyer

20.4 If the Buyer fails to make an Offer to all of the persons listed in Article 20.2 in accordance with Article 20.2 and Article 20.3 the Majority Shareholders shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

20.5 If the Offer is accepted by any Member or any Holder of Options or Convertible Securities who has exercised or is capable of exercising Options or Convertible Securities (**Accepting Shareholder**) in writing within 10 business days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on the completion of the purchase of the Shares held by the Accepting Shareholders including any Shares to be issued to Holders of Options and Convertible Securities whilst they remain capable of exercise.

21. DIVIDENDS

The Company by resolution of the board of directors of the Company (with the consent of the Majority Shareholders) shall be entitled to determine the distribution of any profits available for distribution.

DECISION MAKING ARRANGEMENTS BY SHAREHOLDERS

22. POLL VOTES

22.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

22.2 Article 44(3) of the Model Articles 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 article.

23. PROXIES

23.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced 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".

- 23.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

24. MEANS OF COMMUNICATION TO BE USED

- 24.1 Subject to article 24.2, 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 United Kingdom 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 or supplied by e-mail, at 9.00 am on the second Business Day after the notice, document or information was sent or supplied; or
- (e) 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
- (f) if deemed receipt under the previous paragraphs of this article 24.1 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 am 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.

- 24.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand 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 the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

25. INDEMNITY

25.1 Subject to article 24.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

(a) 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:

(i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

(ii) in relation to the company's (or any associated 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 any associated company's) affairs; and

(b) 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 24.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

25.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

25.3 In this article:

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

(b) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act) and may, if the members so decide, include any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

26. INSURANCE

26.1 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.

26.2 In this article:

- (a) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);
- (b) 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, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

27. Secured Party

"**Secured Party**" means, in respect of any shares, any bank, institution or other entity or person to which such shares have been mortgaged, charged or pledged (or in favour of which any other security interest in such shares has been created) and any nominee, agent or trustee for any such entity or person.

Secured shares

(1) Notwithstanding anything contained in these Articles:

(a) the directors (or director if there is only one) of the Company may not decline to register (or suspend the registration of) any transfer of shares in the Company; and

(b) a holder of shares in the Company is not required to comply with any provision of the Articles which restricts the transfer of shares or which requires any such shares to be first offered to all or any shareholders for the time being of the Company before any transfer may take place and no such shareholder shall have any right under the Articles or otherwise to require any such shares to be transferred to them,

where in any such case the transfer is or is proposed to be:

(i) executed by a Secured Party by way of the exercise of any power of sale or other enforcement power under any relevant security interest;

(ii) executed by a receiver or manager or similar officer appointed by or on behalf of any Secured Party under any relevant security interest; or

(iii) to any Secured Party pursuant to any relevant security interest;

A certificate by any officer of a Secured Party that the shares were so charged, mortgaged or pledged and the transfer was or will be so executed shall be conclusive evidence of such facts.

(2) Notwithstanding anything contained in these Articles, the Company shall have no present or future lien on any share which has been mortgaged, charged or pledged by way of security to a Secured Party and any lien conferred pursuant to these Articles shall not apply in respect of any such share.

(3) If there is any inconsistency between any provision of this Article and any provision of any other Article, the provision of this Article shall apply.