

Company number: 10238425

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
of
GAMMADELTA THERAPEUTICS LIMITED
(the "Company")

(Passed on 8 MAY 2017)

On 8 May 2017, the following resolution was passed as a special resolution pursuant to Chapter 2 of Part 13 of the Companies Act 2006 by the members of the Company.

SPECIAL RESOLUTION

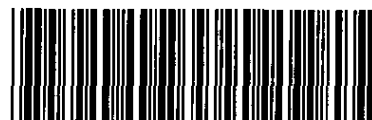
THAT, the new articles of association (the "**New Articles**") attached hereto at Annex I be and are hereby adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.



Director

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COMPANIES HOUSE

Company Number: 10238425

GAMMADELTA THERAPEUTICS LIMITED

ARTICLES OF ASSOCIATION

adopted on 8 may 2017

COVINGTON

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THE COMPANIES ACT 2006

**PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF**

**GAMMADELTA THERAPEUTICS LIMITED (the "Company")
(the "Articles")**

Adopted on **8 May** 2017

**PART 1
Preliminary Matters**

1. PRELIMINARY

1.1 Model Articles

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

1.2 Defined terms incorporated by reference

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

1.3 Expressly defined terms

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

"**2016 Benchmark Price**" means £1.00 per Share.

"**2017 Benchmark Price**" means \$9.3375 per Share.

"**Abingworth**" means Abingworth Bioventures VI LP.

"**Act**" means the Companies Act 2006.

"**Adoption**" means the date of adoption of these Articles by the Company.

“Affiliate” in respect of any undertaking, means any of its group undertakings, in respect of KCL means any company directly or indirectly wholly owned by KCL, and in respect of FCI means any company directly or indirectly wholly owned by FCI.

“Annual Preferred Dividend” has the meaning given to such term in Article 3.5.

“Applicable Agreements” means: (i) the Shareholders Agreement; and (ii) the Option To Acquire.

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

“As Converted Basis” means, with respect to the calculation of any number of Shares, (i) each Ordinary Share shall be counted as one Share (ii) each Growth Share shall be counted as one Share and (iii) each Preferred Share shall be counted as a number of Shares (including fractional entitlements) equal to one multiplied by the then applicable Conversion Ratio.

“Associate” in respect of any person (the **“Principal Person”**), means: (i) any other person connected with the Principal Person; and (ii) any other person who the Board (acting reasonably and in good faith) determines to be otherwise closely associated with the Principal Person (as may include, if so determined by the Board and without limitation, any Permitted Transferee of the Principal Person), provided that no Institute shall be or determined to be an Associate of any Founder (and *vice-versa*) and no Founder shall be or determined to be an Associate of the other Founder.

“Auditors” means the auditors of the Company.

“Available Assets” has the meaning given to such term in Article 7.1.

“Bad Leaver” means a person whose engagement as a director or employee of, or consultant to, a member of the Company’s Group ceases (or where notice to cease such engagement has been given) in circumstances that would allow such engagement to be terminated by reason of such person’s fraud, dishonesty, gross misconduct, material breach of obligation, or other circumstance by reason of which such person may be summarily dismissed. The further provisions of Article 1.4.2 shall apply.

“Bad Leaver Sale Price” shall have the meaning given in Article 13.3.2.

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

“Business Day” means a day, other than a Saturday, Sunday or public bank holiday in London, England.

“Business Sale” means the sale, transfer or other means of disposition (including without limitation, by means of out-licence or assignment) of the interests of the Company in the whole, or substantially the whole, of the business and assets of the

Company (as may include, without limitation, a disposal of its material intellectual property rights).

“Capital Reorganisation” means any: (i) issue of shares in the capital of the Company fully or partly paid up pursuant to a capitalisation of profits or reserves, but excluding any Permitted Capitalisation Issue; (ii) sub-division or consolidation of shares in the capital of the Company; (iii) redesignation or re-classification of any shares in the capital of the Company; (iv) the redemption or repurchase of any shares in the capital of the Company; or (v) any other reorganisation of the share capital of the Company.

“Capitalisation Issue” means an issue of shares by the Company credited as fully paid up as to nominal value from any share premium account of the Company (or otherwise lawfully paid up from a capitalisation of profits or reserves (including any capital redemption reserve)).

“Compulsory Transfer Event” means any of the events described as Compulsory Transfer Events in Articles 13.1.1 and 13.1.2.

“Compulsory Transfer Notice” has the meaning given to such term in Article 13.2.

“Control” shall be construed as follows: a person shall “Control” an undertaking, if such undertaking is a subsidiary undertaking of (or wholly owned by) such person (or would be if: (i) such person is deemed to be an undertaking (whether or not such person is actually an undertaking); and/or (ii) the rights and interests of the Permitted Transferees of such person are deemed to be held by such person (whether or not such person actually holds such rights and interests)).

“Controlling Interest” means the possession, directly or indirectly, of interests in Shares conferring the right to exercise more than fifty per cent. (50%) in number of all votes as may be exercisable at a general meeting of the members of the Company.

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

“Converted Share” means the Ordinary Share(s) into which a Preferred Share has been converted (or deemed converted for the purpose of any calculation of the Converted Share Upfront Proceeds or Converted Share Upfront Distribution) pursuant to Article 6.1, Article 7.7 or Article 7.8.

“Converted Share Upfront Distribution” means, with respect to a Liquidation Event or Business Sale, the aggregate value (taking into account any determination pursuant to Article 7.4) of the Available Assets (excluding any Delayed Consideration) to be distributed to the holders of Converted Shares pursuant to Articles 7.1.3 and 7.1.4 (calculated on the assumption that all Preferred Shares have been deemed converted into Ordinary Shares in accordance with Article 6.1).

“Converted Share Upfront Proceeds” means, with respect to a Share Sale, the aggregate value (taking into account any determination pursuant to Article 7.4) of the Sale Proceeds (excluding any Delayed Consideration) to be applied in respect of all Converted Shares transferred as part of the Share Sale pursuant to Articles 7.3.3 and

7.3.4 (calculated on the assumption that all Preferred Shares have been deemed converted into Ordinary Shares in accordance with Article 6.1).

“CRT” means Cancer Research Technology Limited.

“CRT Group” means:

- (a) CRT;
- (b) any Affiliate of CRT;
- (c) any Investment Fund (as defined in Article 11.1.4) where CRT (together with its Affiliates) is entitled to receive not less than 10% (ten per cent.) in value of any distribution made by such Investment Fund to its members; and
- (d) any Investment Manager (as defined in Article 11.1.4) acting in his/its capacity as Investment Manager and nominee of any Investment Fund within (b) or (c) above.

“Date of Acquisition” means the date on which the relevant Shares (or Relevant Securities pursuant to which the relevant Shares were subsequently issued) were first acquired by the relevant Leaver (or any of his Permitted Transferees or Associates) or, in the case of any ambiguity or uncertainty, such other date as the Board shall determine to be reasonable. The Date of Acquisition as so determined by the Board shall be final and binding on all persons (save in the case of fraud).

“Delayed Consideration” has the meaning given to such term in Article 7.4.

“EBT” means an employee benefit trust (or any nominee, trustee or person acting in any similar capacity) who holds Shares in connection with the operation of any Incentive Scheme(s) on terms approved by a Special Director Majority.

“Eligible Offeree” has the meaning given to such term in Article 12.2.1.

“Employee Reserve” means the pool of Ordinary Shares and/or Growth Shares established and operated in accordance with the Shareholders Agreement.

“FCI” means The Francis Crick Institute Limited.

“FCI Group” means:

- (a) FCI;
- (b) any Affiliate of FCI;
- (c) any Investment Fund (as defined in Article 11.1.4) where FCI (together with its Affiliates) is entitled to receive not less than 10% (ten per cent.) in value of any distribution made by such Investment Fund to its members; and
- (d) any Investment Manager (as defined in Article 11.1.4) acting in his/its capacity as Investment Manager and nominee of any Investment Fund within (c) above.

“Founders” means Adrian Hayday and Oliver Nussbaumer (and **“Founder”** shall be construed accordingly).

“Group” in respect of any undertaking, means such undertaking and its Affiliates.

“Growth Share Hurdle” means \$9.3375 per Share.

“Growth Shares” means growth shares of £0.001 each in nominal value having the rights set out in these Articles.

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

“Incentive Scheme” means any scheme(s), plan(s), agreement(s) and/or other arrangement(s) (in each case, as approved by an Investor Majority and subject, in each case, to such conditions, limitations and restrictions (including, without limitation, as to the number and/or class of Relevant Securities) to which such an Investor Majority approval was given) concerning the grant of options over Shares (and/or any other allotment or issue (or agreement to allot or issue) Relevant Securities) to employee(s) and/or director(s) of, and/or consultant(s) to, the Company (or any other member of the Company’s Group), in each case from the Employee Reserve.

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

“Initial Preferred Shares” means 800,000 Preferred Shares subscribed by Abingworth on 15 August 2016 (and any further Preferred Shares issued pursuant to Article 8.4).

“Institute Majority” means at least two of: (i) KCL; (ii) FCI; and (iii) CRT.

“Institutes” means: (i) KCL (and each other member of the KCL Group which may hold Shares); (ii) FCI (and each other member of the FCI Group which may hold Shares); and (iii) CRT (and each other member of the CRT Group which may hold Shares).

“Investment Agreement” means any of: (i) the investment agreement dated on or around the date of Adoption between the Company, Abingworth, Takeda and the Founders; and (ii) any other investment between *inter alia* the Company and a subscriber for Preferred Shares which the Company and a Special Director Majority agree in writing to designate an ‘Investment Agreement’ for the purposes of this definition (in each case, as amended, varied or supplemented from time to time in accordance with the terms thereof).

“Investors” means: (i) each of Abingworth and Takeda (but, in the case of Takeda, only if and for so long as Takeda holds any Preferred Shares); (ii) any other person (if any) who may from time to time hold any Preferred Shares and who the Company and an Investor Majority) may agree in writing to designate as an ‘Investor’ for the

purpose of this definition; and (iii) any Permitted Transferee of any person referred to in (i) or (ii) which may from time to time hold any Shares (but, in the case of a Permitted Transferee of Takeda, only if and for so long as such Permitted Transferee holds any Preferred Shares), (and “Investor” shall be construed accordingly).

“**Investor Majority**” means those Investors holding not less than seventy-six per cent. (76%) in number of all issued Preferred Shares held by all Investors.

“**KCL**” means King’s College London.

“**KCL Group**” means:

- (a) KCL;
- (b) any Affiliate of KCL;
- (c) any Investment Fund (as defined in Article 11.1.4) where KCL (together with its Affiliates) is entitled to receive not less than ten per cent. (10%) in value of any distribution made by such Investment Fund to its members; and
- (d) any Investment Manager (as defined in Article 11.1.4) acting in his/its capacity as Investment Manager and nominee of any Investment Fund within (c) above.

“**Law**” or “**Laws**” includes all applicable legislation, statutes, directives, regulations, judgments, decisions, decrees, orders, instruments, by-laws, and legislative measures or decisions having the force of law.

“**Leaver**” means any person who ceases to be a director or employee of, or a consultant to, the Company or any other member of the Company’s Group (and who does not thereafter continue as either a director or employee of, or a consultant to, any member of the Company’s Group). The further provisions of Article 1.4.1 shall apply.

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

“**Market Value**” has the meaning given to such term in Article 13.3.1.

“**New Preferred Shares**” means Preferred Shares other than Initial Preferred Shares.

“**Nominating Shareholder**” has the meaning given to such term in Article 18.

“**Non-Cash Consideration**” has the meaning given to such term in Article 7.4.

“**Non-Participating Growth Share**” has the meaning given to such term in Article 7.9.

“**Option To Acquire**” means the agreement between the Company, Takeda, Abingworth, the Founders and certain other persons dated on or around the date of Adoption granting Takeda the option to acquire all the Shares (other than Excluded Shares (as defined therein)) in the capital of the Company.

“Ordinary Shares” means ordinary shares of £0.001 each in nominal value having the rights set out in these Articles.

“Participating Growth Share” has the meaning given to such term in Article 7.9.

“Participating Shares” means the Ordinary Shares, the Preferred Shares and the Participating Growth Shares.

“Permitted Capitalisation Issue” means a Capitalisation Issue made pursuant to Article 6.9, Article 8.4 or Article 8.6 (or a subscription at nominal value made if required pursuant to Article 6.9, Article 8.4 or Article 8.6).

“Permitted Issue” means: (i) an allotment or issue (or agreement to allot or issue) Relevant Securities pursuant to the Investment Agreement; (ii) subject to the prior written consent of the Investor Majority, an allotment or issue (or agreement to allot or issue) Relevant Securities pursuant to any sub-division of Shares or Permitted Capitalisation Issue; (iii) an allotment or issue (or agreement to allot or issue) Relevant Securities pursuant to an Incentive Scheme; (iv) an allotment or issue (or agreement to allot or issue) Relevant Securities in connection with an acquisition of any shares, securities, business, assets, rights and/or intellectual property rights (including by way of any in-licence thereof) by the Company (or other member of the Company’s Group) on terms approved by an Investor Majority; (v) an allotment or issue (or agreement to allot or issue) of Relevant Securities which the Board has resolved (with the written consent of an Investor Majority) to categorise as a Permitted Issue and made to persons other than the Investors; or (vi) an allotment or issue (or agreement to allot or issue) of Relevant Securities which the Board has resolved (with the written consent of an Investor Majority and an Institute Majority) to categorise as a Permitted Issue.

“Permitted Transfer” means a transfer of Shares permitted by Article 11.

“Permitted Transferee” means a person to which Shares may be transferred pursuant to a Permitted Transfer, or any such person to which any Share has been so transferred, as the context may require.

“Preferred Dividend” has the meaning given to such term in Article 3.5.

“Preferred Share Upfront Distribution” means, with respect to a Liquidation Event or Business Sale, the aggregate value (taking into account any determination pursuant to Article 7.4) of the Available Assets (excluding any Delayed Consideration) to be distributed to the holders of Preferred Shares pursuant to Articles 7.1.1 and 7.1.2.

“Preferred Share Upfront Proceeds” means, with respect to a Share Sale, the aggregate value (taking into account any determination pursuant to Article 7.4) of the Sale Proceeds (excluding any Delayed Consideration) to be applied in respect of all Preferred Shares transferred as part of the Share Sale pursuant to Articles 7.3.1 and 7.3.2.

“Preferred Shares” means preferred shares of £0.001 each in nominal value having the rights set out in these Articles.

“Prior Preferred Distribution” has the meaning given to such term in Article 7.5.

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

“Qualified IPO” means, the Company’s first offering of Ordinary Shares to the public, provided that: (i) Takeda is no longer a holder of any Preferred Shares, (ii) the aggregate proceeds of such offer and sale of Ordinary Shares attributable to sale(s) for the account of the Company exceeds \$20,000,000, at a price per share equal to at least \$30 (appropriately adjusted for any Capital Reorganisation subsequent to Adoption) and the Ordinary Shares are listed for trading on the main market of the London Stock Exchange or AIM or any Recognised Investment Exchange (as defined in section 285 of the Financial Services and Markets Act 2000 including the New York Stock Exchange and NASDAQ National Market); or (iii) the public offering of Ordinary Shares is approved (in writing) by an Investor Majority to be categorised as a ‘Qualified IPO’.

“Relevant Securities” means: (i) Shares; and (ii) any other security, option, warrant, agreement or instrument which confers any right to subscribe, exchange for, convert into or otherwise acquire any Share(s).

“Retained Shares” has the meaning given to such term in Article 13.4.

“Sale” means a Business Sale or Share Sale.

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

“Shareholders Agreement” means the shareholders agreement between the Company and certain Share Holders date on or around the date of Adoption (as amended, varied or supplemented from time to time in accordance with the terms thereof).

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

“Share Sale” means a sale or other transfer of the whole or any part of the issued share capital of the Company to any person (or any sale, merger, reorganisation or scheme of arrangement concerning shares in the capital of the Company) resulting in any person (together with all persons (if any) acting in concert (within the meaning given in the City Code on Takeovers and Mergers) with such person) acquiring a Controlling Interest in the Company. For the purposes of this definition, the following shall not constitute a Share Sale: (i) an issue of Relevant Securities by the Company (or acquisition of Shares under the rights conferred by Relevant Securities so issued) including, without limitation, an issue of Shares as part of a funding round or pursuant to Article 8.4 (*Initial Preferred Share Anti-dilution Rights*) and/or Article 8.6

(*Preferred Share Anti-dilution Rights*); or (ii) an acquisition of Shares by an Eligible Offeree pursuant to Article 12 (*Pre-emption on Share Transfers*); or (iii) an acquisition of Shares by the Investor in satisfaction (in whole or in part) of a claim for breach of warranty under an Investment Agreement.

“**Special Director**” has the meaning given to such term in Article 18.

“**Special Director Majority**” means the written approval (or vote at a meeting of the Board) of at least two of the Special Directors (or such lesser number of Special Directors who may then hold office as directors of the Company).

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

“**Takeda**” means Takeda Pharmaceutical Company Limited.

“**Takeda Consent**” means the prior written consent of Takeda during the Takeda Consent Period. For the avoidance of doubt, no such consent shall be required (and any such consent deemed given) after the expiry of the Takeda Consent Period.

“**Takeda Consent Period**” means the period commencing on the date of Adoption and ending on the date of Sale Completion (or, if earlier, the date of Option Expiry Date) (each term as defined in the Option To Acquire).

“**Transfer Agreement**” has the meaning given to such term in Article 15.1.

1.4 Construction

In these Articles, where the context admits:

1.4.1 “**consultant**” includes: (i) a person engaged directly by a member of the Company’s Group to provide services to the Company’s Group; and (ii) a person (an “**Indirect Consultant**”) engaged by a third party (a “**Service Company**”) to provide services on behalf of such Service Company to the Company’s Group where that Service Company is engaged by a member of the Company’s Group to provide such services;

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

- 1.4.3 notwithstanding any provision of these Articles to the contrary, if and for so long as no Preferred Shares are in issue, then:
- (a) the term “**Investor Majority**” shall mean those Investors holding not less than seventy-six per cent. (76%) in number of all Shares held by all Investors;
 - (b) Articles 8.4 and 8.6 shall not apply; and
 - (c) Articles 11(2) and 11(3) of the Model Articles shall not apply and the minimum quorum requirement for the making of decisions of the directors shall be one director;
- 1.4.4 every reference to a particular statutory provision or other Law shall be construed also as a reference to all other Laws made under the Law referred to and to all such Laws as amended, re-enacted, consolidated or replaced or as their application or interpretation is affected by other Laws from time to time and whether before or after the date of Adoption;
- 1.4.5 reference to any agreement, contract or deed shall be construed as a reference to such agreement, contract or deed as validly varied, amended or supplemented from time to time;
- 1.4.6 any question as to whether a person is “**connected**” with another shall be determined in accordance with section 993 and section 994 of the Income Tax Act 2007 (subject to the deletion of the words from “*But*” to “*arrangements*” in sub-section (4) of the said section 993);
- 1.4.7 references to the singular shall include the plural and vice versa and references to the masculine, the feminine and the neuter shall include each other such gender;
- 1.4.8 references to a “**person**” includes any individual, firm, body corporate, governmental authority, joint venture, association, undertaking, partnership or limited partnership (whether or not having separate legal personality);
- 1.4.9 “**company**” includes any body corporate; and
- 1.4.10 for the purposes of the definition of a “**Compulsory Transfer Event**” and in Articles 19.1.3 and 19.1.4 every reference to an English legal term is deemed to include reference to any analogous legal term in any other jurisdiction.

2. LIMITED COMPANY

- 2.1 The Company is a private company within the meaning of the Act and its registered office shall be situated in England & Wales.
- 2.2 The liability of each member is limited to the amount, if any, unpaid on the shares held by him.
- 2.3 The share capital of the Company is comprised of Growth Shares, Ordinary Shares and Preferred Shares.

PART 2
Share Rights

3. DIVIDENDS

- 3.1 All dividends and other distributions (other than made pursuant to Article 7, any Preferred Dividend, any Permitted Capitalisation Issue or as otherwise as expressly provided by these Articles) shall be paid to all Holders of Shares (other than Growth Shares) pro rata as to the number of Shares (other than Growth Shares) on an As Converted Basis held by each Shareholder.
- 3.2 Notwithstanding Article 3.1, any distribution made by way of issuing, or paying up (or crediting as being paid up) any amount in respect of, any shares in the capital of the Company shall be made in such manner as may be provided for in, or permitted by, these Articles or otherwise as may be approved in writing by an Investor Majority.
- 3.3 No dividend or distribution (other than made pursuant to Article 7, any Preferred Dividend, any Permitted Capitalisation Issue or as otherwise expressly required by these Articles) shall be made if any Arrears are then outstanding in respect of any Preferred Dividend.
- 3.4 No dividend or distribution (other than made pursuant to Article 7, any Preferred Dividend, any Permitted Capitalisation Issue or as otherwise as expressly required by these Articles) shall be made unless such dividend or distribution is made with the prior written consent of an Investor Majority.
- 3.5 Preferred Dividends**
- 3.5.1 Subject to Article 3.5.2 an annual fixed rate dividend (the “**Preferred Dividend**”) shall accrue on each Preferred Share from the date on which such share was first issued.
- 3.5.2 The Preferred Dividend shall accrue on each Preferred Share at a rate of eight per cent. (8%) per annum (and any calculation of the Preferred Dividend in respect of any period which is less than a full year shall be calculated on a daily basis and on the assumption of a 365 day year) on the Subscription Price of the Preferred Share. The amount of the Preferred Dividend shall so accrue on each Preferred Share whether or not the Company is then lawfully able to distribute and pay such Preferred Dividend. The amount of the Preferred Dividend accrued in respect of a financial year of the Company shall be the “**Annual Preferred Dividend**” with respect to that financial year.
- 3.5.3 As soon as reasonably practicable following the end of each financial year of the Company (and in any event within 60 days following the finalisation of the relevant accounts of the Company prepared under section 396 of the Act for such a financial year) the Board shall determine having regard to the working capital requirements under the Business Plan whether or not the Company has available profits (within the meaning of the Act). If the Board so determines that the Company has available profits then the Board shall declare and pay to the Holders of Preferred Shares the Annual Preferred Dividend (or, if the

available profits of the Company are insufficient to pay the whole of the Annual Preferred Dividend, then such amount thereof as may be so paid from available profits) thereon for such financial year. If the Board so determines that the Company has no available profits (or that the available profits are insufficient to pay the whole of the Annual Preferred Dividend) then such part of the Annual Preferred Dividend in respect of such financial year as is not then due for payment under this Article 3.5.3 shall lapse and cease to be payable (without prejudice to the rights of the Holders of Preferred Shares with respect to any Annual Preferred Dividend with respect to any other financial year).

3.5.4 Without prejudice to Article 3.5.3, Preferred Dividend (excluding any Annual Preferred Dividend which has lapsed pursuant to Article 3.5.3) shall also be payable on the first to occur of a Liquidation Event or Sale and shall be satisfied:

- (a) in the event of a Share Sale, from the Sale Proceeds in accordance with Article 7.3; or
- (b) in the event of a Liquidation Event or Business Sale, from the Available Assets in accordance with Article 7.1,

and the amount of such Preferred Dividend so payable on a Preferred Share under this Article 3.5.4 shall be: (i) the amount of any unpaid Annual Preferred Dividend with respect to any prior financial year(s) which has been declared payable pursuant to Article 3.5.3; and (ii) the accrued unpaid Preferred Dividend with respect to the current financial year.

4. VOTING

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

- 4.1.1 each Ordinary Share shall, on a poll, carry one vote per share; and
- 4.1.2 each Preferred Share shall, on a poll, carry one vote per share on an As Converted Basis; and
- 4.1.3 no vote(s) shall be exercisable on a poll or show of hands in respect of any Growth Share (save with respect to any resolution of the Holders of Growth Shares as a class, in which event each Growth Share shall, on a poll, carry one vote per share for the purposes of such class resolution).

4.2 Polls

- 4.2.1 A poll on a resolution at a general meeting or class meeting may be demanded by any Shareholder entitled to vote on that resolution.
- 4.2.2 Polls must be taken in such manner as the chairman of the meeting directs. A poll on any question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded.

The requirement to hold a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

4.3 Written resolution

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

5. VARIATION OF CLASS RIGHTS

- 5.1 No special rights attaching to any class of shares may be varied or abrogated unless approved in writing by an Investor Majority.
 - 5.2 The special rights attaching to Preferred Shares may only be varied or abrogated with approval by special resolution of the Holders of Preferred Shares (including all Initial Preferred Shares and all New Preferred Shares as a single class) (whether by way of written resolution or passed in class meeting).
 - 5.3 The special rights attaching to Ordinary Shares may only be varied or abrogated with:
 - 5.3.1 approval by ordinary resolution of the Holders of Ordinary Shares (whether by way of written resolution or passed in a class meeting); and
 - 5.3.2 approval in writing by an Investor Majority.
 - 5.4 The special rights attaching to Growth Shares may only be varied or abrogated with:
 - 5.4.1 approval by either: (a) an ordinary resolution of the Holders of Growth Shares (whether by way of written resolution or passed in a class meeting); or (b) the approval of the Board and the written consent of the holders of not less than ninety per cent. (90%) in number of issued Shares; and
 - 5.4.2 approval in writing by an Investor Majority.
 - 5.5 Save only for the purposes of Article 8.4 and 8.6, the Preferred Shares shall constitute a single class of share. The statutory books of the Company shall note which Preferred Shares are designated as New Preferred Shares and which are designated as Initial Preferred Shares (and in the case of any dispute or ambiguity the Board shall determine whether a Preferred Share is an Initial Preferred Share or a New Preferred Share and, save in the event of fraud, such determination shall be final and binding on all persons).
- 6. CONVERSION**
- 6.1 Each Holder of Preferred Shares may at any time convert all, or any part of, its holding of Preferred Shares (and an Investor Majority shall have the right to require that all Preferred Shares be converted) into a number of Ordinary Shares calculated as follows:

$$W \times X = Z$$

W = the applicable Conversion Ratio

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

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

- 6.2 Such right of conversion may be effected pursuant to the terms of any agreement (being either the Shareholders Agreement or any agreement (in a form approved by an Investor Majority) between the Company and the Holder of the Preferred Shares to be so converted) (a “**Conversion Agreement**”) or by notice (a “**Conversion Notice**”) in writing given to the Company signed by the Holder of the relevant Preferred Shares (or signed by an Investor Majority where all Preferred Shares are to be converted). Conversion of Preferred Shares the subject of a Conversion Notice shall take effect upon receipt by the Company of such notice (or, if later, upon satisfaction of any further conditions as so specified in such Conversion Notice). Conversion of Preferred Shares the subject of a Conversion Agreement shall take effect at the time provided for under the terms of the Conversion Agreement, subject to the satisfaction (or valid waiver) of any conditions thereto as so specified in such Conversion Agreement.
- 6.3 Certificates in respect of those Preferred Shares converted into Ordinary Shares shall thereupon be invalidated and shall be returned to the Company. The Company may withhold the issue of any new certificate in respect of the resulting Ordinary Shares pending its receipt of any certificate for such Preferred Shares (or an indemnity in a form approved by the Company in respect of a lost or destroyed certificate).
- 6.4 The rights attaching to Ordinary Shares resulting from a conversion pursuant to this Article 6 shall rank *pari passu* in all respects with the rights attaching to all other Ordinary Shares (save as to the Subscription Price thereof (with respect to the application of Articles 7.1 and 7.3) and as provided for under Article 6.6).
- 6.5 Nothing in this Article 6 shall entitle any person to any fraction of any Share and any such fraction of a Share shall be disregarded and may be otherwise applied by the Company at the discretion of the Directors subject only to the Act.
- 6.6 If at the time of conversion of any Preferred Shares any Arrears thereon are outstanding, then:
- 6.6.1 all Arrears of Preferred Dividends on such Preferred Shares shall be released and waived, such that no Preferred Dividend Arrears shall be outstanding on the Ordinary Shares arising from such conversion; and
- 6.6.2 the aggregate amount of all Arrears (other than Preferred Dividends) on such Preferred Shares held by the relevant Holder shall remain and be outstanding on the Ordinary Shares to be held by such Holder arising from such conversion (being divided pro-rata amongst such Ordinary Shares).
- 6.7 In the event of a Capital Reorganisation (other than a Permitted Capitalisation Issue) the Auditors (acting as experts and not as arbitrators) shall determine whether it is fair and reasonable to adjust the Conversion Ratio and, if so determined, the Conversion

Ratio shall be adjusted in such manner as is determined by the Auditors (acting as experts and not as arbitrators) to be fair and reasonable. For the avoidance of doubt, if so determined by the Auditors different Conversion Ratios may apply in respect of different Shares. The Auditor's fees and expenses shall be paid by the Company.

- 6.8 If the aggregate nominal value of those Preferred Shares converted into Ordinary Shares exceeds the aggregate nominal value of the Ordinary Shares into which such Preferred Shares have been converted, then the excess shall be converted into deferred shares (which deferred shares shall carry no entitlement to dividends, nor to participate in a distribution of assets on a Liquidation Event, nor right to vote in, or attend, any meeting and may be repurchased for £0.001 in aggregate (in respect of all then outstanding deferred shares) and any officer of the Company is authorised to execute any agreement to re-purchase, transfer and cancel such deferred shares on behalf of each holder thereof) or otherwise dealt with in such manner as the Board may determine, subject to applicable Laws.
- 6.9 If the aggregate nominal value of those Preferred Shares converted into Ordinary Shares is less than the aggregate nominal value of the Ordinary Shares then, to the extent it is lawful to do so (and provided the Company has sufficient reserves), the shortfall shall be paid up as to nominal value by capitalisation of reserves and the directors of the Company are authorised to so issue Ordinary Shares so paid up. If it is unlawful for the Company to so capitalise reserves (or such reserves are insufficient), then the Holder of the Preferred Shares so converted shall have the right to subscribe at nominal value such number of Ordinary Shares as would have been so acquired by way of capitalisation issue had such capitalisation been permitted/sufficient (and such a right to so subscribe shares: (i) may be exercised by written notice to the Company and the subscription price shall be paid in cash (as defined in the Act); and (ii) shall expire, to the extent not previously exercised, on expiry of the period of 21 days commencing on the date on which the Company first serves written notice on such Holder stating that such subscription right is exercisable and setting out details of the number of shares which may be so subscribed by such Holder and the subscription price payable in respect thereof).

6.10 Qualified IPO

In the event of a Qualifying IPO an Investor Majority shall be deemed to have served a Conversion Notice pursuant to Article 6.2 requiring the conversion of all Preferred Shares into Ordinary Shares immediately prior to the admission of Ordinary Shares for trading as part of such Qualified IPO.

PART 3
Distributions

7. DISTRIBUTIONS

7.1 Liquidation Event

On a Liquidation Event, the assets of the Company remaining after the satisfaction of its liabilities (including any Delayed Consideration) (“**Available Assets**”) shall (subject to Article 7.7) be applied amongst, and distributed to, Shareholders in the following order of priority:

- 7.1.1 *first*, to each Holder of Preferred Shares the amount of any unpaid Arrears (if any) in respect of the Preferred Dividend accrued and outstanding on the Preferred Shares held by such Holder and payable under Article 3.5.4, **SAVE THAT** if the Available Assets are not sufficient to distribute in full the amounts so due in respect of all Preferred Shares, then the Available Assets (if any) shall be distributed rateably as between the Holders of Preferred Shares in proportion to the unpaid Arrears in respect of the Preferred Dividend on each Preferred Share and payable under Article 3.5.4, (and no distribution shall be made pursuant to Articles 7.1.2, 7.1.3 and 7.1.4);
- 7.1.2 subject to Article 7.5, *second*, from the remaining balance of Available Assets, if any, (after accounting in full for any distribution pursuant to Article 7.1.1), to each Holder of Preferred Shares, the Subscription Price in respect of the Preferred Shares held by such Holder, **SAVE THAT** if the remaining balance of Available Assets (after accounting in full for any distribution pursuant to Article 7.1.1) are not sufficient to distribute in full the amounts so due in respect of all Preferred Shares, then such remaining balance of Available Assets (if any) shall be distributed rateably as between the Holders of Preferred Shares in proportion to the Subscription Price of each Preferred Share (and no distribution shall be made pursuant to Articles 7.1.3 and 7.1.4);
- 7.1.3 *third*, from the remaining balance of Available Assets, if any, (after accounting in full for any distribution pursuant to Articles 7.1.1 and 7.1.2), to each Shareholder, the Arrears (if any) (other than any Arrears of Preferred Dividends) outstanding on the Shares held by such Holder, **SAVE THAT** if the remaining Available Assets (after accounting in full for the distribution of assets under Articles 7.1.1 and 7.1.2) are not sufficient to distribute in full the amounts so due in respect of all Shares, then such remaining balance of Available Assets (if any) shall be distributed rateably as between the Holders of Shares in proportion to the Arrears (if any) (other than any Arrears of Preferred Dividends) on each Share (and no distribution shall be made pursuant to Article 7.1.4); and
- 7.1.4 *thereafter*, in distributing the balance of remaining Available Assets, if any, (after accounting in full for the distribution of assets under Articles 7.1.1, 7.1.2 and 7.1.3) pro rata in respect of the number of Participating Shares (on an As Converted Basis) held by each such Holder **SAVE THAT** the amount distributable to a Holder of Preferred Shares under this Article 7.1.4 (in circumstances where there has been no conversion of such Preferred Shares

pursuant to Article 7.7 or otherwise and without prejudice to the entitlement of such Holder to any distribution in respect of any Ordinary Shares held by such Holder) shall be reduced (but shall not be reduced to less than zero) by the amount of any distribution of assets made in respect of such Preferred Shares to such Holder under Articles 7.1.1 and 7.1.2. No Available Assets shall be distributed in respect of Non-Participating Growth Shares.

7.2 Business Sale

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

7.3 Share Sale

On a Share Sale, the proceeds of such Share Sale (including any Delayed Consideration) (the “**Sale Proceeds**”) shall (subject to Article 7.8) be applied amongst the transferring Holders (“**Transferors**”) who have transferred Shares as part of such Share Sale in the following order of priority:

- 7.3.1 *first*, to each Transferor of Preferred Shares, the amount of any unpaid Arrears (if any) in respect of the Preferred Dividend accrued and outstanding on the Preferred Shares transferred by such Transferor and payable under Article 3.5.4, SAVE THAT if the Sale Proceeds are not sufficient to permit the application in full of the amounts so due in respect of all Preferred Shares transferred as part of the Share Sale, then the Sale Proceeds shall be applied rateably as between such Transferors in proportion to the unpaid Arrears in respect of the Preferred Dividend on each Preferred Share transferred as part of the Share Sale and payable under Article 3.5.4 (and no application of Sale Proceeds shall be made pursuant to Articles 7.3.2, 7.3.3 and 7.3.4);
- 7.3.2 subject to Article 7.5, *second*, to each Transferor of Preferred Shares, the Subscription Price in respect of the Preferred Shares transferred by such Transferor as part of such Share Sale, SAVE THAT if the Sale Proceeds (after accounting in full for the application of Sale Proceeds under Article 7.3.1) are not sufficient to permit the application in full of the amounts so due in respect of all Preferred Shares transferred as part of the Share Sale, then the Sale Proceeds shall be applied rateably as between such Transferors in proportion to the Subscription Price in respect of each Preferred Share so transferred as part of such Share Sale (and no application of Sale Proceeds shall be made pursuant to Articles 7.3.3 and 7.3.4);
- 7.3.3 *third*, to each Transferor, the Arrears (if any) (other than any Arrears of Preferred Dividends) outstanding on the Shares transferred by such Transferor as part of such Share Sale, SAVE THAT if the remaining Sale Proceeds (after accounting in full for the application of Sale Proceeds under Articles 7.3.1 and 7.3.2) are not sufficient to permit the application in full of the amounts so due in respect of all Shares transferred as part of the Share Sale, then such remaining Sale Proceeds (if any) shall be applied rateably as between the Transferors in proportion to the Arrears (if any) (other than any Arrears of Preferred Dividends) on each Share so transferred as part of such Share Sale

(and no application of Sale Proceeds shall be made pursuant to Article 7.3.4);
and

- 7.3.4 *thereafter*, in applying the balance of remaining Sale Proceeds, if any, (after accounting in full for the application of Sale Proceeds under Articles 7.3.1, 7.3.2 and 7.3.3) pro rata in respect of the number of Participating Shares (on an As Converted Basis) transferred by each such Transferor as part of such Share Sale **SAVE THAT** the amount due to a Transferor in respect of a transfer of Preferred Shares under this Article 7.3.4 (in circumstances where there has been no conversion of such Preferred Shares pursuant to Article 7.8 or otherwise and without prejudice to the entitlement of such Holder to any payment in respect of any transfer of Ordinary Shares held by such Holder) shall be reduced (but shall not be reduced to less than zero) by the amount of any Sale Proceeds paid in respect of the transfer of such Preferred Shares by such Holder under Articles 7.3.1 and 7.3.2. No Sale Proceeds shall be applied in respect of Non-Participating Growth Shares transferred as part of such Share Sale.
- 7.4 If any Available Assets on a Liquidation Event or any Sale Proceeds include: (i) any non-cash assets or proceeds ("**Non-Cash Consideration**"); and/or (ii) any deferred and/or contingent assets or proceeds ("**Delayed Consideration**") then Articles 7.1, 7.2 and 7.3 shall apply to such Non-Cash Consideration and/or Delayed Consideration in such manner as the Board (acting reasonably and in good faith) may determine as being consistent with the intention of such Articles, subject to the approval by an Investor Majority. Such determination may include, without limitation, the cash equivalent value of any such assets or proceeds and/or the timing of any payment or distribution thereof.
- 7.5 Where a distribution of Available Assets is made under Article 7.1.2, in reference to the Subscription Price of a Preferred Share (a "**Prior Preferred Distribution**") then: (i) the amount of Prior Preferred Distribution shall be recorded in the statutory books of the Company against such Preferred Share; and (ii) for the purposes of Articles 7.1.2 and 7.3.2 in the event of any subsequent Liquidation Event or Share Sale, the amount to be distributed or applied in reference to the Subscription Price of such Preferred Share shall be deemed reduced by the amount of the Prior Preferred Distribution previously made in respect of such Preferred Share.
- 7.6 In the event that a Share Sale is effected other than by way of transfer of Shares (whether by way of merger, reorganisation or scheme of arrangement or otherwise) for the purpose of Article 7.3, the term 'transfer' shall be deemed to include reference to any Shareholder thereby ceasing to be interested in shares in the Company (or any surviving or successor entity thereto) (whether by way of cancellation or otherwise) and the terms 'transferring', 'transferor' and other derivatives thereafter shall be construed accordingly.
- 7.7 In the event of a Liquidation Event or Business Sale, if the Preferred Share Upfront Distribution would be less than the Converted Share Upfront Distribution then all Preferred Shares shall be automatically converted into Ordinary Shares in accordance with Article 6.1 immediately before the distribution of Available Assets.

7.8 In the event of a Share Sale, if the Preferred Share Upfront Proceeds would be less than the Converted Share Upfront Proceeds then all Preferred Shares transferred as part of such Share Sale shall be automatically converted into Ordinary Shares in accordance with Article 6.1 immediately upon the occurrence of such Share Sale and before the application of any Sale Proceeds.

7.9 **Growth Shares**

7.9.1 A Growth Share shall be a “**Participating Growth Share**” if either:

- (a) the distribution of Available Assets per Ordinary Share pursuant to Article 7.1 would be equal to or greater than the Growth Share Hurdle, if the distribution of Available Assets is calculated on the basis that all Growth Shares are treated as Participating Growth Shares; or
- (b) the application of the Sale Proceeds per Ordinary Shares transferred as part of the relevant Share Sale pursuant to Article 7.3 would be equal to or greater than the Growth Share Hurdle, if the application of Sale Proceeds is calculated on the basis that all Growth Shares transferred as part of the relevant Share Sale are treated as Participating Growth Shares.

7.9.2 A Growth Share which is not a Participating Growth Share shall be a “**Non-Participating Growth Share**”.

7.9.3 In the event of a Capital Reorganisation the Board (with the approval of an Investor Majority) shall determine whether it is fair and reasonable to adjust the Growth Share Hurdle and, if so determined, the Growth Share Hurdle shall be adjusted in such manner as is determined by the Board (with the approval of an Investor Majority) to be fair and reasonable.

PART 4
New Issues

8. ALLOTMENT OF RELEVANT SECURITIES

8.1 Authority to allot

The Directors shall be generally and unconditionally authorised pursuant to section 551 of the Act to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £7,000, provided that such authorities will expire on the date being five years from the date of Adoption, but the Company may before any such authority expires make an offer or agreement which would or might require the Company to allot shares in the Company and/or grant rights to subscribe for, or to convert any security into, shares in the Company after such authority expires and the Board may allot shares in the Company and grant such rights pursuant to any such offer or agreement as if such authority had not expired.

8.2 Pre-emption rights

8.2.1 The rights afforded to Takeda as set out in this Article 8.2, may not be varied without Takeda Consent.

8.2.2 The Company shall not allot or issue (or agree to allot or issue) (a “**New Issue**”) any Relevant Securities (other than by way of Permitted Issue) (“**New Securities**”) unless the Company has first offered each of the Investors and the Institutes (in each case, subject to Article 8.2.8) the right to subscribe New Securities on the same terms (including, without limitation, as to price) as are proposed to be offered pursuant to such New Issue (the “**Terms of Issue**”) in accordance with this Article 8.2.

8.2.3 An offer made by the Company to the Investors and Institutes under this Article 8.2 (a “**Pre-emptive Offer**”) shall be in writing and shall include details of: (i) the Terms of Issue; (ii) the period during which the offer may be accepted (which shall be not less than 5 Business Days, and not more than 20 Business Days, as from the date of the offer) (the “**Offer Period**”); (iii) the maximum number of New Securities as may be comprised in the New Issue (the “**Total Number**”); and (iv) the number of such New Securities as may be initially allocated to each Investor and Institute to which the offer is so made (an “**Initial Entitlement**”), which allocation shall be made on a pro rata basis by reference to the number of Shares (on an As Converted Basis) held by that Holder as a proportion of the aggregate number of Shares (on an As Converted Basis) then held by all Investors and Institutes.

8.2.4 A Pre-emptive Offer may be accepted by written notice to the Company, which notice shall state the maximum number of New Securities the relevant Holder desires to so subscribe (which may not exceed the Total Number). The number of New Securities such Holder so desires to subscribe in excess of its Initial Entitlement are referred to as “**Excess Securities**” and such a Holder being an “**Excess Subscriber**”.

8.2.5 At the end of the Offer Period (or, if earlier, upon all persons to whom the Pre-emptive Offer was made having accepted (or waived their rights under) such offer) the Company shall determine the final allocation of New Securities amongst persons who have accepted the Pre-emptive Offer (a **“Final Entitlement”**) as follows:

- (a) each Investor and Institute shall be allocated a number of New Securities in respect of which it has accepted the offer up to its Initial Entitlement;
- (b) subject to Articles 8.2.5(d) and 8.2.5(e), to the extent an Investor or Institute has not accepted the offer in respect of the whole of its Initial Entitlement then the unallocated balance of its Initial Entitlement shall be re-allocated as between the Excess Subscribers (if any) on a pro rata basis by reference to the number of Shares (on an As Converted Basis) held by each Excess Subscriber (subject to Articles 8.2.5(d) and 8.2.5(e)). Unallocated New Securities shall continue to be allocated amongst Excess Subscribers *mutatis mutandis* in accordance with the foregoing provisions of this Article 8.2.5(b) until all New Securities are so allocated (or, if earlier, until no Excess Subscriber desires to purchase any further New Securities (as stated in its acceptance of the Pre-emptive Offer));
- (c) any allocation of any fraction of any New Security may, at the option of the Board, be disregarded or allocated by lot as between Investors and Institutes desiring to purchase such New Securities;
- (d) in no event shall the Final Entitlement of an Investor or Institute exceed the maximum number of New Securities which such person desires to subscribe (as stated in its acceptance of the Pre-emptive Offer); and
- (e) unallocated New Securities arising by reason of an Institute not accepting the offer in respect of the whole of its Initial Allocation (**“Unallocated Institute Securities”**) shall be re-allocated as between Excess Subscribers (if any) who are Institutes (**“Institute Excess Subscribers”**) on a pro rata basis by reference to the number of Shares (on an As Converted Basis) held by each Institute Excess Subscriber (subject to Article 8.2.5(d)) in priority to any allocation being made to Investors under Article 8.2.5(b). Unallocated Institute Securities shall continue to be allocated amongst Institute Excess Subscribers *mutatis mutandis* in accordance with the foregoing provisions of this Article 8.2.5(e) in priority to any allocation being made to Investors under Article 8.2.5(b) until all Unallocated Institute Securities are so allocated (or, if earlier, until no Institute Excess Subscriber desires to purchase any further Unallocated Institute Securities (as stated in its acceptance of the Pre-emptive Offer)),

and the Company shall give written notice to each Investor and Institute confirming such Holder's Final Entitlement (if any) whereupon such person shall be bound to subscribe such New Securities pursuant to the Terms of Issue.

- 8.2.6 To the extent the Total Number of the New Securities exceeds the aggregate of all Final Entitlements, then the Company shall be free to allot and/or issue (and/or agree to allot and/or issue) such excess New Securities on the Terms of Issue (or terms less favourable to the acquirer) to such persons as the Board (with the approval of a Special Director Majority) shall determine (provided that such allotment and/or issue is made (or agreement to so allot and/or issue is entered into) within 60 Business Days following the date on which the Final Entitlements are notified by the Company pursuant to Article 8.2.5).
- 8.2.7 An Investor or Institute may assign (in whole or in part) its right to subscribe its Final Entitlement to any of its Permitted Transferees.
- 8.2.8 The Board (acting reasonably and in good faith) may (with the written consent of an Investor Majority) exclude from any Pre-emptive Offer any person(s) if the Board so acting believes that the communication of such invitation would be unlawful or would require the Company to incur disproportionate cost and expense in order to comply with applicable Laws concerning the making of such Pre-emptive Offer to such person(s).
- 8.2.9 The Company may, if so approved by the Board (acting reasonably and in good faith with the approval of an Investor Majority), by written notice to the Investors and Institutes, withdraw a Pre-emptive Offer (whereupon all acceptances and Final Entitlements in respect thereof shall be void and of no effect, all consideration advanced to the Company in respect thereof shall be returned, and the Company shall have no further liability or obligation in respect of the withdrawal of the Pre-emptive Offer). The Company may not proceed to make a New Issue where the Pre-emptive Offer in respect thereof has been so withdrawn. For the avoidance of doubt, a Pre-emptive Offer so withdrawn under this Article 8.2.9 shall withdraw the whole of such offer (and shall not withdraw such offer in part with respect to certain Shareholders only).
- 8.3 The statutory pre-emption rights contained in section 561 of the Act shall not apply to the Company.
- 8.4 **Initial Preferred Share anti-dilution rights**
- 8.4.1 Subject to Article 8.5, if the Company allots or issues (or agrees pursuant to the terms of any Relevant Securities to allot or issue) any Shares on terms equivalent to a price per Share (the “**Third Party Price**”) less than the 2016 Benchmark Price (a “**Dilutive Issue**”) then the Company shall issue to each Holder of Initial Preferred Shares such number of additional Initial Preferred Shares as results in that Holder’s Average Subscription Price (“**ASP**”) (calculated as set out below) being equal to the Weighted Average Subscription Price (“**WAP**”) (calculated as set out below).

Where:

$$\text{“WAP”} = (i) \frac{N_1 P_1 + N_2 P_2}{N_1 + N_2} \quad \text{or, if greater, (ii) } \frac{\text{2016 Benchmark Price}}{2}$$

"P₁" = the 2016 Benchmark Price.

"N₁" = (i) the number of Shares (on an As Converted Basis) in issue immediately prior to the Dilutive Issue; and (ii) the number of Shares (on an As Converted Basis) which may be issued in respect of Relevant Securities (other than Shares) outstanding immediately prior to the Dilutive Issue.

"P₂" = the Third Party Price.

"N₂" = (i) the number of Shares (on an As Converted Basis) to be issued in the Dilutive Issue; and (ii) the number of Shares (on an As Converted Basis) which may be issued in respect of Relevant Securities (other than Shares) comprised in the Dilutive Issue.

$$\text{"ASP"} = \frac{NH_1 P_1}{NH_1 + NH_D}$$

"P₁" = the 2016 Benchmark Price.

"NH₁" = the total number of Initial Preferred Shares held by the relevant Holder immediately prior to the Dilutive Issue.

"NH_D" = the number of additional Initial Preferred Shares to be issued to the relevant Holder by way of Capitalisation Issue pursuant to this Article 8.4.

Such that the number of additional Initial Preferred Shares to be issued to a Holder of Initial Preferred Shares pursuant to this Article 8.4 in respect of a Dilutive Issue can be calculated as follows:

$$\text{"NH}_D\text{"} = \frac{NH_1 P_1}{WAP} - NH_1$$

- 8.4.2 In no event shall the number of additional Initial Preferred Shares to be issued to a Holder of Initial Preferred Shares pursuant to this Article 8.4 in respect of a Dilutive Issue be less than nil. Any entitlement to any fraction of any Share pursuant to this Article 8.4 shall be disregarded.
- 8.4.3 If the value of WAP as calculated in accordance with the above formula would be less than the nominal value of a Preferred Share, then the value of WAP shall instead be deemed to be equal to such nominal value.
- 8.4.4 Additional Initial Preferred Shares to be issued to a Holder of Initial Preferred Shares by the Company pursuant to this Article 8.4 in respect of a Dilutive Issue shall be fully paid up as to nominal value by capitalisation of reserves and the directors of the Company are authorised to issue Initial Preferred Shares so paid up. To the extent that it is not lawful (or the Company lacks sufficient reserves) to make such a Capitalisation Issue of Initial Preferred Shares pursuant to this Article 8.4, then each Holder to which such Initial Preferred Shares would otherwise have been so issued shall have the right to subscribe at nominal value such number of Initial Preferred Shares as would have been so acquired had such Capitalisation Issue been made in full (and such a right to so subscribe shares: (i) may be exercised by written notice to the Company and the subscription price shall be paid in cash (as defined in the Act); and (ii) shall expire, to the extent not previously exercised, on expiry of the period of 21 days commencing on the date on which the Company first

serves written notice on such Holder stating that such subscription right is exercisable and setting out details of the number of shares which may be so subscribed by such Holder and the subscription price payable in respect thereof).

8.4.5 If any Relevant Securities confer any right to subscribe, exchange for, convert into or otherwise acquire a number of Shares which is not then ascertainable (because, for example but without limitation, the exercise or conversion rate is variable according to a formula) then, for the purposes of any calculation under this Article 8.4, such Relevant Securities shall be deemed to confer a right to acquire such number of Shares (if any) as the Board (acting reasonably and in good faith) shall estimate to be the number of Shares reasonably likely to be issued thereunder.

8.4.6 In the event of a Capital Reorganisation the Auditors (acting as experts and not as arbitrators) shall determine whether it is fair and reasonable to adjust the 2016 Benchmark Price or other formula or provisions under this Article 8.4 and, if so determined, the 2016 Benchmark Price, formula and/or other provisions (as the case may be) shall be adjusted in such manner as is determined by the Auditors (acting as experts and not as arbitrators) to be fair and reasonable. The Auditor's fees and expenses shall be paid by the Company.

8.5 The provisions of Article 8.4.1 shall not apply: (i) in respect of any Permitted Capitalisation Issue; (ii) an allotment or issue (or agreement to allot or issue) Relevant Securities pursuant to an Incentive Scheme; or (iii) where an Investor Majority has agreed in writing to the disapplication of the provisions of both Article 8.4.1 and Article 8.6.1 in respect of a Dilutive Issue (either generally or specifically).

8.6 New Preferred Share anti-dilution rights

8.6.1 Subject to Article 8.7, if the Company allots or issues (or agrees pursuant to the terms of any Relevant Securities to allot or issue) any Shares on terms equivalent to a price per Share (the "**Preferred Third Party Price**") less than the 2017 Benchmark Price (a "**Preferred Dilutive Issue**") then the Company shall issue to each Holder of New Preferred Shares such number of additional New Preferred Shares as results in that Holder's Average Subscription Price ("**Preferred ASP**") (calculated as set out below) being equal to the Weighted Average Subscription Price ("**Preferred WAP**") (calculated as set out below).

Where:

$$\text{"Preferred WAP"} = (i) \frac{N_1 P_1 + N_2 P_2}{N_1 + N_2} \quad \text{or, if greater,} \quad (ii) \frac{2017 \text{ Benchmark Price}}{2}$$

"P₁" = the 2017 Benchmark Price.

"N₁" = (i) the number of Shares (on an As Converted Basis) in issue immediately prior to the Preferred Dilutive Issue; and (ii) the number of Shares (on an As Converted Basis) which may be issued in respect of Relevant Securities (other than Shares) outstanding immediately prior to the Preferred Dilutive Issue.

"P₂" = the Third Party Price.

"N₂" = (i) the number of Shares (on an As Converted Basis) to be issued in the Preferred Dilutive Issue ; and (ii) the number of Shares (on an As Converted Basis) which may be issued in respect of Relevant Securities (other than Shares) comprised in the Preferred Dilutive Issue.

$$\text{"Preferred ASP"} = \frac{NH_1 P_1}{NH_1 + NH_D}$$

"P₁" = the 2017 Benchmark Price.

"NH₁" = the total number of New Preferred Shares held by the relevant Holder immediately prior to the Preferred Dilutive Issue.

"NH_D" = the number of New Preferred Shares to be issued to the relevant Holder by way of Capitalisation Issue pursuant to this Article 8.6.

Such that the number of additional New Preferred Shares to be issued to a Holder of New Preferred Shares pursuant to this Article 8.6 in respect of a Preferred Dilutive Issue can be calculated as follows:

$$\text{"NH}_D\text{"} = \frac{NH_1 P_1}{WAP} - NH_1$$

- 8.6.2 In no event shall the number of additional New Preferred Shares to be issued to a Holder of New Preferred Shares pursuant to this Article 8.6 in respect of a Preferred Dilutive Issue be less than nil. Any entitlement to any fraction of any Share pursuant to this Article 8.6 shall be disregarded.
- 8.6.3 If the value of Preferred WAP as calculated in accordance with the above formula would be less than the nominal value of a New Preferred Share, then the value of Preferred WAP shall instead be deemed to be equal to such nominal value.
- 8.6.4 Additional New Preferred Shares to be issued to a Holder of Preferred Shares by the Company pursuant to this Article 8.6 in respect of a Preferred Dilutive Issue shall be fully paid up as to nominal value by capitalisation of reserves and the directors of the Company are authorised to issue New Preferred Shares so paid up. To the extent that it is not lawful (or the Company lacks sufficient reserves) to make such a Capitalisation Issue of New Preferred Shares pursuant to this Article 8.6, then each Holder to which such New Preferred Shares would otherwise have been so issued shall have the right to subscribe at nominal value such number of New Preferred Shares as would have been so acquired had such Capitalisation Issue been made in full (and such a right to so subscribe shares: (i) may be exercised by written notice to the Company and the subscription price shall be paid in cash (as defined in the Act); and (ii) shall expire, to the extent not previously exercised, on expiry of the period of 21 days commencing on the date on which the Company first serves written notice on such Holder stating that such subscription right is exercisable and setting out details of the number of shares which may be so subscribed by such Holder and the subscription price payable in respect thereof).

- 8.6.5 If any Relevant Securities confer any right to subscribe, exchange for, convert into or otherwise acquire a number of Shares which is not then ascertainable (because, for example but without limitation, the exercise or conversion rate is variable according to a formula) then, for the purposes of any calculation under this Article 8.6, such Relevant Securities shall be deemed to confer a right to acquire such number of Shares (if any) as the Board (acting reasonably and in good faith) shall estimate to be the number of Shares reasonably likely to be issued thereunder.
- 8.6.6 In the event of a Capital Reorganisation the Auditors (acting as experts and not as arbitrators) shall determine whether it is fair and reasonable to adjust the 2017 Benchmark Price or other formula or provisions under this Article 8.6 and, if so determined, the 2017 Benchmark Price, formula and/or other provisions (as the case may be) shall be adjusted in such manner as is determined by the Auditors (acting as experts and not as arbitrators) to be fair and reasonable. The Auditor's fees and expenses shall be paid by the Company.
- 8.7 The provisions of Article 8.6.1 shall not apply: (i) in respect of any Permitted Capitalisation Issue; (ii) an allotment or issue (or agreement to allot or issue) Relevant Securities pursuant to an Incentive Scheme; or (iii) where an Investor Majority has agreed in writing to the disapplication of the provisions of both Article 8.4.1 and Article 8.6.1 in respect of a Preferred Dilutive Issue (either generally or specifically).
- 8.8 If any issue of Shares requires the Company to issue more than one of the following:
- 8.8.1 Initial Preferred Shares pursuant to Article 8.4 (an **"Initial Preferred Share Adjustment"**); and/or
- 8.8.2 New Preferred Shares pursuant to Article 8.6 (a **"Preferred Share Adjustment"**),
- then in respect of such issue of Shares, the Company shall:
- 8.8.3 first, apply the provisions of Article 8.4 to calculate the number of Initial Preferred Shares required to be issued to the Holder(s) of Initial Preferred Shares, provided that for the purpose of such calculation, "NH1" in Article 8.4 shall not include any of the New Preferred Shares required to be issued pursuant to the Preferred Share Adjustment; and
- 8.8.4 second, apply the provisions of Article 8.6 to calculate the number of New Preferred Shares required to be issued to the Holders of New Preferred Shares, provided that for the purpose of such calculation, "NH1" in Article 8.6 shall not include any of the Initial Preferred Shares required to be issued pursuant to the Initial Preferred Share Adjustment.
- 8.9 **Power to pay commission**
- The Company may exercise the powers of paying commissions conferred by the Act.
- 8.10 **Deed of Adherence**

Notwithstanding the provision of this Part 4 of these Articles, save with Takeda Consent, the Directors shall not allot or issue any shares (including by way of Permitted Issue) to any person who has not duly executed a deed of adherence to any Applicable Agreement(s) save where approved by the Board (acting reasonably and in good faith with the written waiver of an Investor Majority) (any such deed of adherence to be in such form as provided for under the terms of such Applicable Agreement or as otherwise reasonably required by the Board (with the approval of an Investor Majority)).

PART 5
Share Transfers

9. TRANSFER OF SHARES

9.1 Restriction on the transfers of Shares

No Shareholder may transfer any Share except in accordance with Article 10 (*Transfers with Shareholders' Approval*), Article 11 (*Permitted Transfers*), Article 12 (*Pre-emption on Share Transfers*), Article 13 (*Compulsory Transfers*), Article 15 (*Drag Rights*) or in acceptance of an offer made pursuant to Article 14 (*Co-sale Rights*), and any purported transfer in breach of this Article 9.1 shall be of no effect and the directors shall refuse to register any such purported transfer.

9.2 Restriction on the transfer of Shares held by employees etc. and Growth Shares

9.2.1 In addition to the provisions of Article 9.1, subject to Article 9.2.2:

- (a) no Founder or other Shareholder who is a director or employee of, or a consultant to, the Company or any other member of the Company's Group (or a Permitted Transferee or Associate of such person) may transfer any Share;
- (b) no Growth Share may be transferred by any person,

in either case, except in accordance with Article 10 (*Transfers with Shareholders' Approval*), Article 13 (*Compulsory Transfers*), Article 15 (*Drag Rights*) or in acceptance of an offer made pursuant to Article 14 (*Co-sale Rights*).

9.2.2 Without prejudice to Article 9.1, the provisions of Article 9.2.1 shall not apply to any Retained Share or as may otherwise be agreed in writing by the Company and the relevant Shareholder and approved by the Board (with approval of a Special Director Majority).

9.3 Transfers or grants of interests

References in Articles 9.1, 9.2, 10, 12.1.1 and 14 to a 'transfer' of any Share includes a transfer or grant of any interest in any Share or of any right attaching to any Share, whether by way of sale, gift, holding on trust, charge, mortgage or pledge, or in any other way, and whether at law or in equity, and also includes an agreement to make any such transfer or grant or to exercise the voting rights attaching to a Share at the direction of any third party.

9.4 Registration of transfers

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

- 9.4.1 the duly stamped transfer (or transfer certified as being exempt from stamp duty);
 - 9.4.2 the certificates for the Shares to which the transfer relates (or an indemnity in lieu of lost or destroyed certificates in a form reasonably satisfactory to the directors);
 - 9.4.3 where made in reliance on Article 10 (*Transfers with Shareholders' Approval*) or Article 11 (*Permitted Transfers*), such documentation as the directors may reasonably require evidencing the compliance of the transfer with such Article; and
 - 9.4.4 if required pursuant to the terms of the relevant Applicable Agreement, a duly executed deed of adherence to each Applicable Agreement (any such deed of adherence to be in such form as provided for under the terms of such Applicable Agreement or as otherwise reasonably required by the Board (with the approval of an Investor Majority)).
- 9.5 The Directors shall not register the transfer of Shares if any of the items referred to in this Article 9.4 are not lodged at the registered office of the Company.

10. TRANSFERS WITH SHAREHOLDERS' APPROVAL

Notwithstanding any other provisions of these Articles, a transfer of any interest in any Shares:

- (a) approved in writing by the Holders of not less than seventy-five per cent. (75%) in number of all issued Shares (and including the written approval of an Investor Majority) calculated as of the date of such approval; or
- (b) as expressly provided for below in this Article 10,

may, subject to Article 9.4, be made without restriction.

For the purposes of paragraph (b) of this Article 10:

- (A) Shares may be transferred as between any of the Founders (and their Permitted Transferees) and any of the Institutes, free of the rights of pre-emption set out in Article 12 (*Pre-emption on Share Transfers*) and free of the proportionate co-sale rights set out in Article 14.2 (*Investor's proportionate co-sale rights*); and
- (B) Shares may be transferred by any Shareholder to Takeda (or Permitted Transferee of Takeda) if and when required pursuant to an Applicable Agreement, free of the rights of pre-emption set out in Article 12 (*Pre-emption on Share Transfers*) and free of the proportionate co-sale rights set out in Article 14.2 (*Investor's proportionate co-sale rights*); and
- (C) Shares may, with the approval of the Board (including a Special Director Majority) be transferred between an EBT and any person who is a director or

employee of, or a consultant to, the Company or any other member of the Company's Group).

11. PERMITTED TRANSFERS

11.1 Unless otherwise prohibited by these Articles, the following transfers may, subject to Article 9.4, be made without restriction:

11.1.1 a transfer of Shares by any Shareholder to any other person where the Company and the Holders of not less than seventy-five per cent. (75%) in number of all issued Shares (including the written approval of an Investor Majority) calculated as of the date of such approval have expressly agreed in writing (whether in a shareholders agreement or other document) that such transferee shall be deemed a 'Permitted Transferee' of such transferor (or where such transferee falls within a category of persons which the Company and an Investor Majority have expressly agreed in writing to be deemed 'Permitted Transferees' of such transferor);

11.1.2 a transfer of Shares by an individual to:

- (a) a Privileged Relation (aged 18 or over) of such individual; or
- (b) the trustee(s) of a trust (acting in that capacity) where the only beneficiaries of such trust are the relevant individual and/or his Privileged Relations (a "**Family Trust**");

11.1.3 a transfer of Shares by a Shareholder which is an undertaking to any of its Affiliates, provided that if the transferee ceases to be an Affiliate of such transferor the transferee shall: (i) immediately notify the Company of such occurrence; and (ii) if so required by the Company, immediately re-transfer the Shares in question to the transferor (or an Affiliate thereof) and failing such re-transfer, the Company may authorise some person to execute transfers of the relevant Shares in favour of such transferor and may thereupon enter the name of such transferor in the register of members of the Company as the Holder of such Shares;

11.1.4 a transfer of Shares by a Shareholder which is:

- (a) a person whose principal business is to arrange, manage or advise upon investments (being, where applicable, duly authorised to do so by the Financial Conduct Authority or other relevant regulator) (an "**Investment Manager**"); or
- (b) a collective investment scheme, partnership, syndicate or other entity whose principal business is to make investments and whose business is managed by an Investment Manager (an "**Investment Fund**"); or
- (c) a nominee of an Investment Manager or Investment Fund,

to any of the following transferees:

- (i) where the Shareholder is an Investment Manager (or a nominee thereof), to any person who is: (i) a participant (directly or indirectly) or partner in or member of an Investment Fund which is managed by such Investment Manager (but only in connection with a distribution of assets by such Investment Fund); (ii) an Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor; or (iii) any other Investment Manager who manages the business of the Investment Fund in respect of which the Shares are held; or
- (ii) where the Shareholder is an Investment Fund (or a nominee thereof), to any person who is: (i) a participant (directly or indirectly) or partner in or member of such Investment Fund (but only in connection with a distribution of assets by such Investment Fund); (ii) any other Investment Fund (or nominee thereof) whose business is managed by the same Investment Manager as manages the transferor Investment Fund; or (iii) an Investment Manager who manages the business of the transferor Investment Fund,

or, to a nominee of any such transferee;

11.1.5 a transfer of Shares made by any member of the KCL Group to any other member of the KCL Group;

11.1.6 a transfer of Shares made by any member of the CRT Group to any other member of the CRT Group; and

11.1.7 a transfer of Shares made by any member of the FCI Group to any other member of the FCI Group.

11.2 Any interest in Shares the subject of a Compulsory Transfer Notice under Article 13.2 or a Transfer Agreement under Article 15 may not be transferred under Article 11.1 without the written approval of an Investor Majority.

12. PRE-EMPTION ON SHARE TRANSFERS

12.1 Transfer Notices

12.1.1 A person (a “**Seller**”) who wishes, prior to a Qualified IPO, to transfer (or who is required or deemed to serve a Compulsory Transfer Notice in respect of) any Shares(s) (except in accordance with Article 10 (*Transfers with Shareholders’ Approval*), Article 11 (*Permitted Transfers*), Article 15 (*Drag Rights*) or in acceptance of an offer made pursuant to Article 14 (*Co-sale Rights*)) shall first give written notice to the Company (a “**Transfer Notice**”). A Transfer Notice shall constitute the Company the Seller’s agent for the sale, free from all encumbrances, of the whole of the legal and beneficial title to the Shares specified therein (the “**Sale Shares**”).

12.1.2 A Transfer Notice shall specify:

- (a) the number and class of Sale Shares;

- (b) a cash price per Share at which the Sale Shares are offered for sale (save that, in respect of a Compulsory Transfer Notice, the price shall be Market Value (or, if applicable, the Sale Price determined in accordance with Article 13.3.2 or Article 13.3.3 (as the case may be))) (the **"Sale Price"**);
- (c) whether or not the Seller's offer is conditional on acceptances being received for all of the Sale Shares (a **"Total Transfer Condition"**); and
- (d) other than in the case of a Compulsory Transfer Notice, the name of the person(s) (the **"Proposed Buyer(s)"**) to whom the Seller proposes to sell the Sale Shares.

12.1.3 No Compulsory Transfer Notice shall contain a Total Transfer Condition. Save for any Total Transfer Condition, a Transfer Notice may not be conditional.

12.1.4 A Transfer Notice shall be irrevocable except with the written consent of an Investor Majority.

12.2 Offer of Sale Shares

12.2.1 Subject to Article 12.5, the Company shall promptly following service of a Transfer Notice (and, if a Compulsory Transfer Notice, following determination of the applicable Market Value (or, if applicable, determination of the Sale Price in accordance with Article 13.3.2 or Article 13.3.3 (as the case may be))) give written notice offering the Sale Shares for sale to the Investors (provided that no such notice so offering the Sale Shares shall be given to the Seller or any other person(s) then offering Shares pursuant to any further Transfer Notice(s) (nor, unless approved in writing by an Investor Majority, any Associate or Affiliate of any of the foregoing)) (the persons to whom such a notice so offering the Sale Shares is so given being the **"Eligible Offerees"**).

12.2.2 A notice given by the Company to Eligible Offerees pursuant to Article 12.2.1 shall state: (i) the matters specified in the Transfer Notice; (ii) the period during which the offer of Sale Shares may be accepted (which shall be a period of 15 Business Days as from the date of the notice so given by the Company) (the **"Sale Period"**); and (iii) the number of Sale Shares as may be initially allocated for purchase by such Eligible Offeree (an **"Initial Allocation"**) shall be determined on a pro rata basis by reference to the number of Shares (on an As Converted Basis) held by each Eligible Offeree as a proportion of the total number of Shares (on an As Converted Basis) held by all Eligible Offerees.

12.2.3 During the Sale Period an Eligible Offeree may by written notice to the Company accept the offer so made to it, in which event its acceptance notice shall state the maximum number of Sale Shares the Eligible Offeree desires to purchase (which may not exceed the total number of Sale Shares). The number of Sale Shares an Eligible Shareholder so desires to purchase in excess of its Initial Allocation are referred to as **"Excess Shares"** and such an Eligible Offeree being an **"Excess Offeree"**.

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

- (a) each Eligible Offeree shall be allocated a number of Sale Shares in respect of which it has accepted the offer up to its Initial Allocation;
- (b) to the extent an Eligible Offeree has not accepted the offer in respect of the whole of its Initial Allocation then the unallocated balance of its Initial Allocation shall be re-allocated as between the Eligible Offerees (if any) on a pro rata basis by reference to the number of Shares (on an As Converted Basis) held by each Eligible Offeree (subject always to Article 12.2.4(d)). Unallocated Sale Shares shall continue to be allocated amongst Eligible Offerees *mutatis mutandis* in accordance with the foregoing provisions of this Article 12.2.4(b) until all Sale Shares are so allocated (or, if earlier, until no Eligible Offeree desires to purchase any further Sale Shares (as stated in its acceptance of the offer));
- (c) any allocation of any fraction of any Sale Share may, at the option of the Board, be disregarded or allocated by lot as between Eligible Offerees desiring to purchase such Sale Share; and
- (d) in no event shall the Final Allocation of an Eligible Offeree exceed the maximum number of Sale Shares which such person desires to purchase as stated in its acceptance of the offer.

12.2.5 Notwithstanding the foregoing, if the Transfer Notice included a valid Total Transfer Condition, then if the aggregate Final Allocations as determined in accordance with the above provisions of this Article 12.2 are less than the number of Sale Shares, then the offer to Eligible Offerees shall lapse and the Final Allocation of each Eligible Shareholder shall instead be nil and the provisions of Article 12.4 shall apply.

12.3 **Sale to Eligible Offerees**

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

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

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

- (a) the Seller shall deliver a duly executed instrument of transfer in respect of such Sale Shares to the relevant Eligible Offeree (or to the Company

to be received on trust for such Eligible Offeree) together with the share certificate in respect thereof (or an indemnity in a form approved by the Board in respect of any lost or destroyed certificate); and

- (b) such Eligible Shareholder shall pay to the Seller (or to the Company to be received on behalf of the Seller) the aggregate price payable at the Sale Price in respect of the Sale Shares to be so purchased by the Eligible Offeree.

12.3.4 If the Seller defaults in complying with its obligations under Article 12.3.3 then the Company may authorise some person to execute transfers, and (where applicable) any indemnity in respect of any missing share certificate, as agent on behalf of, and in the name of, the Seller and deliver the same to the relevant Eligible Offeree(s) entitled thereto.

12.4 Sale to Proposed Buyer(s)

12.4.1 Conditional on the Seller's compliance with Articles 12.3 and 14, to the extent that any Sale Shares are not the subject of the Final Allocations for transfer to Eligible Offerees ("Unallocated Shares"), the Seller shall be entitled during the period of 50 Business Days subsequent to the date of the Allocations Notice to transfer those Unallocated Shares to the Proposed Buyer(s) named in the Transfer Notice (or an Affiliate thereof) (or such other person(s) as may be approved by an Investor Majority).

12.4.2 Any transfer of Unallocated Shares pursuant to Article 12.4.1 must:

- (a) be made at a price per Share not less than the Sale Price (subject to any re-allocation of such consideration in accordance with Article 7.3 in the event of a Share Sale); and
- (b) be a transfer of all the Unallocated Shares if the Transfer Notice was subject to a Total Transfer Condition.

12.4.3 Article 12.4.1 shall not apply in respect of Sale Shares the subject of a Compulsory Transfer Notice.

12.5 Leaver's Shares

12.5.1 In respect of any Growth Shares, or any Shares which are held by a Leaver (or a Permitted Transferee or Associate of a Leaver) which are the subject of a Compulsory Transfer Notice (or, if so determined by the Board (or directed by an Investor Majority), or any Shares the subject of a Transfer Notice served by a Shareholder who is an employee or director of, or consultant to, any member of the Group (or a Permitted Transferee or Associate thereof)), if so determined by the Board, the Company may (in its sole discretion and subject to the Act), instead of offering such Shares to Eligible Offerees pursuant to Article 12.2, either: (i) re-purchase any such Shares at the applicable Sale Price (whereupon such Shares shall be cancelled); or (ii) transfer such Shares to an EBT at the applicable Sale Price (and the Company shall have no obligation to offer such Shares to Eligible Offerees).

12.5.2 The Company shall notify the Seller of any proposed re-purchase of Shares or transfer of Shares to an EBT pursuant to Article 12.5.1 and the date such re-purchase or transfer shall be made and on which date the Seller shall sell with full title guarantee free from all encumbrances and third party interests such Shares to the Company or the EBT, as the case may be, at the Sale Price per share and:

- (a) the Seller shall deliver a duly executed instrument of transfer in respect of such Shares to the Company together with the share certificate in respect thereof (or an indemnity in a form approved by the Board in respect of any lost or destroyed certificate); and
- (b) the Company or the EBT, as the case may be, shall pay to the Seller the aggregate price payable at the Sale Price in respect of such Shares.

12.5.3 If the Seller defaults in complying with its obligations under Article 12.5.2 then the Board may authorise some person to execute transfers, and (where applicable) any indemnity in respect of any missing share certificate, on behalf of the Seller and deliver the same to the Company.

13. COMPULSORY TRANSFERS

13.1 Compulsory Transfer Events

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

- (a) makes any proposal for a composition in satisfaction of his debts, or a scheme of arrangement of his affairs, or makes any arrangement or compromise with his creditors generally or has a bankruptcy order made against him, or is subject to any order or resolution for the commencement of any winding-up, administration, liquidation or dissolution (or is otherwise subject to any event analogous to any of the foregoing in any jurisdiction);
- (b) dies (if an individual) (other than where such Shares are thereafter transferred to the deceased's Permitted Transferee(s));
- (c) is an individual, and by reason of his mental health he becomes the subject of an order of the court which wholly or partly prevents him from personally exercising any powers or rights he may otherwise have;
- (d) is an undertaking (excluding Takeda, an Investor or an Institute) (other than an undertaking which the Company and an Investor Majority have agreed in writing to be exempt from the provisions of this Article 13.1.1(d)), and is subject to a change of Control (save where the person(s) so acquiring Control were Permitted Transferee(s) of the Holder prior to such change of Control); or

(e) is a nominee or trustee (other than a nominee or trustee which the Company and an Investor Majority have agreed in writing to be exempt from the provisions of this Article 13.1.1(e)), and if:

- (i) any person holding any beneficial interest in the Shares so held by such Holder is subject to a Compulsory Transfer Event (or would be if such person were himself the Holder); or
- (ii) any person acquires any beneficial interest in the Shares so held by such Holder other than as permitted by Article 9.1.

13.1.2 If a person becomes a Leaver (or notice is given, or received, pursuant to which he will become a Leaver) then a Compulsory Transfer Event shall occur in respect of such person and, to the extent so determined by the Board (with the approval of a Special Director Majority), his Permitted Transferees and Associates.

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

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

13.2 **Compulsory Transfer Notices**

13.2.1 If any Holder is the subject of a Compulsory Transfer Event the Board may (with the approval of a Special Director Majority) require that a Transfer Notice (a “**Compulsory Transfer Notice**”) be served:

- (a) where the Compulsory Transfer Event arises under any of Articles 13.1.1(a) to 13.1.1(d), then in respect of all of the Shares held by the relevant Holder;
- (b) where the Compulsory Transfer Event arises under Article 13.1.1(e), then in respect of such number of Shares as the relevant Holder shall evidence in writing to the reasonable satisfaction of the Board as being beneficially held for any person(s) within the scope of:
 - (i) Article 13.1.1(e)(i) (but excluding Shares which would be Retained Shares if Article 13.2.1(c)(ii) would apply if the person beneficially entitled to such Shares were the Holder); and/or
 - (ii) Article 13.1.1(e)(ii)

and, if such evidence is not so provided by such Holder, then all Shares held by the relevant Holder;

- (c) where the Compulsory Transfer Event arises under Article 13.1.2, then
 - (i) where the relevant Leaver is a Bad Leaver, then in respect of:
 - (1) all Shares held by the Leaver; and
 - (2) such Shares held by such Leaver's Permitted Transferees and Associates as the Board may determine (with the written approval of a Special Director Majority);
 - (ii) where the relevant Leaver is not a Bad Leaver, then in respect of:
 - (1) all Shares (other than Retained Shares) held by the Leaver; and
 - (2) such Shares (other than Retained Shares) held by such Leaver's Permitted Transferees and Associates as the Board may determine (with the approval of a Special Director Majority).

13.2.2 A Compulsory Transfer Notice shall be deemed served (whether or not actually served by the relevant Holder) on the date the relevant Compulsory Transfer Event first arises under Article 13.1.2 (and/or such other date(s) as the Board may determine).

13.2.3 A Compulsory Transfer Notice may only be revoked by the Board (with the written approval of a Special Director Majority).

13.2.4 The Board (with the written approval of an Investor Majority) may (in its discretion) agree that a Compulsory Transfer Notice shall not apply in respect of some (or all) of those Shares as would (but for this Article 13.2.4) otherwise be the subject of a Compulsory Transfer Notice as determined in accordance with Article 13.2.1.

13.3 Market Value and Bad Leaver Sale Price

13.3.1 The "Market Value" of any Shares shall be:

- (a) such price as may be agreed in writing between the Holder thereof and the Board; or
- (b) in the absence of such agreement under Article 13.3.1(a) such price as the Board (acting reasonably and in good faith) shall determine and notify to such Holder in writing, save that if, within the period of five (5) Business Days following notification of the Board's determination of Market Value pursuant to Article 13.3.1(a), the relevant Holder gives written notice to the Company of his objection to such determination, then the Market Value shall instead (unless otherwise agreed in writing between such Holder and the Board) be such value as an Independent

Expert shall certify to be in his opinion the market value thereof (as at the date of his certificate). In arriving at his opinion the Independent Expert will value the Shares on a going concern basis and assume an unrestricted sale between a willing seller and a willing buyer (ignoring any reduction or increase in value which may be ascribed to any Shares by virtue of the fact that they may represent a minority or majority interest) and the Independent Expert may consider (or not consider) any further matters in the sole discretion of the Independent Expert. The fees and expenses of the Independent Expert shall be payable by the Company and/or the Holder of such Shares in such proportion as the Independent Expert may so determine (the Holder's contribution not to exceed 50%) and notify to the Company (and, to the extent payable by the relevant Holder, the Company may apply any consideration for the sale of such Shares received by the Company on behalf of the Holder in satisfaction any such obligation of the Holder).

13.3.2 Where a Leaver is a Bad Leaver the Sale Price of each Share the subject of a Compulsory Transfer Notice deemed served by such Bad Leaver (and, to the extent so determined by the Board (with the written approval of a Special Director Majority), each of his Permitted Transferees and Associates) shall be the lesser of:

- (a) the Subscription Price paid in respect of the relevant Share; or
- (b) the Market Value of the relevant Share.

(the “**Bad Leaver Sale Price**”).

13.3.3 Where a Leaver is not a Bad Leaver the Sale Price of each Share (other than a Retained Share) the subject of a Compulsory Transfer Notice deemed served by such Leaver (and, to the extent so determined by the Board (with the approval of a Special Director Majority), each of his Permitted Transferees and Associates) shall be the lesser of:

- (a) the Subscription Price paid in respect of the relevant Share; or
- (b) the Market Value of the relevant Share.

13.3.4 The determination of the Sale Price of any Share in accordance with this Article 13.3 shall be final and binding on all persons.

13.4 Retained Shares

13.4.1 In respect of any Leaver (or, if so determined by the Board (with the approval of a Special Director Majority), any Permitted Transferee or Associate of such Leaver), unless the relevant Leaver is a Bad Leaver, a proportion of the Shares held by such person shall be designated “**Retained Shares**”. The applicable proportion shall be determined as follows by reference to the date on which the relevant Leaver first became a Leaver:

- (a) in respect of Shares which were held by such Leaver (and/or his Permitted Transferees and Associates) on 15 August 2016:

Date on which the relevant Leaver first became a Leaver	Applicable proportion of such Shares as were held on 15 August 2016
a) on or prior to 15 August 2016	Nil
b) on 15 August 2016	$\frac{24}{72}$
c) on or after 15 August 2016	$\frac{1}{72}$ per month elapsed subsequent to 15 August 2016
<i>(i.e. such that on expiry of 48th month elapsed subsequent to 15 August 2016 the applicable proportion is 100%)</i>	

- (b) in respect of Shares acquired by the Leaver (and/or his Permitted Transferees and Associates) after 15 August 2016:

Date on which the relevant Leaver first became a Leaver	Applicable proportion of the Shares to which the relevant Date of Acquisition relates
a) on or prior to the first anniversary of the Date of Acquisition	Nil
b) on first anniversary of the Date of Acquisition	$\frac{12}{48}$
c) on or after the first anniversary of the Date of Acquisition	$\frac{1}{48}$ per month elapsed subsequent to the first anniversary of the Date of Acquisition
<i>(i.e. such that on expiry of 48th month elapsed subsequent to the Date of Acquisition the applicable proportion is 100%).</i>	

13.4.2 Where a Leaver (and/or his Permitted Transferees and Associates) holds different classes of Share and/or subject to different Dates of Acquisition, then the applicable proportion of such Shares shall be severally determined and applied in accordance with Article 13.4.1 in respect of each such class of Share acquired on each such Date of Acquisition.

13.4.3 Retained Shares shall not constitute a separate class of share.

13.4.4 Where Shares held by a Permitted Transferee or Associate of a Leaver are to be designated Retained Shares, then the applicable proportion (as stated in Article 13.4.1(a) or 13.4.1(b), as applicable) shall be by reference to such Shares (which may be some or all of the Shares held by such Holder) as the Board shall determine (acting reasonably and in good faith) to be held by such Holder in connection with its being a Permitted Transferee or Associate of such Leaver.

13.4.5 Notwithstanding the provisions of Articles 13.4.1(a) and 13.4.1(b), as the case may be, if so determined by the Board (with the approval of a Special Director Majority), any Shares may be designated as Retained Shares in accordance with such dates and/or applicable proportions and/or subject to such other conditions and/or on any other basis, as may be agreed in writing between the Company and the relevant Holder.

14. CO-SALE RIGHTS

14.1 Controlling Interest Co-sale Right

Subject to Article 14.2, in the event that a proposed transfer (or series of connected transfers) of any interest in any Share (except in accordance with Article 10 (*Transfers with Shareholder Approval*), Article 11 (*Permitted Transfers*), Article 15 (*Drag Rights*) or in acceptance of an offer made pursuant to this Article 14 (*Co-sale Rights*)) would result in any person (together with all persons (if any) acting in concert (within the meaning given in the City Code on Takeovers and Mergers) with such transferee)) thereby acquiring a Controlling Interest in the Company, then such transfer may not be made by the proposed transferor(s) (the “**Proposed Controlling Interest Transferor(s)**”) unless: (a) Takeda Consent to the proposed transfer has been obtained; and (b) the proposed transferee(s) (or its or their nominee(s)) has/have made an offer to each Shareholder (other than a Proposed Controlling Interest Transferor) to purchase all the Shares held by that Shareholder at the applicable Sale Consideration Price per Share (which Sale Consideration Price shall be calculated in reference to the aggregate consideration in respect of: (i) the transfer of all Shares made in acceptance of all such offers; and (ii) the consideration payable in respect of such transfer of Shares by the Proposed Controlling Interest Transferor(s) to the proposed transferee(s) (or its or their nominee(s))). Such an offer shall remain open for acceptances for at least 5 Business Days. An offer to be so made pursuant to this Article 14.1 shall comply *mutatis mutandis* with the requirements of Article 15.3 (as though reference therein to a Transfer Agreement were a reference to such offer, reference therein to the Non-accepting Seller were a reference to the offeree, and reference therein to the Dragged Interests were a reference to the Shares of the offeree).

14.2 Investor’s Proportionate Co-sale Right

14.2.1 Save where Article 14.1 applies, in the event of a proposed transfer (or series of connected transfers) of any interest in any Share (except in accordance with Article 10 (*Transfers with Shareholders’ Approval*), Article 11 (*Permitted Transfers*), Article 15 (*Drag Rights*) or in acceptance of an offer made pursuant to this Article 14 (*Co-sale Rights*))), such transfer may not be made by the proposed transferor (the “**Proposed Transferor**”) unless the proposed transferee (or his nominee) has first made an offer to all Investors to purchase from each Investor a proportion of the number of Shares held by that Investor (which offer shall remain open for acceptances for at least 5 Business Days).

14.2.2 The proportion of the number of Shares which the proposed transferee (or its nominee) shall offer to purchase from each Investor under Article 14.2.1 shall be equal to the number of Shares proposed to be so transferred by the Proposed Transferor (together with its Permitted Transferees) expressed as a

proportion of the aggregate number of Shares held by the Proposed Transferor (together with its Permitted Transferees).

- 14.2.3 An offer made by the proposed transferee (or its nominee) under Article 14.2.1 shall be made *mutatis mutandis* on the same terms of transfer (including as to the price per Share) to each Investor as the terms of transfer offered by the proposed transferee (or its nominee) to the Proposed Transferor (subject to the provisions of Article 7.3 in the event that such transfer and all transfers in acceptance of such offer constitute a Share Sale).

14.3 Disapplication of Co-sale Rights

- 14.3.1 The provisions of Article 14.1 and Article 14.2 may be disapplied in respect of any transfer (or series of connected transfers) if so approved: (a) in writing by the Holders not less than seventy-five per cent. (75%) in number of issued Shares (including an Investor Majority); and (b) by way of Takeda Consent.
- 14.3.2 The provisions of Article 14.1 and Article 14.2 shall lapse upon, and cease to apply as from, a Qualified IPO.

15. DRAG RIGHTS

15.1 Scope and application of Drag Rights

Subject always to Takeda Consent, if the terms of an agreement, offer, resolution or other arrangement (a “**Transfer Agreement**”) are accepted in writing by an Investor Majority and such Transfer Agreement provides for a sale or transfer on arm’s length terms of Shares to be made such that the transferee (together with all persons (if any) acting in concert (within the meaning given in the City Code on Takeovers and Mergers) with such transferee) proposes to acquire the entire issued Share capital of the Company (excluding those Shares (if any) already held by it and as may exclude those Shares (if any) already held by the Company) at the applicable Sale Consideration Price per Share (or otherwise provides for a Share Sale to be implemented, effected, constituted or made at the applicable Sale Consideration Price per Share) then:

- 15.1.1 any Investor who has accepted such Transfer Agreement in respect of the sale of all the Relevant Securities held by such Investor may (with the consent of the transferee (or such person as may otherwise so acquire a Controlling Interest in the Company pursuant to such Share Sale if implemented, effected, constituted or made other than by way of transfer of Shares) (the “**Purchaser**”)) give notice of the proposed Transfer Agreement to any person who has not accepted the Transfer Agreement (a “**Non-accepting Seller**”) requesting that such Non-accepting Seller accept the terms thereof in respect of all Relevant Securities which he may hold (or thereafter acquire) which are proposed to be acquired by the Purchaser pursuant to the Transfer Agreement (“**Dragged Interests**”), and if such Non-accepting Seller does not within 5 Business Days of such notice accept the Transfer Agreement in accordance with its terms in respect of all his Dragged Interests, such Non-accepting Seller shall in any event be deemed, subject to Article 15.3:

- (a) to have irrevocably waived any pre-emption rights he may have in relation to any transfer or issue of any Relevant Securities in connection with the Share Sale to the Purchaser;
- (b) in accordance with the terms of the Transfer Agreement, to transfer his Dragged Interests to the Purchaser with full title guarantee, free from all encumbrances and third party interests (or, where such Share Sale is implemented, effected, constituted or made other than by way of transfer of Shares, to exercise all his rights with respect to his Dragged Interests required to implement, effect, constitute or otherwise make the Share Sale in accordance with the terms of the Transfer Agreement),
- (c) to have accepted the consideration (if any) payable (or otherwise due) in respect of his Dragged Interests pursuant to the terms of the Transfer Agreement provided it is equal to the applicable Sale Consideration Price per Share; and
- (d) to be bound by the further terms and conditions of the Transfer Agreement applicable to the Non-accepting Seller in accordance with these Articles to the maximum extent permitted by applicable Laws (and provided that no less onerous terms apply to the Investors who have accepted the Transfer Agreement); and

15.1.2 if any Non-accepting Seller fails to deliver executed form(s) of acceptance, transfer form(s), certificate(s) (or an indemnity in a form reasonably acceptable to the Board in respect of any lost certificate(s)), any notice(s) of exercise or waiver of any right(s), elections, form of proxy and/or any other document(s), in each case concerning any Dragged Interests and as may be necessary or desirable in order to secure compliance with this Article 15 (as determined by the Board acting reasonably and in good faith) in connection with the transactions the subject of the Transfer Agreement, then such person shall be deemed to have appointed any director of the Company to be his agent to approve, agree, execute and deliver any or all of the foregoing on his behalf, and in the name of the Non-accepting Seller, and to deliver the same to the Purchaser (or other relevant person(s)). It shall be no impediment to completion of the transfer of any Dragged Interests that any certificate in respect of any Relevant Securities has not been produced.

15.2 The Company (or its nominee) may receive, and give good receipt for, any consideration payable to any Non-accepting Seller, which consideration shall be held by the Company (or its nominee) for the benefit of such Non-accepting Seller. The Company shall be entitled to be paid from such consideration any amount otherwise due and payable by the Non-accepting Seller to any member of the Company's Group (including, without limitation, any payments due in connection with the exercise of any option to acquire Shares). The payment of the remaining balance of such consideration due to the Non-accepting Seller may, in the sole discretion of the Board, be withheld pending any ratification by the Non-accepting Seller of the sale and transfer (or other disposition) of Dragged Interests to the Purchaser and/or any act undertaken on behalf of (or deemed to be undertaken by) such Non-accepting Seller in accordance with this Article 15 and/or such Non-accepting Seller's express written

agreement (in a form acceptable to the Board) to be bound by the terms of the Transfer Agreement applicable to the Non-accepting Seller in accordance with these Articles.

15.3 Terms of the Transfer Agreement

15.3.1 Without prejudice to Article 15.1.1(b) in so far as it applies to the title to any Dragged Interests, and save in accordance with Article 15.3.2, a Transfer Agreement shall not, *inter alia*, require that a Non-accepting Seller give any representation or warranty concerning, or any indemnity in respect of any liability of, the business and affairs of the Company's Group.

15.3.2 A Transfer Agreement may (on a basis no more onerous than applicable to Shareholders who have accepted the terms of the Transfer Agreement), *inter alia*, require that a Non-accepting Seller assume, or otherwise be subject to, obligation(s) and arrangements (whether by means of payment, escrow, holdback, reduction of deferred consideration, indemnification, obligation to contribute to the costs of any relevant insurance, obligation to contribute to the costs, liabilities and expenses incurred in connection with any investigation, proceedings, defence, settlement or compromise, and/or any other relevant arrangement(s)) ("**Contribution Obligations**") with respect to any (actual and/or potential) liabilities (including, without limitation, any settlement or compromise of any liability) under the terms of the Transfer Agreement with respect to any representations and/or warranties (given by any person(s)) concerning, and/or any indemnities (given by any person(s)) in respect of any liabilities of, any of the business and affairs of the Company's Group (and/or any other liabilities and arrangements with respect to which all Shareholders are subject to common obligations) (all the foregoing being "**Common Liabilities**"), provided that the Transfer Agreement provides for the following principles (howsoever expressed or effected):

- (a) a Non-accepting Seller shall be severally liable for his own Contribution Obligations for Common Liabilities (and not jointly liable for the Contribution Obligations of other Shareholders with respect to Common Liabilities);
- (b) a Non-accepting Seller's maximum cumulative aggregate liability under his Contribution Obligations for Common Liabilities shall not (save in the event of his fraud) exceed the Sale Consideration Price per Share paid (and, to the extent the Contribution Obligation is to be satisfied from, or by the reduction of, amounts payable but not yet paid, consideration payable) to such Non-accepting Seller in respect of his Dragged Interests;
- (c) the quantum of a Non-accepting Seller's Contribution Obligation for Common Liabilities when expressed as a proportion of the total quantum of all Contribution Obligations for Common Liabilities of all Shareholders, shall be no greater (save in the event of his fraud) than such Non-accepting Seller's entitlement to the Sale Consideration Price per Share paid (and, to the extent the Contribution Obligation is to be satisfied from, or by the reduction of, amounts payable but not yet paid,

consideration payable) to such Non-accepting Seller in respect of his Dragged Interests, when expressed as a proportion of the total entitlement to the consideration paid (and, to the extent the Contribution Obligation is to be satisfied from, or by the reduction of, amounts payable but not yet paid, consideration payable) in respect of all Relevant Securities which are proposed to be acquired by the Purchaser pursuant to the Transfer Agreement.

15.3.3 The determination of the Board as to whether a Transfer Agreement satisfies the requirements of Articles 15.3.1 and 15.3.2 (including, without limitation, any determination as to what constitutes a Contribution Obligation and/or the Common Liabilities and/or whether the principles set out in sub-sections (a) to (c) of Article 15.3.2 are satisfied) shall (save in the event of fraud) be final and binding on all persons.

15.4 After the Purchaser (or his nominee) has been registered by the Company as the holder of any Dragged Interests transferred in accordance with this Article 15 the validity of such transaction shall not be questioned by any person.

16. PRIMACY OF CO-SALE RIGHTS AND DRAG RIGHTS

Save as expressly provided in these Articles, all further provisions of the Articles and all other regulations of the Company relating to the transfer of Shares and the rights to registration of transfers shall be read subject to the provisions of Articles 14 and 15.

PART 6
Directors

17. DIRECTORS' CONFLICTS OF INTEREST

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

17.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in relation to which the Company is in any way interested;

17.1.2 may be a director or other officer of, or employed or engaged by, or be a party to any transaction or arrangement with, or otherwise interested in any undertaking promoted by, the Company or any undertaking in which the Company is in any way interested;

17.1.3 may (and any undertaking of which he is a partner, member or director may) act in a professional capacity for the Company or any undertaking in which the Company is in any way interested;

17.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment, or from any such transaction or arrangement, or from any interest in any such undertaking, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

17.1.5 shall be entitled to vote and be counted in the quorum in relation to any matter concerning the foregoing paragraphs of this Article 17.1.

17.2 For the purposes of this Article 17:

17.2.1 a general notice to the Board that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

17.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

17.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

- 17.3 Subject to Articles 17.1 and 17.2, if a question arises as to the right of a director to participate in any meeting (or part of any meeting) for voting or quorum purposes, the question may be referred to the chairman of the meeting (or, where the question concerns the right of the chairman to participate, to the other members of the meeting who shall decide upon such matter by simple majority) and whose ruling in relation thereto shall be final and conclusive.
- 17.4 *The directors may authorise conflicts of interest in accordance with section 175 of the Act. Without prejudice to any other provision of these Articles, in exercising their powers to so authorise conflicts of interest contained in section 175 of the Act, each such authorisation may be granted on such terms as the Board (excluding the conflicted director) may determine, including (without limitation) the imposition on the conflicted director of obligations of confidentiality, exclusion from meetings of the directors at which matters relating to the conflict are to be discussed, exclusion from voting on matters relating to the conflict or the release of the conflicted director from any obligation to make available to the Company information imparted to him by, or obtained by him from, any party to whom he owes any relevant conflicting duty and every such authorisation may be withdrawn at any time by a resolution of the Board (excluding the conflicted director).*
- 18. SPECIAL DIRECTORS**
- 18.1 The Company may (with the written consent of an Investor Majority) by instrument or agreement in writing confer on one or more persons (a “**Nominating Shareholder**”) the right (a “**Nomination Right**”) to nominate a person to hold office as a Special Director in accordance with this Article 18.
- 18.2 A Nomination Right may be conferred on a specified person or a specified group of persons (being Nominating Shareholders) who shall act together with respect to the exercise of such right (in which event such group of persons shall together exercise the rights of a Nominating Shareholder in such manner (as may include, without limitation, by consent of a majority of such persons) as shall be provided for under the terms upon which such Nomination Right is so conferred (or, in the absence of any such provision as to the manner of exercise, then by unanimity of action by such persons).
- 18.3 If and for as long as the Nomination Right remains exercisable, then the relevant Nominating Shareholder(s) having such right shall be entitled to appoint any one person to hold office at any one time to act as a director of the Company (a “**Special Director**”) and to remove from office any person so appointed and to appoint another person in his place.
- 18.4 The conferring of a Nomination Right must expressly refer to such right being so conferred pursuant and subject to the provisions of this Article 18. A Nomination Right may be conferred subject to such further terms as the Board (with the written consent of an Investor Majority) may approve and accordingly such right may (without limitation) be expressed to: (i) be exercisable subject to the satisfaction of one or more conditions (including, without limitation, any requirement as to any minimum number of Shares to be held by the Nominating Shareholder(s) and its/their Permitted Transferees); and/or (ii) lapse upon the occurrence of certain events.

- 18.5 All Nomination Rights shall automatically lapse upon completion of a Share Sale.
- 18.6 The Company may (with the written consent of an Investor Majority) confer multiple Nomination Rights on the same Nominating Shareholder(s) thereby entitling such Nominating Shareholder(s) to appoint one Special Director per Nomination Right.
- 18.7 If a Nominating Shareholder is not a Shareholder, this Article 18 may be enforced by any Shareholder who is a Permitted Transferee of such Nominating Shareholder on behalf of such Nominating Shareholder. If neither the Nominating Shareholder nor any Permitted Transferee of the Permitted Shareholder is a Shareholder then the rights of such Nominating Shareholder shall be unenforceable.
- 18.8 In the event that a resolution to remove a Special Director from office as a director of the Company is proposed pursuant to section 168 of the Act (or otherwise by resolution of the Shareholders) then, in respect of such resolution only, each Share held by the Nominating Shareholder(s) having the right to appoint such a Special Director (and each Share held by each Permitted Transferee of such Nominating Shareholder) shall carry 1,000,000 votes per Share (notwithstanding any provision of these Articles to the contrary).
- 18.9 *Appointment and removal of a Special Director pursuant to this Article 18 shall be effected by written notice to the Company from the Nominating Shareholder(s) so appointing or removing such Special Director, which appointment or removal (as the case may be) shall take effect on delivery at the Company's registered office (or at any meeting of the Board or any Committee thereof) or at such later time as may be specified in the notice.*
- 19. REMOVAL OF DIRECTORS**
- 19.1 The office of a director shall be vacated if:
- 19.1.1 he resigns by written notice delivered to the Company or tendered (whether or not in writing) at a meeting of the Board or to the chairman of the Board;
- 19.1.2 he ceases to be a director by virtue of a provision of the Act, is removed from office pursuant to the Articles or becomes prohibited by Law from being a director;
- 19.1.3 he has a bankruptcy order made against him;
- 19.1.4 *a composition or arrangement is made with his creditors generally;*
- 19.1.5 a court makes an order with respect to him which wholly or in any material respect prevents him from exercising any powers or rights which he would otherwise have;
- 19.1.6 he has become physically incapable by reason of his ill health of acting as a Director and may remain so for more than three months;
- 19.1.7 not being a Special Director, he shall be removed from office by notice in writing served upon him signed by all of his co-directors;

- 19.1.8 not being a Special Director, he shall be removed from office by notice in writing served upon him signed by an Investor Majority; or
- 19.1.9 not being a Special Director, he ceases to be an employee of, or a consultant to, the Company or any other member of the Company's Group (and the Board does not desire that he thereafter continue as either an employee of, or a consultant to, any member of the Company's Group) unless an Investor Majority agrees that he may continue in office as a director.

PART 7
Miscellaneous

20. INDEMNITY

20.1 Directors and secretaries may be indemnified subject to the statutes

Without prejudice to any indemnity which any person referred to in this Article 20.1 may otherwise be entitled, every present and former director, alternate director and secretary of the Company (each an “**Indemnified Person**”) shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him to any person(s) other than the Company or any company associated with the Company (within the meaning of section 256 of the Act) in the execution and discharge of his duties to the Company and/or any company associated with the Company (within the meaning of section 256 of the Act) including any liability incurred by any Indemnified Person to any person(s) other than the Company or any company associated with the Company (within the meaning of section 256 of the Act) in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or any company associated with the Company (within the meaning of section 256 of the Act) provided that the indemnity set out in this Article 20.1 shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled and further, in no event shall any Indemnified Person be entitled to any indemnity against:

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

20.2 Power to provide funds

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

20.2.1 in the event that he is convicted in such criminal proceedings, the date when the conviction becomes final;

20.2.2 in the event of judgment being given against him in such civil proceedings, the date when the judgment becomes final (except that such funds need not be repaid to the extent that the expenditure to which the funds were applied is recoverable under Article 20.1); or

20.2.3 in the event that the court refuses to grant him relief on any application under sections 661(3) or (4) of the Act or section 1157 of the Act, the date when the refusal becomes final.

20.3 Power to purchase and maintain insurance

Without prejudice to the provisions of Article 20.1, the Company shall have power to purchase and maintain, at the cost of the Company, insurance for, or for the benefit of, any persons who are or were at any time directors, officers (excluding auditors) or employees (but not advisers) of the Company, or of any other company associated with the company (within the meaning of section 256 of the Act) (an “**Insured Person**”). Such insurance may cover any liability of the Insured Person in connection with any negligence, default, breach of duty or breach of trust by him in relation to any such company as aforesaid or otherwise in connection with his duties powers or office.