

Company number 09829448

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

GOBSMACK HOLDINGS LIMITED (the "Company")

Passed on 19th December 2018

The following resolutions were duly passed as special resolutions on 19th day of December 2018 by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006.

SPECIAL RESOLUTIONS

1. AUTHORITY TO ALLOT

THAT, the director(s) of the company (the "**Directors**") be generally and unconditionally authorised to allot shares, or to grant rights to subscribe for, or to convert any security into any shares in the Company, provided that the authority is limited to the allotment in aggregate of up to 7,149 Ordinary Shares of £0.01 each, each in the capital of the Company and inclusive of 90 Ordinary Shares to be issued in satisfaction of certain warrants, and provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date falling five years after the date of this resolution and save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the Act.

2. DISAPPLICATION OF PRE-EMPTION RIGHTS

THAT, all rights of pre-emption whether in terms of the Company's articles of association, the Companies Act 2006 or otherwise be and are hereby waived in respect of any allotment of shares made pursuant to resolution 1.

3. ADOPTION OF NEW ARTICLES

THAT the articles of association, initialled and dated the date of circulation of this resolution by a director for identification (the "**New Articles**"), be and are adopted in substitution for the existing articles of association of the Company and replace them in full.

Signed.....

Director

FRIDAY



A28 *A89KN3KW* 12/07/2019 #21
COMPANIES HOUSE

ARTICLES OF ASSOCIATION OF

GOBSMACK HOLDINGS LIMITED

**TO BE ADOPTED BY SPECIAL RESOLUTION
PASSED ON 19TH DECEMBER 2018**

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
GOBSMACK HOLDINGS LIMITED
(To be adopted by special resolution)

INTRODUCTION

1. INTERPRETATION

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

Act: the Companies Act 2006.

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).

Adoption Date: the date of adoption of these Articles.

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

Bad Leaver: an Employee who becomes a Departing Employee in circumstances where he is not a Good Leaver.

Board: the board of Directors from time to time

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

Company: means Gobsmack Holdings Limited (Company number 09829448).

Company's Lien: has the meaning given to it in *article 20.1*.

connected: has the meaning given in section 252 of the Act.

Controlling Interest: an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010

Deemed Transfer Notice: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles.

Deferred Shares: the deferred shares of £0.01 each in the capital of the Company.

Departing Employee: an Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company, but excluding Max Carruthers, John Shaw and Michael Smith and any other non-executive director of the Company whose contract of appointment with the Company explicitly carves him or her out of the leaver provisions in these Articles

Directors: the directors of the Company from time to time inclusive of any Founder Directors and non-executive directors

Disposal: the disposal by the Company of all, or a substantial part of, its business and assets.

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).

Employee: an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company

Exit: a Share Sale, a Disposal or a Listing.

Fair Value: has the meaning given in *article 13 2*

Family Trust: as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons).

Financial Year: an accounting reference period (as defined in section 391 of the Act) of the Company.

Founder Director: any Director who is also a Founder.

Founders: Michael Smith, John Shaw, and Max Carruthers or any of them.

Good Leaver: an Employee who becomes a Departing Employee by reason of:

- (a) death;
- (b) permanent disability or permanent incapacity through ill-health;

(c) redundancy; or

(d) dismissal by the Company (or other Group Company) which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful.

Group: the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company** shall be construed accordingly.

holding company: has the meaning given in *article 1.10*

Independent Expert: the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller (or Shareholder Majority, as the case may be) on the identity of the expert within 15 Business Days of the expiry of the 20 Business Day period referred to in *article 13.1*, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator).

Issue Price: in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium.

Lien Enforcement Notice: means a notice in writing which complies with the requirements of *article 21.2*.

Listing: the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the Financial Conduct Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000).

Member of the Same Group: as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company.

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (*SI 2008/3229*), as amended prior to the Adoption Date.

Offer Shareholders: has the meaning given in *article 12.6*

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

Ordinary Growth Shares: the ordinary growth shares in the capital of the Company with the alphabetical designation and nominal values set out in Schedule 2 to these Articles

Ordinary Ratchet Shares: the ordinary ratchet shares in the capital of the Company with the alphabetical designation and nominal values set out in Schedule 2 to these Articles.

Original Shareholder: has the meaning given in *article 11.1*.

Permitted Transfer: a transfer of Shares made in accordance with *article 11*

Permitted Transferee: in relation to:

(a) a Shareholder who is an individual, any of his Privileged Relations, the trustee(s) of a Family Trust, their Self-Invested Personal Pension or other personal pension arrangement; and

(b) a Shareholder which is a company, a Member of the Same Group as that company.

Private Placement Memorandum: the private placement memorandum to be issued by the Company in association with West Hill on or around 23 January 2017.

Privileged Relation: in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue).

Relevant Securities: any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than:

(a) the grant of any options under a Share Option Plan (and the issue of Shares on the exercise of any such options);

(b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the Investment Agreement; and

(c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business.

Relevant Shares: in relation to an Employee means all Ordinary Shares and Ordinary Ratchet Shares (but not for the avoidance of doubt Ordinary Growth Shares) held by:

(a) the Employee in question, and

(b) any Permitted Transferee of that Employee (other than those Shares held by those persons that the Board declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of his/her relationship with the Employee),

and including any Ordinary Shares or Ordinary Ratchet Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice,

but excluding any Ordinary Shares acquired for fair market value where the terms of such issue explicitly carve those Ordinary Shares out of the leaver provisions in these Articles and where such carve out has been approved by the Board under the procedure for a Reserved Matter.

Reserved Matters:

- (a) the appointment of any non-executive director;
- (b) the transfer by a Director (inclusive of any previous Director) of any Shares;
- (c) the passing of any special resolution in respect of (i) a non pre-emptive issue of further Shares; or (ii) the variation or abrogation of voting rights attached to Shares;
- (d) the composition of any remuneration committee;
- (e) from the date falling three years after the Adoption Date, approval of the terms of any Exit prior to any proposal being put to shareholders; and
- (f) the confirmation by the Board that a Departing Employee is deemed to be a Good Leaver.

Sale Proceeds: means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (less any fees and expenses payable by the selling Shareholders under that Share Sale).

Sale Shares: has the meaning given in *article 12 2(a)*.

Seller: has the meaning given in *article 12.1*.

Shareholder: a holder for the time being of any Share or Shares.

Shareholder Consent: the prior consent in writing of a Shareholder Majority.

Shareholder Majority: the holder(s) for the time being of at least 75% by nominal value of each share class held by shareholders from time to time.

Share Option Plan: any share option scheme of the Company which an Shareholder Majority identifies in writing as being a Share Option Plan for the purposes of these Articles.

Shares: shares (of any class) in the capital of the Company and **Share** shall be construed accordingly.

Share Sale: the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the identities of the shareholders in the buyer and the proportion of shares of the buyer held by each of them following completion of the sale are the same as the identities of the Shareholders and their respective shareholdings in the Company immediately before the sale.

subsidiary: has the meaning given in *article 1 10*

Termination Date: (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;

(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

(c) where an Employee dies, the date of his death;

(d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or

(e) in any other case, the date on which the employment or holding of office is terminated.

Transfer Notice: has the meaning given in *article 12.1*.

Transfer Price: has the meaning given in *article 13*.

- 1.2 Headings in these Articles shall not affect the interpretation of these Articles.
- 1.3 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).
- 1.6 A reference in these Articles to:
- (a) an **Article** is a reference to the relevant numbered article of these Articles; and
 - (b) a **model article** is a reference to the relevant article,
- unless expressly provided otherwise.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit

the sense of the words, description, definition, phrase or term preceding those terms.

- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1 10 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- (a) another person (or its nominee), by way of security or in connection with the taking of security; or
 - (b) its nominee.

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

2. **ADOPTION OF THE MODEL ARTICLES**

- 2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2 2 Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 18(e), 22, 26(5), 38, 39, 44(2), 49, 50 and 51 to 53 (inclusive) shall not apply to the Company.
- 2 3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur".
- 2.4 In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".

- 2.5 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

DIRECTORS

3. NUMBER OF DIRECTORS

- 3.1 Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two.
- 3.2 Subject to the Reserved Matters, the Board acting by a simple majority may appoint, remove or replace any Director

4. PROCEEDINGS OF DIRECTORS

- 4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with *article 4.2* (subject to *article 4.3* and *article 4.4*).
- 4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.3 A decision taken in accordance with *article 4.2* may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.4 A decision may not be taken in accordance with *article 4.2* if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with *article 4.9* and *article 4.10*.
- 4.5 Subject to the Reserved Matters, any decision of the Board shall be taken by a simple majority vote and in the event of an equal number of votes being cast, the chairman shall have a casting vote.
- 4.6 No decision shall be taken by the Board on any Reserved Matter without the consent of the independent non-executive directors acting by a simple majority (inclusive of those not in attendance at any particular meeting of the Directors).
- 4.7 The Board shall be entitled to establish any committee of the Board it chooses and delegate the powers conferred to it under these Articles to such committee(s) by such means, to such an extent, in relation to such matters and on such terms and conditions as it sees fit, save that any remuneration committee must consist of a majority of independent non-executive directors and (other than in relation to his own remuneration) the CEO.

- 4.8 At least 5 Business Days' advance notice of each such meeting shall be given to each Director (except with the prior consent of all Directors, when meetings of the Directors may take place less frequently or on shorter notice).
- 4.9 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors, one of whom must be an executive director and one of whom must be a non-executive director
- 4.10 For the purposes of any meeting (or part of a meeting) held pursuant to *article 7* to authorise a Conflict (as defined in *article 7 1*), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 4.11 If the number of Directors in office for the time being is less than two, the Directors in office must not take any decision other than a decision to:
- (a) appoint further Directors; or
 - (b) call a general meeting so as to enable the Shareholders to appoint further Directors.
- 4.12 Save as set out in these Articles and/or any shareholders or investment agreement relating to the Company from time to time, the Board may regulate its affairs and its operations as it sees fit
- 4.13 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.

5. ALTERNATE DIRECTORS

- 5.1 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.
- 5.2 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.
- 5.3 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.
- 5.4 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.
- 5.5 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.
- 5.6 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 article 5.6(a) and article 5.6(b).
- 5.7 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.
- 5.8 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.
- 5.9 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; or

- (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; or
- (c) on the death of the alternate's Appointor, or
- (d) when the alternate's Appointor's appointment as a director terminates.

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 Act, 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 the 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) 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

- 7.1 The Directors may, in accordance with the requirements set out in this *article* 7, 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, and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 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, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under *article 7.1* shall be necessary in respect of any such interest.
- 7.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8. 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 AND DISTRIBUTIONS

9. PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES

- 9.1 Save to the extent authorised by these Articles, or authorised from time to time by a special resolution, the Directors shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.
- 9.2 Subject to the remaining provisions of this *article 9*, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:
- (a) offer or allot,
 - (b) grant rights to subscribe for or to convert any security into; and
 - (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.

- 9.3 The authority referred to in *article 9 2*:
- (a) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
 - (b) may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).
- 9.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 9 5 Unless otherwise agreed by special resolution and Shareholder Majority if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Ordinary Shares (each an **Offeree**) in the respective proportions that the number of Ordinary Shares held by each such holder bears to the total number of Ordinary Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.
- 9 6 An offer made under *article 9.5* shall.
- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;
 - (b) remain open for a period of at least 15 Business Days from the date of service of the offer; and
 - (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under *article 9 5* shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe
- 9 7 If, on the expiry of an offer made in accordance with *article 9.5*, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the

Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.

- 9.8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with *article 9.5* shall be used to satisfy any requests for Excess Securities made pursuant to *article 9.6(c)*. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Ordinary Shares held by each such applicant bears to the total number of such Ordinary Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him).
- 9.9 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
- 9.10 For the avoidance of doubt, the Ordinary Growth Shares and the Ordinary Ratchet Shares shall carry no right to be offered new Ordinary Shares under the provisions of this article 9 or otherwise and any offer round or pre-emption rights of Ordinary Growth Shares or Ordinary Ratchet Shares to Ordinary Shares is explicitly disappplied
- 9.11 The maximum number of Ordinary Growth Shares which may be issued is 6. The maximum number of Ordinary Ratchet Shares which may be issued is 12.

10. TRANSFERS OF SHARES: GENERAL

- 10.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 10.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to *article 10.5*, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 10.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with the consent of the Board to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him

- 10.4 Any transfer of a Share by way of sale which is required to be made under *article 14*, *article 15* or *article 16* shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 10.5 The Directors may (and shall, if requested by an Shareholder Majority), as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed to be bound by the terms of any investment agreement or shareholder agreement, in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this *article 10.5*, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.
- 10.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require:
- (a) any holder (or the legal representatives of a deceased holder); or
 - (b) any person named as a transferee in a transfer lodged for registration; or
 - (c) such other person as the Directors may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 10.7 If any such information or evidence referred to in *article 10.6* is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 15 Business Days of receipt of such written notice, then, unless otherwise directed in writing by a Shareholder Majority:
- (a) the relevant Shares shall cease to confer on the holder of them any rights:
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares; and
 - (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may reinstate the rights referred to in *article 10.7(a)* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *article 10.7(b)* on completion of such transfer

10.8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:

- (a) it does not contain a Minimum Transfer Condition, and
- (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).

10.9 Any Transfer Notice (but not an Offer Notice (as defined in *article 15*) or a Drag Along Notice (as defined in *article 16*)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice.

10.10 Directors (including anyone who has been a director at any time since the date of adoption of these Articles even if he/she ceases to be a director) are not permitted to transfer any Shares held by them in any circumstances save where such transfer is in to be made in the context of:

- (a) an Exit in which all or substantially all Shareholders participate or have the opportunity to participate; or
- (b) a transfer to a Privileged Relation solely for tax planning purposes; or
- (c) circumstances where required or provided for under these Articles; or
- (d) under any contract with the Company where the transfer is at the election or requirement of the Company and the contract has been approved as a Reserved Matter; or
- (e) any other circumstances where approved as a Reserved Matter.

11. PERMITTED TRANSFERS OF SHARES

11.1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee.

11.2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to:

- (a) the Original Shareholder;
- (b) any Privileged Relation(s) of the Original Shareholder;

- (c) subject to *article 11.3*, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or
- (d) subject to *article 11.3*, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

11.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Directors are satisfied:

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s);
- (b) with the identity of the proposed trustee(s);
- (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

11.4 Any transfer to be effected in accordance with *articles 11.1* and *11.2* shall be subject to the prior satisfaction of the following:

- (a) the Shareholder advising the Directors in writing of the intended transfer in advance of its completion;
- (b) the Permitted Transferee agreeing to abide by these Articles and entering into any relevant investment or shareholder agreement by means of a deed of adherence in accordance with *article 10.5*; and
- (c) save in accordance with these Articles, there being no further transfer of the relevant Shares.

11.5 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 20 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:

- (a) the Original Shareholder; or
- (b) a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this *article 11.4*, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 11.4*

11.6 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 20 Business

Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
- (b) give a Transfer Notice to the Company in accordance with *article 12*,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 11.6*.

11.7 Notwithstanding any other provision of this *article 11*, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors.

11.8 Any transfer which the Company is legally bound to effect as at the Adoption Date and which has been disclosed in the Private Placement Memorandum shall also be considered a Permitted Transfer.

12. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

12.1 Except where the provisions of *article 11*, *article 15* or *article 16* apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this *article 12*.

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

- (a) subject to *article 10.8(b)*, the number of Shares he wishes to transfer (**Sale Shares**);
- (b) the name of the proposed transferee, if any;
- (c) the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**); and
- (d) subject to *article 10.8(a)*, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).

12.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price the Seller may, within 15 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice.

12.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price

12.5 As soon as practicable following the later of,

- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
- (b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with *article 12 3*) offer the Sale Shares for sale in the manner set out in the remaining provisions of this *article 12* at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

12 6 The Company shall offer the Sale Shares to the holders of Ordinary Shares (the **Offer Shareholders**) on the basis set out in *article 12.8* to *article 12 14* (inclusive).

12 7 An offer of Sale Shares made in accordance with *article 12.6* shall remain open for acceptance for a period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with *article 12 8* and *article 12 9*.

12 8 Subject to *article 12 7*, the Directors shall offer the Sale Shares to the Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy.

12.9 If:

- (a) at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
- (b) not all Sale Shares are allocated following allocations in accordance with *article 12.9(a)*, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale

Shares to such applicants in accordance with the procedure set out in *article 12 9(a)*. The procedure set out in this *article 12 9(b)* shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

- (c) at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Offer Shareholders in accordance with their applications. The balance (the **Surplus Shares**) shall be dealt with in accordance with *article 12.14*.

12 10 Where the Transfer Notice contains a Minimum Transfer Condition:

- (a) any allocation made under *article 12 7* to *article 12.9* (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and
- (b) if the total number of Sale Shares applied for under *article 12.7* to *article 12 9* (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

12 11 Where either

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

the Directors shall, when no further offers or allocations are required to be made under *article 12 7* to *article 12.9* (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).

12 12 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice

12 13 If the Seller fails to comply with *article 12.12*.

- (a) any Director or some other person nominated by a resolution of the Directors may, as agent and attorney on behalf of the Seller

- (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
 - (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
- 12.14 Where a Transfer Notice lapses pursuant to *article 12.10(b)* or an Allocation Notice does not relate to all the Sale Shares, then, subject to *article 12.15*, the Seller may, at any time during the 20 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this *article 12.14* shall continue to be subject to any Minimum Transfer Condition
- 12.15 The Seller's right to transfer Shares under *article 12.14* does not apply if the Directors reasonably consider that:
- (a) the transferee is a person (or a nominee for a person) whom the Directors determine to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
 - (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in *article 12.15(b)*.

13. VALUATION

- 13.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting) and the

Seller or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share. For the purposes of this *article* 12.1, a person shall be considered "connected" with the Seller where the person is a spouse, brother or sister, father, mother, son or daughter of that person but not otherwise.

- 13.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 13.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 13.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such *confidentiality provisions as the Directors may reasonably impose*.
- 13.5 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 13.6 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.
- 13.7 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless:

- (a) the Seller withdraws the relevant Transfer Notice in accordance with *article 12.3*; or
- (b) in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost.

14. COMPULSORY TRANSFERS

- 14.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors may determine.
- 14.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, or becomes regulated by the Financial Conduct Authority, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine.
- 14.3 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice.
- 14.4 If an Employee becomes a Departing Employee a Transfer Notice shall, unless the Directors otherwise direct in writing in respect of any particular Relevant Shares prior to or within 10 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 14.5 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is:

- (a) a Bad Leaver, be restricted to a maximum of the lower of the aggregate Issue Price of such Sale Shares and the aggregate Fair Value of such Sale Shares; and
 - (b) a Good Leaver, be the aggregate Fair Value of such Sale Shares.
- 14.6 Notwithstanding the provisions of *article 14.5*, a Shareholder Majority may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to *article 14.5*.
- 14.7 Forthwith upon a Transfer Notice being deemed to be served under *article 14.4* the the Shares subject to the relevant Deemed Transfer Notice (**Restricted Shares**) shall cease to confer on the holder of them any rights:
 - (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
 - (b) to receive dividends or other distributions otherwise attaching to those Shares, or
 - (c) to participate in any future issue of Shares issued in respect of those Shares
- 14.8 The Directors may reinstate the rights referred to in *article 14.7* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *article 14.4* on completion of a transfer made pursuant to *article 14.4*.

15. MANDATORY OFFER ON CHANGE OF CONTROL

- 15.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to *article 11* or *article 14* but after the operation of the pre-emption procedure set out in *article 12*), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing Shareholder (the **Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this *article 15* shall apply.
- 15.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder (each an **Offeree**) on the date of the Offer, to buy all of the Ordinary Shares, the Ordinary Growth Shares and the Ordinary Ratchet Shares held by such Offerees on the date of the Offer for a consideration in cash per Ordinary Share (the **Offer Price**) which is equal to the highest price per Ordinary Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Ordinary Shares in connection with the Proposed Transfer and for a

consideration in cash per Ordinary Growth Share and Ordinary Ratchet Share which complies with the provisions of *articles* 25 and 26.

15.3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Offeree on the date of the Offer at least 10 Business Days (the **Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**). The Offer Notice shall specify:

- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer);
- (b) the Offer Price and any other terms and conditions of the Offer;
- (c) the Sale Date; and
- (d) the number of Ordinary Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.

15.4 The completion of the Proposed Transfer shall be conditional in all respects on:

- (a) the making of an Offer in accordance with this *article* 15; and
- (b) the completion of the transfer of any Ordinary Shares, Ordinary Growth Shares and Ordinary Ratchet Shares by any Offeree (each an **Accepting Offeree**) who accepts the Offer within the Offer Period, and the Directors shall refuse to register any Proposed Transfer made in breach of this *article* 15.4.

15.5 The Proposed Transfer is, but the purchase of Shares from Accepting Offerees pursuant to an Offer made under this *article* 15 shall not be, subject to the pre-emption provisions of *article* 12

16. DRAG ALONG

16.1 If the holders of 90%, in the first three years after the Adoption Date, or 75% thereafter by nominal value of the Ordinary Shares in issue for the time being (the **Selling Shareholders**) wish to transfer all of their interest in Ordinary Shares (**Sellers' Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Ordinary Shares, Ordinary Growth Shares and Ordinary Ratchet Shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in Ordinary Shares, Ordinary Growth Shares and Ordinary Ratchet Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this *article* 16 and (as to respective values to be paid) the provisions of *articles* 25 and 26.

16.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the

completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:

- (a) that the Called Shareholders are required to transfer all their Ordinary Shares, Ordinary Growth Shares and Ordinary Ratchet Shares (**Called Shares**) pursuant to this *article 16*;
- (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
- (c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and
- (d) the proposed date of completion of transfer of the Called Shares.

16.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 40 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

16.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this *article 16*.

16.5 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:

- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree; or
- (b) that date is less than 10 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 10 Business Days after the date of service of the Drag Along Notice.

16.6 Within 10 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Ordinary Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Ordinary Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 10 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to *article 16.2(c)* to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to *article 16.2(c)* shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called

Shareholders pursuant to *article 16 2(c)* in trust for the Called Shareholders without any obligation to pay interest

- 16.7 To the extent that the Proposed Buyer has not, on the expiration of the 10 Business Day period, put the Company in funds to pay the amounts due pursuant to *article 16.2(c)* the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Ordinary Shares and the Called Shareholders shall have no further rights or obligations under this *article 16* in respect of their Ordinary Shares.
- 16.8 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this *article 16*.
- 16.9 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Ordinary Shares, whether or not pursuant to a Share Option Plan (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Ordinary Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this *article 16* shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Ordinary Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this *article 16.9* to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Ordinary Shares.
- 16.10 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of *article 12*.
- 16.11 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a

Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

DECISION-MAKING BY SHAREHOLDERS

17. GENERAL MEETINGS

- 17.1 No business other than, subject to *article 17.2*, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 17.2 If there is no chairman in office for the time being, or the chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.
- 17.3 The Company will convene a general meeting at least once every calendar year at which the latest annual reports and accounts for the Company will be made available to shareholders.

18. VOTING

- 18.1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company. Each Ordinary Share, each Ordinary Growth Share and each Ordinary Ratchet Share shall carry one vote each in respect of any vote or consent whether voted on by way of poll, show of hands or written resolution or consent.
- 18.2 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article
- 18.3 Model article 45(1) shall be amended by:
- (a) the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"; and
 - (b) the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion,

accept the notice at any time before the meeting" as a new paragraph at the end of that model article.

19. PURCHASE OF OWN SHARES

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

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

19.2 Whenever the Company acquires its own shares, whether for value or by way of gift or otherwise, subject to the Act and any other applicable law or regulation, the Company may hold those shares in treasury or cancel them.

20. COMPANY'S LIEN OVER SHARES

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

20.2 The Company's Lien over a share:

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

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

21. ENFORCEMENT OF THE COMPANY'S LIEN

21.1 Subject to the provisions of this *article 21*, if:

- (a) a Lien Enforcement Notice has been given in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide

21.2 A Lien Enforcement Notice.

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

21.3 Where Shares are sold under this *article 21*.

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

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

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

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

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

ADMINISTRATIVE ARRANGEMENTS

22. MEANS OF COMMUNICATION TO BE USED

- 22 1 Subject to article 22.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - (b) if sent by fax, at the time of transmission; or
 - (c) if sent by pre-paid first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
 - (d) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - (e) if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
 - (f) 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
 - (g) if deemed receipt under the previous paragraphs of this *article 22 1* would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.
- 22 2 To prove service, it is sufficient to prove that:
- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
 - (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
 - (c) if sent by post the envelope containing the notice was properly addressed, paid for and posted; or
 - (d) if sent by email, the notice was properly addressed and sent to the email address of the recipient.
- 22 3 A Transfer Notice (or Deemed Transfer Notice) may not be served or delivered in electronic form (other than by fax), or by means of a website.

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

23. INDEMNITY AND INSURANCE

- 23.1 Subject to *article 23.2*, 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 in the actual or purported execution and/or discharge of his duties, or in relation thereto, including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs; and
- (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 23.1* and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

- 23.2 This *article 23* does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

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

- 23.4 In this *article 23*:

- (a) **Relevant Loss** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company), and
- (b) **Relevant Officer** means any director or other officer or former director or other officer of any Group Company.

24. RIGHTS OF ORDINARY SHARES, ORDINARY GROWTH SHARES AND ORDINARY RATCHET SHARES

Other than as explicitly set out otherwise in these Articles, each Ordinary Share and each Ordinary Growth Share and Ordinary Ratchet Share shall carry the same rights (including, without limitation, in respect of voting, dividends, rights to capital and economic rights).

25. LIQUIDATION PREFERENCE

25.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) as follows.

- (a) first, in paying to the holder(s) of the Ordinary Shares, the Ordinary Growth Shares and the Ordinary Ratchet Shares an equal amount per share up to an aggregate payment of £4,500,000;
- (b) secondly, in paying a preferred amount on each Ordinary Growth Share equal to G times the amount as has been distributed on each Ordinary Share under paragraph (a) where G is set out in Table A in Schedule 1 to these Articles;
- (c) thirdly, in paying a preferred amount on each Ordinary Ratchet Share equal to R times the amount as has been distributed on each Ordinary Share under paragraph (a) where R is set out in Table B (as explained and amended by the text under the heading "Table B") in Schedule 1 to these Articles;
- (d) thereafter, in distributing the balance among the holders of the Shares pro rata to the number of Shares held (within each class) but distributing (as distinct between the share classes) G times the amount on each Ordinary Growth Share as on each Ordinary Share and R times the amount on each Ordinary Ratchet Share.

25.2 In the event that (whether by operation of this *article* 25 or *article* 26 by cross reference) amounts are being paid or are due or may be due which are deferred, contingent, payable otherwise than in cash or otherwise which are not an immediate cash payment, the Board shall have discretion to determine how to deal with such circumstances and may, in its complete discretion, determine to vary in amount or by time any payment or transfer or otherwise act as it deems appropriate in relation to the above including, without limitation, setting a current value on any future or deferred or non-cash payment or consideration.

25.3 In coming to any valuation or any decision or determination relative to any Ordinary Growth Shares and Ordinary Ratchet Shares issued and the operation of *article* 25.1 above, the Board may engage the Company's

accountants or auditors or any other competent person to make a recommendation to the Board. The Board and the directors shall not be liable for any valuation or any decision or determination relative to the such issued Ordinary Growth Shares or Ordinary Ratchet Shares arrived at in the absence of bad faith or fraud.

26. EXIT PROVISIONS

- 26.1 On a Share Sale, the Sale Proceeds shall be distributed in the order of priority set out in *article 25*. The Directors shall not register any transfer of Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:
- (a) the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in *article 25*; and
 - (b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) as directed by the Board to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in *article 25* and the Board shall be obliged to make reasonable efforts to facilitate the intent of this paragraph (b).
- 26.2 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in *article 25*, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by the Board (including, but without prejudice to the generality of this *article 26.2*, such action as may be necessary to put the Company into voluntary liquidation so that *article 25* applies) and the Board shall be obliged to make reasonable efforts to facilitate the intent of this paragraph.
- 26.3 Immediately before or on a Listing, the Company shall, upon demand by a/the holder of Ordinary Growth Shares and/or Ordinary Ratchet Shares or upon the direction of the Board, issue to that holder for the time being of Ordinary Growth Shares and Ordinary Ratchet Shares, by way of automatic capitalisation of reserves or such other route as is permitted by applicable law, such number of Ordinary Shares which shall result in that holder holding, when aggregated with its existing shareholding (and following every issue of Ordinary Shares to Shareholders pursuant to this *article 26.3* and the conversion of Ordinary Growth Shares and Ordinary Ratchet Shares in Ordinary Shares), the same proportion of the total number of Shares in issue as the proportion that its entitlement to the surplus assets of the Company under *article 25* (including by

way of arrears and accruals of dividend) bears to the total of the surplus assets available for distribution to the Shareholders under *article 25* as if the Shares had been valued in aggregate at the expected opening price of the Ordinary Shares in aggregate as certified by an Independent Valuer or a person nominated by an Independent Valuer for that purpose, and simultaneously the Ordinary Growth Shares and Ordinary Ratchet Shares shall convert into Ordinary Shares on a one for one basis.

- 26.4 All Ordinary Shares to be issued in accordance with *article 26.3* shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company or any other route permitted by applicable law (including for the avoidance of doubt a fresh issue of shares for that purpose) as determined by the Directors and shall be credited as fully paid at par. If done by capitalisation, such a capitalisation shall be automatic and shall not require any action on the part of the Shareholders (other than the request by the relevant holder of Ordinary Growth Shares and/or Ordinary Ratchet Shares or the direction of the Board) and the Directors shall allot the Ordinary Shares arising on the capitalisation to the Shareholders entitled to them in accordance with *article 26.3*. If and to the extent that the Company is not lawfully permitted to carry out the capitalisation required by *article 26.3* in full (whether by virtue of the Act or otherwise), the entitlement of each holder of Ordinary Growth Shares and/or Ordinary Ratchet Shares to such an issue of Ordinary Shares shall be reduced in the same proportion that its holding Ordinary Growth Shares and/or Ordinary Ratchet Shares bears to the total number of Ordinary Growth Shares and/or Ordinary Ratchet Shares then in issue and each such holder shall be entitled to subscribe in cash at par for the balance of that number of additional Ordinary Shares as would otherwise have been issued pursuant to *article 26.3*. The Shareholders shall procure (so far as they are lawfully able) that the Directors shall have sufficient authorisations required to issue the Ordinary Shares which may fall to be issued under *article 26.3* or this *article 26.4*.
- 26.5 Subject to *article 26.6*, in the event of an Exit approved by the Directors (**Proposed Exit**), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are reasonably required by the Directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this *article 26.5*:
- (a) the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;
 - (b) the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and

- (c) the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest).
- 26.6 Any Exit to be effected within 3 years of the Adoption Date shall require the prior consent of the Shareholders holding not less than 90% (by nominal value) of the Ordinary Shares in issue in order to be effected.
- 26.7 On or after the date falling 6 years after the Adoption Date and in the event of an Exit not having been achieved, a general meeting of the Company shall be held at which non-management Shareholders shall be offered a vote as to whether or not to pursue an Exit at that time and where such Shareholders acting by simple majority vote approve an Exit the Board shall be bound to appoint advisers to instigate a strategic review of the business of the Company with a view to identifying Exit or other options and to report back to all Shareholders on the options identified.
- 27. VARIATION OF CLASS RIGHTS AND NEW SHARE CLASSES**
- 27.1 Whenever the share capital of the Company is divided into different classes of shares which are in issue, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued shares of that class, provided that no class rights shall attach to any class of shares where there are no shares of that class currently in issue.
- 27.2 The creation of a new class of Shares shall require the prior consent of Shareholders holding 90% of the Ordinary Shares, and 75% of the Ordinary Growth Shares and 75% of the Ordinary Ratchet Shares.
- 27.3 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not constitute a variation of the rights of those existing classes of Shares where the creation is sanctioned by a Shareholder Majority.
- 27.4 In the event of a capital restructuring, reorganisation, capital reduction, share split or consolidation or other event which might affect the economic value of the Ordinary Growth Shares or Ordinary Ratchet Shares, the board may propose amendments to the rights attaching to the Ordinary Growth Shares or Ordinary Ratchet Shares and so long as the accountants or the auditors of the Company confirm that in their view the amendments are appropriate in the context of what is being proposed to reflect the material terms of the Ordinary Growth Shares or Ordinary Ratchet Shares in economic terms going forward, any Ordinary Growth Shares or Ordinary Ratchet Shares in issue and any

potential holder of Ordinary Growth Shares or Ordinary Ratchet Shares shall be deemed to have voted in favour and consented to such amendment.

- 27.5 For the purposes of class rights, including without limitation class voting rights and class consent rights and related rights, all the Ordinary Shares shall be deemed to be one class, all the Ordinary Growth Shares shall be deemed to be one class and all the Ordinary Ratchet Shares shall be deemed to be one class regardless of whether any such share also has an alphabetical or other designation with that class.

SCHEDULE 1 – ORDINARY GROWTH SHARE AND ORDINARY RATCHET SHARE MULTIPLIERS

TABLE A – ORDINARY GROWTH SHARE MULTIPLIERS

No.	Name	G
1.	Henry Allen	257
2.	Paul Glen	149
3.	Michael Groves	62
4.	Elizabeth Barrett	144
5.	Jonathon Mitchell	174
6.	Miles Keeble	138
7.	TOTAL	924

TABLE B – ORDINARY RATCHET SHARE MULTIPLIERS

IRR = the internal rate of return on the ordinary shares calculated by an Independent Expert, or person nominated for the purpose by an Independent Expert, on the basis of:

- (i) the initial investment for ordinary shares on 13 January 2017 being a first negative cashflow dated the date of receipt by the Company of all the West Hill related funds; and
- (ii) positive cashflows being pre-tax monies instructed to be transferred into the hands of ordinary shareholders dated the date of instruction of transfer provided that the transfer is by regular or expedited electronic transfer (and including without prejudice to the generality dividends, returns of capital and Exit proceeds); and
- (iii) calculated on an aggregate basis as if all ordinary shareholders had sold their shares on a "Mandatory offer on change of control" event (Article 15) or "Drag Along" event (Article 16) event or a transaction which would normally trigger such an event; and
- (iv) calculated on an aggregate basis as if all ordinary shareholders had sold their ordinary shares on the date of a Disposal; and
- (v) calculated on an aggregate basis as if all ordinary shareholders had sold their ordinary shares on the date of a Listing at the predicted opening price as certified by an Independent Expert or person nominated for the purpose by an Independent Expert (which person may for the avoidance of doubt be a financial adviser, corporate finance adviser, sponsor or broker); and
- (vi) the IRR being calculated by the accountants or auditors of the Company from time to time or, if so elected by the Board, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales, and

- (vii) the IRR being expressed as a percentage; and
- (viii) the valuation being done on a cash free, debt free basis unless an Independent Expert certifies it believes that to be inappropriate in the circumstances; and
- (ix) in respect of any contingent or deferred consideration, such amount shall be valued at the date of completion by an Independent Expert or person nominated for the purpose by an Independent Expert.

Where the IRR is less than 40%, R shall be equal to 1. Where the IRR is 40% or more but not more than 70%, R shall be equal to the number set out below. Where the IRR is more than 70%, R shall be equal to Max

No.	Name	R	Minimum number for R ("Min")	Maximum number for R ("Max")
1.	John Shaw	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	1102	2754
2.	Max Carruthers	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	299	748
3.	Michael Smith	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	75	187
4.	Henry Allen	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	153	383
5.	Paul Glen	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	117	292
6.	Michael Groves	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	38	96
7.	Jonathan Pearce	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	38	96
8.	Elizabeth Barrett	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	38	96
9.	Jonathon Mitchell	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	38	96
10.	Louise Thorp	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	10	24
11.	Laurence Abbott	$=(((IRR-40\%)/(30\%)) * (Max-Min)) + Min$	10	24

SCHEDULE 2 – DESIGNATIONS AND NOMINAL VALUES OF ORDINARY GROWTH SHARES AND ORDINARY RATCHET SHARES

A. ORDINARY GROWTH SHARES

No.	Name	No of shares	Share designation	Nominal Value
1.	Henry Allen	1	A ordinary growth share	£0.01
2	Paul Glen	1	B ordinary growth share	£0.01
3.	Michael Groves	1	C ordinary growth share	£0.01
4.	Elizabeth Barrett	1	D ordinary growth share	£0.01
5.	Jonathon Mitchell	1	E ordinary growth share	£0.01
6.	Miles Keeble	1	F ordinary growth share	£0.01

B. ORDINARY RATCHET SHARES

No.	Name	No of shares	Share designation	Nominal Value
1.	John Shaw	1	A ordinary ratchet share	£0.01
2.	Max Carruthers	1	B ordinary ratchet share	£0.01
3.	Michael Smith	1	C ordinary ratchet share	£0.01
4.	Henry Allen	1	D ordinary ratchet share	£0.01
5.	Paul Glen	1	E ordinary ratchet share	£0.01
6.	Michael Groves	1	F ordinary ratchet share	£0.01
7.	Jonathan Pearce	1	G ordinary ratchet share	£0.01
8.	Elizabeth Barrett	1	H ordinary ratchet share	£0.01

9.	Jonathon Mitchell	1	I ordinary ratchet share	£0.01
10.	Louise Thorp	1	J ordinary ratchet share	£0.01
11.	Laurence Abbott	1	K ordinary ratchet share	£0.01
12.	Donna Eley	1	L ordinary ratchet share	£0.01