

**ARTICLES OF ASSOCIATION
OF
ENTALE MEDIA LIMITED**

FRIDAY



A954GXØI

A05

15/05/2020

#221

COMPANIES HOUSE

Contents

1.	INTERPRETATION	1
2.	ADOPTION OF THE MODEL ARTICLES	9
3.	NUMBER OF DIRECTORS	10
4.	PROCEEDINGS OF DIRECTORS	10
5.	APPOINTMENT AND REMOVAL OF DIRECTORS	11
6.	CHAIRMAN AND OBSERVER	12
7.	TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY	12
8.	DIRECTORS' CONFLICTS	13
9.	SECRETARY	14
10.	DIVIDENDS	15
11.	LIQUIDATION PREFERENCE	15
12.	DISTRIBUTIONS ON EXIT	15
13.	CONVERSION OF SERIES A PREFERRED SHARES	16
14.	VARIATION OF CLASS RIGHTS	18
15.	PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES	18
16.	ANTI-DILUTION PROTECTION	20
17.	TRANSFERS OF SHARES: GENERAL	22
18.	PERMITTED TRANSFERS OF SHARES	24
19.	PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES	26
20.	VALUATION	29
21.	COMPULSORY TRANSFERS	30
22.	MANDATORY OFFER ON CHANGE OF CONTROL	32
23.	DRAG ALONG	33
24.	CO-SALE RIGHT	35
25.	GENERAL MEETINGS	37
26.	VOTING	37
27.	PURCHASE OF OWN SHARES	38
28.	COMPANY'S LIEN OVER SHARES	39
29.	ENFORCEMENT OF THE COMPANY'S LIEN	39
30.	MEANS OF COMMUNICATION TO BE USED	40
31.	INDEMNITY AND INSURANCE	41
32.	DATA PROTECTION	42

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
ENTALE MEDIA LIMITED
(Company Number 10872547)

(Adopted by special resolution passed on 8 April 2020)

INTRODUCTION

1. Interpretation

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

Act: the Companies Act 2006.

Acting in Concert: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended).

Actions: has the meaning given to it in *article 12.3*.

Adoption Date: 16 August 2019.

Anti-Dilution Shares: has the meaning given in *article 16.1*.

Arrears: in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient profits available for distribution in accordance with the Act to pay such dividend or sums, together with all interest and other amounts payable on that Share.

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

Ascension Nominee: from time to time any Shareholder who holds Shares on behalf of one or more underlying beneficial owners, whose positions are managed by Ascension Ventures.

Ascension Ventures: Ascension Ventures Limited, company number 07766902.

Asset Sale: the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business).

Bad Leaver: an Employee who becomes a Departing Employee as a result of being dismissed by the Company for Cause provided always that such dismissal is not later

determined by an employment tribunal or a court of competent jurisdiction from which there is no right of appeal to be wrongful or unfair.

Bonus Issue or Reorganisation: any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Series A Preferred Shareholders) or any consolidation or sub-division or redenomination or any repurchase or redemption of shares (other than Series A Preferred Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than shares issued pursuant to a Permitted Issue.

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

Cause: means:

- (a) fraud and/or deliberate acts of dishonesty, in both cases with the intention of causing harm to the Company; or
- (b) refusal or deliberate failure to substantially perform duties and responsibilities to the Company lawfully prescribed by the board of directors and as a result knowingly causing harm to the Company, but only after reasonable notice of such failure and a reasonable opportunity to cure such failure has been provided.

Chairman: has the meaning given to it in *article 6.3*.

Company: means Entale Media Limited (company number 10872547).

Company's Lien: has the meaning given to it in *article 28.1*.

Conditions: has the meaning given to it in *article 13.1*.

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

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

Conversion Date: has the meaning given to it in *article 13.1*.

Conversion Ratio: has the meaning given to it in *article 13.4*.

Credit Institution: any Financial Conduct Authority registered credit institution (or a credit institution registered with the equivalent body or authority in the country of the relevant credit institution's principal place of business).

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

Departing Employee: an Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company excluding always any Investor.

Directors: the directors of the Company from time to time.

Eligible Director: means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).

Employee: an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company and who holds Ordinary Shares in the Company excluding always any Investor.

Employee Trust: a trust, the terms of which are approved by a Series A Majority, whose beneficiaries are the bona fide employees of the Group.

Exercising Investor: has the meaning given in *article 16.1*.

Exit: a Share Sale, an Asset Sale or a Listing.

Fair Value: has the meaning given in *article 20.2*.

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

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

Fractional Holders: has the meaning given to it in *article 13.8*.

Fund Manager: a person whose principal business is to make, manage or advise upon investments in securities.

Good Leaver: an Employee who becomes a Departing Employee but who is not a Bad Leaver.

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

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

Independent Expert: the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company on the one hand and the Seller or a Series A Majority (as applicable) on the other or, in the absence of agreement between the Company and the Seller or a Series A Majority (as applicable) on the identity of the expert within 10 Business

Days, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator).

Institutional Investor: a fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing.

Investor: shall have the same meaning as in the Subscription and Shareholders' Agreement.

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

Lead Investor: DMGV Limited, company number 05830195, and its Permitted Transferees and assigns.

Lead Investor Consent: the prior written consent of the Lead Investor.

Lead Investor Director: a Director appointed following nomination by the Lead Investor pursuant to *article 5.1*.

Lien Enforcement Notice: means a notice in writing which complies with the requirements of *article 29.2*.

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

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

Member of the Same Fund Group: if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an **Investment Fund**) or a nominee of that person:

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any Investment Fund managed by that Fund Manager;
- (c) any trustee, nominee or custodian of such Investment Fund and vice versa;

- (d) the Fund Manager of that Investment Fund or a Fund Manager of any other Investment Fund which is a Member of the Same Fund Group as that Investment Fund (or a nominee of any such Fund Manager) and vice versa;
- (e) any Member of the same Group as that Fund Manager.

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

New Securities: any Shares or other securities convertible into, or carrying the right to subscribe for, those Shares granted or issued by the Company after the Adoption Date (other than Shares or securities or rights granted or issued pursuant to a Permitted Issue).

Non Vested Shares: a Departing Employee's Relevant Shares which are not Vested Shares.

Ordinary Shares: the ordinary shares of £0.001 each in the capital of the Company.

Original Shareholder: has the meaning given in *article 18.1*.

Permitted Issue:

- (a) the grant of any options under a Share Option Scheme (and the issue of Shares on the exercise of any such options) to the extent that, following their grant, the total number of Shares subject to options would, after exercise of all options, represent 20% or less of the share capital in the Company as at the Adoption Date;
- (b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the Subscription and Shareholders Agreement;
- (c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Lead Investor Consent and the consent of the Seedrs Nominee; and
- (d) any warrants or other rights to subscribe for Shares granted by the Company to the Lead Investor from time to time, and any allotment and issue of Shares upon the exercise of such warrants or rights.

Permitted Transfer: a transfer of Shares made in accordance with *article 18*.

Permitted Transferee: in relation to:

- (a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust;
- (b) a Shareholder which is a company, a Member of the Same Group as that company;
- (c) an Investor, (i) a Member of the Same Fund Group as that Investor, or (ii) a Member of the Same Group as that Investor, or (iii) any nominee of that Investor

(or of a Member of the Same Fund Group as that Investor), or (iv) any other Investor, or (v) any other Credit Institution or Institutional Investor, or

(d) a Shareholder which is the Ascension Nominee, to another person whom Ascension Ventures has confirmed will become the Ascension Nominee.

Preference Amount: a price per share equal to:

(a) the amount paid up or credited as paid up (including premium) for such share; or

(b) in the case of a Series A Preferred Share arising on conversion from another class of share, the amount specified as the Preference Amount in the shareholder resolution effecting the conversion,

in each case together with a sum equal to any Arrears.

Proceeds of Sale: the consideration payable in respect of a Share Sale whether in cash or otherwise, including any deferred and/or contingent consideration, less any bona fide fees, costs and expenses payable in respect of such Share Sale as (as such fees, costs and expenses are approved by a Series A Majority).

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

Relevant Securities: any Shares or other securities convertible into, or carrying the right to subscribe for, Shares, issued by the Company after the Adoption Date, other than where such Shares or securities are issued or granted pursuant to a Permitted Issue.

Relevant Shares: in relation to an Employee means all Shares held by:

(a) the Employee in question; and

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

Restricted Shares: has the meaning given in article 21.7.

Qualifying Issue: has the meaning given in article 16.1.

Sale Shares: has the meaning given in article 19.2(a).

Seeds Nominee: Seedrs Limited (company number 06848016) (whilst it holds Shares in the Company as nominee on behalf of certain beneficial owners).

SEIS: the Seed Enterprise Investment Scheme as contained in Part 5A of the Income Tax Act 2007 (as amended).

SEIS Relief: means the tax reliefs available under the SEIS, including income tax relief, capital gains tax exemption, share loss relief and capital gains tax deferral relief.

Seller: has the meaning given in *article 19.2*.

Series A Majority: the holder(s) from time to time of a majority in nominal value of the Series A Preferred Shares.

Series A Majority Consent: the prior written consent of a Series A Majority.

Series A Preferred Shareholder: a holder of Series A Preferred Shares

Series A Preferred Shares: the series A preferred shares of £0.001 each in the capital of the Company.

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

Share Option Scheme: any share option scheme of the Company which the board of directors identifies in writing (with Lead Investor Consent) as being a Share Option Scheme for the purposes of these Articles.

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

Share Sale: the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale.

Starting Price: £24.186786 per Share.

Subsidiary: has the meaning given in *article 1.10*.

Subscription and Shareholders' Agreement: the subscription and shareholders' agreement dated on or around the Adoption Date between, amongst others, the Company, the Founders and the Investors (as the same may be varied, supplemented, adhered to or superseded in accordance with its terms from time to time).

Termination Date:

- (a) where employment ceases by virtue of notice given by the employer to the Employee, the date on which such notice expires;
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- (c) where an Employee dies, the date of his death;
- (d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or
- (e) in any other case, the date on which the employment or holding of office is terminated.

Transfer Notice: has the meaning given in *article 19.2*.

Transfer Price: has the meaning given in *article 20*.

Vested Shares: the number of the Departing Employee's Relevant Shares calculated by using the following formula (rounding to the nearest whole number wherever necessary to avoid fractions of Shares):

$$((4.16667 \times \text{NM}) / 100) \times \text{DFS}$$

NM = the number of full calendar months from the Vesting Commencement Date to the Termination Date for the applicable Departing Employee

DFS = the total number of Departing Employee's Relevant Shares

Vesting Commencement Date: the Adoption Date.

Writing or written: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, in relation to a Transfer Notice (or Deemed Transfer Notice), "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form.

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

- 1.8 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.10 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- (a) another person (or its nominee), by way of security or in connection with the taking of security; or
 - (b) its nominee.

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

2. Adoption of the Model Articles

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

DIRECTORS

3. Number of directors

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two.

4. Proceedings of directors

- 4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with *article 4.2* (subject to *article 4.3* and *article 4.4*). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes.
- 4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.3 A decision taken in accordance with *article 4.2* may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.4 A decision may not be taken in accordance with *article 4.2* if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with *article 4.7* and *article 4.8*.
- 4.5 Model articles 5(1) to (3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with Lead Investor Consent)" following each reference to "the directors" in such model articles.
- 4.6 Meetings of the Directors shall take place at least once every three months, with a period of not more than 14 weeks between any two meetings. Any Director may call a meeting of the Directors. At least 5 Business Days' advance notice in writing of each such meeting shall be given to each Director (except with the prior consent in writing of a Lead Investor Director, when meetings of the Directors may take place less frequently or on shorter notice).
- 4.7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed then the meeting shall proceed with those Directors present.
- 4.8 For the purposes of any meeting (or part of a meeting) held pursuant to *article 8* to authorise a Conflict (as defined in *article 8.1*), if there is only one Eligible Director in

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

- 4.9 If the number of Directors in office for the time being is less than two the Director in office must not take any decision other than a decision to:
- (a) appoint further Directors; or
 - (b) call a general meeting so as to enable the Shareholders to appoint further Directors.
- 4.10 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) shall not have a second or casting vote.
- 4.11 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.
- 4.12 The Directors (acting with Lead Investor Consent) may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors.

5. Appointment and removal of directors

- 5.1 For so long as it continues to hold:
- (a) Shares in the Company constituting in aggregate less than 40% in nominal value of the Shares in issue, the Lead Investor shall be entitled to nominate one person to be appointed as a Director by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office.; or
 - (b) Shares in the Company constituting in aggregate 40% or more in nominal value of the Shares in issue, the Lead Investor shall be entitled to nominate two persons to be appointed as Directors by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove any such Director from office.

The Lead Investor shall be entitled to remove their nominated Director(s) so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in their place

- 5.2 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:
- (a) he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director;

- (b) save in the case of a Lead Investor Director, a majority of the other Directors resolve that he cease to be a Director; and
- (c) in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company.

6. Chairman and observer

- 6.1 Those Investors who have been granted a right to do so under the Subscription and Shareholders' Agreement shall from time to time have the right to nominate one person to be an observer, who shall be entitled to receive notice of all meetings of Directors (and committees of the Directors) and to attend and speak at, but not vote at, any meeting of the Directors (and committees of the Directors).
- 6.2 The reasonable expenses of each observer shall be payable by the Company.
- 6.3 The Directors may, with Lead Investor Consent, appoint any person as chairman of the board of directors (**Chairman**) and may, with Lead Investor Consent, remove and replace any such Chairman. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

7. Transactions or other arrangements with the Company

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

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

- (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

8. Directors' conflicts

- 8.1 The Directors may, in accordance with the requirements set out in this *article 8*, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 8.2 Any authorisation under this *article 8* will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 8.3 Any authorisation of a Conflict under this *article 8* may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;

- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 8.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 8.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under *article 8.1* shall be necessary in respect of any such interest.
- 8.7 A Lead Investor Director shall be entitled from time to time to disclose to any Investor (and to any Permitted Transferee of an Investor) such information concerning the business and affairs of the Company as he shall at his discretion see fit.
- 8.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

9. Secretary

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

SHARES AND DISTRIBUTIONS

10. Dividends

Subject to any other provisions of these Articles concerning the right of certain classes of Shares to receive dividends, any dividends shall be distributed among the holders of the Shares pro rata to the number of Shares held by those persons, as if they all constituted shares of the same class.

11. Liquidation preference

On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so) as follows:

- (a) first, in paying to each holder of Series A Preferred Shares, in priority to any other classes of Shares, an amount equal to the greater of (i) the Preference Amount in respect of each such Series A Preferred Share and (ii) such amount as it would have received in respect of each such Series A Preferred Share if such surplus assets were distributed pro rata among the holders of the Shares as if the Shares constituted one and the same class, provided that if there are insufficient surplus assets to pay to each holder of Series A Preferred Shares an amount per Series A Preferred Share which is equal to the Preference Amount in respect of each such Series A Preferred Share, the remaining surplus assets shall be distributed to the holders of Series A Preferred Shares pro rata to their respective holdings of Series A Preferred Shares; and
- (b) the balance of the surplus assets (if any) shall be distributed among the holders of Ordinary Shares pro rata to the number of Ordinary Shares held.

12. Distributions on exit

12.1 On a Share Sale, the Proceeds of Sale shall be distributed in the order of priority set out in *article 11* and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed, save in respect of any Shares not sold in connection with that Share Sale, provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:

- (a) the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in *article 11*; and
- (b) the Shareholders shall take any action required by Series A Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in *article 11*.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in *article 11*.

- 12.2 On an Asset Sale, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in *article 11* provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by a Series A Majority (including, but without prejudice to the generality of this *article 12.2*, actions that may be necessary to put the Company into voluntary liquidation) so that *article 11* applies.
- 12.3 In the event of an Exit approved in writing by the Board and the holders of 51% or more of the Shares in issue from time to time (including, for so long as it holds Shares, the Lead Investor) in accordance with the terms of these Articles, all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with such proposed Exit ("**Actions**") and the Shareholders shall be required to take all Actions with respect to the proposed Exit as are required by the Board to facilitate, give effect to and otherwise implement the proposed Exit, subject always to the proceeds of such Exit being distributed to Shareholders in accordance with the provisions of this *article 12*.

13. Conversion of Series A Preferred Shares.

- 13.1 Any holder of Series A Preferred Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the fully paid Series A Preferred Shares held by them at any time and those Series A Preferred Shares shall convert automatically on the date specified in such notice (the "**Conversion Date**"), provided that the holder may in such notice state that conversion of its Series A Preferred Shares into Ordinary Shares is conditional upon the occurrence of one or more events (the "**Conditions**").
- 13.2 Not more than five Business Days after the Conversion Date, each holder of the relevant Series A Preferred Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series A Preferred Shares being converted to the Company at its registered office for the time being.
- 13.3 In the event of a notice served under *article 13.1* which is subject to any Conditions, if the Conditions have not been satisfied or waived by the relevant holder by the Conversion Date such conversion shall be deemed not to have occurred.
- 13.4 On the Conversion Date, the relevant Series A Preferred Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Series A Preferred Share held (the

"**Conversion Ratio**"), and the Ordinary Shares resulting from that conversion shall in all other respects rank *pari passu* with the existing issued Ordinary Shares.

- 13.5 The Company shall on the Conversion Date enter the holder of the converted Series A Preferred Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to the relevant holder delivering its certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series A Preferred Shares in accordance with this Article, the Company shall within 10 Business Days of the Conversion Date forward to such holder of Series A Preferred Shares by post to his address shown in the register of members, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares.
- 13.6 On the Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will, if it has sufficient profits available for distribution in accordance with the Act, pay to holders of the Series A Preferred Shares falling to be converted a dividend equal to all Arrears and accruals of dividends in relation to those Series A Preferred Shares to be calculated on a daily basis down to and including the day immediately preceding the Conversion Date. If the Company has insufficient profits available for distribution in accordance with the Act to pay all such Arrears and accruals of dividends in full then it will pay the same to the extent that it is lawfully able to do so and any Arrears and accruals of dividends that remain outstanding shall continue to be at debt due from and immediately payable by the Company.
- 13.7 The Conversion Ratio shall from time to time be adjusted as follows:
- (a) if Series A Preferred Shares remain capable of being converted into new Ordinary Shares and there is a consolidation and/or sub-division of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with Lead Investor Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Series A Preferred Shareholder is in no better or worse position as a result of such consolidation or sub-division, such adjustment to become effective immediately after such consolidation or sub-division; and
 - (b) if Series A Preferred Shares remain capable of being converted into Ordinary Shares, on an allotment of fully-paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount, which in the opinion of the Board (with Lead Investor Consent) is fair and reasonable, to maintain the right to convert so as to ensure that each Series A Preferred Shareholder is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.

13.8 If any Series A Preferred Shareholder becomes entitled to fractions of an Ordinary Share as a result of conversion ("**Fractional Holders**"), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the Directors may aggregate and sell the fractions to a person for the best price reasonably obtainable and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holder. For the purposes of completing any such sale of fractions, the chairman of the Company or, failing him, the secretary will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.

13.9 If a doubt or dispute arises concerning an adjustment of the Conversion Ratio in accordance with *article 13.7*, or if so requested by a Series A Majority, the Board shall refer the matter to the Independent Expert, acting as an expert and not as an arbitrator, for determination who shall make available to all Shareholders their report and whose certificate as to the amount of the adjustment is, in the absence of manifest error, conclusive and binding on all concerned and their costs shall be met by the Company.

14. Variation of class rights

Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class.

15. Pre-emption rights on the issue of further shares

15.1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution, the Directors shall not, save with Lead Investor Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.

15.2 Subject to the remaining provisions of this *article 15*, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:

- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into;
- (c) otherwise deal in, or dispose of,

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

- 15.3 The authority referred to in *article 15.2*:
- (a) shall be limited to a maximum nominal amount of £10.00;
 - (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution;
 - (c) may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).
- 15.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 15.5 Save with Lead Investor Consent and the consent of the Seedrs Nominee and either the Ascension Nominee or Ascension Ventures, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to:
- (a) the holders (on the date of the offer) of the Shares; and
 - (b) in respect of any Ordinary Shares held by the Ascension Nominee or a Permitted Transferee of the Ascension Nominee, to the Ascension Nominee, all Permitted Transferees of the Ascension Nominee (in its capacity as an Investor) and to Ascension Ventures,
- (each an **Offeree**), on a pari passu basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Shares held by each holder referred to in *article 13.5(a)* bears to the total number of Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.
- 15.6 An offer made under *article 15.5* shall:
- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;
 - (b) remain open for a period of at least 10 Business Days from the date of service of the offer;
 - (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under *article 15.5* shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe.
- 15.7 If, on the expiry of an offer made in accordance with *article 15.5*, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so

offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.

15.8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with *article 15.5* shall be used to satisfy any requests for Excess Securities made pursuant to *article 15.6(c)*. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Ordinary Shares held by each such applicant bears to the total number of such Ordinary Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After those allotments, any Excess Securities shall, subject to *article 15.9*, be offered to any other person(s) as the Directors may, with Lead Investor Consent, determine, at the same price and on the same terms as the offer to the Shareholders.

15.9 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

16. Anti-dilution protection

16.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (a "**Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Independent Expert acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that any of the holders of Series A Preferred Shares shall have specifically waived their rights under this Article in writing, issue to each holder of Series A Preferred Shares (the "**Exercising Investor**") a number of Series A Preferred Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with *article 16.3* (the "**Anti-Dilution Shares**"):

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

Where:

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

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

SIP = the Starting Price

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

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Independent Expert acting as experts and not arbitrators as being in their opinion the current cash value of the non-cash consideration for the allotment of the New Security)

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

Z = the number of Series A Preferred Shares held by the Exercising Investor prior to the Qualifying Issue.

16.2 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved in advance by Lead Investor Consent) and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in *article 16.1* so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of *article 16.1* or this *article 16.2*, the matter shall be referred (at the cost of the Company) to the Independent Expert for certification of the number of Anti-Dilution Shares to be issued. The Independent Expert's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and
- (b) subject to the payment of any cash payable pursuant to *article 16.2(a)* (if applicable), be issued, credited fully paid up in cash, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to *article 16.2(a)* and shall rank *pari passu* in all respects with the existing Series A Preferred Shares.

16.3 In the event of any Bonus Issue or Reorganisation, the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company and a Series A Majority within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the Series A Majority cannot agree such adjustment it shall be referred to the Independent Expert whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Independent Expert shall be borne by the Company.

16.4 For the purposes of this *article 16* any Shares held as treasury shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

17. Transfers of shares: general

17.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.

17.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to *article 17.5*, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.

17.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.

17.4 Any transfer of a Share by way of sale which is required to be made under *article 21*, *article 22* or *article 23* shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.

17.5 The Directors may (and shall, if requested by a Series A Majority), as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company and the Investors agreeing to be bound by the terms of the Subscription and Shareholders' Agreement, in such form as the Directors (acting with Lead Investor Consent) may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this *article 17.5*, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee. This *article 14.5* shall not apply to the transfers referred to in *article 15.7 below*.

17.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by a Lead Investor Director, require:

- (a) any holder (or the legal representatives of a deceased holder); or
- (b) any person named as a transferee in a transfer lodged for registration; or
- (c) such other person as the Directors or a Lead Investor Director may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.

17.7 If any such information or evidence referred to in *article 17.6* is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors (including a Lead Investor Director) within 10 Business Days of receipt of such written notice, then, unless otherwise directed in writing by a Series A Majority:

- (a) the relevant Shares shall cease to confer on the holder of them any rights:
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares;
 - (iii) to participate in any future issue of Shares; and
- (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).

The Directors may (with Lead Investor Consent) reinstate the rights referred to in *article 17.7(a)* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *article 17.7(b)* on completion of such transfer.

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

- (a) it does not contain a Minimum Transfer Condition; and

- (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).

17.9 Any Transfer Notice (but not an Offer Notice (as defined in *article 22*) or a Drag Along Notice (as defined in *article 23*)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice.

18. Permitted transfers of shares

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

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

- (a) the Original Shareholder;
- (b) any Privileged Relation(s) of the Original Shareholder;
- (c) subject to *article 18.3*, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or
- (d) subject to *article 18.3*, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

18.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if a Lead Investor Director is satisfied:

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

18.4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:

- (a) the Original Shareholder; or

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

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this *article 18.4*, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 18.4*.

- 18.5 If the Original Shareholder is an Investment Fund (or nominee of such person) and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Fund Group as the Original Shareholder, transfer the Shares held by it to:

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

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this *article 18.5*, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 18.5*.

- 18.6 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 10 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them;
- (b) give a Transfer Notice to the Company in accordance with *article 19*,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 18.6*.

- 18.7 In relation to any Shares held by the Seedrs Nominee, the following transfers shall be considered Permitted Transfers:

- (a) any transfer of the Shares to any person who is the beneficial owner of such shares;
- (b) any transfer of the Shares to any person who is to hold such Shares as nominee for the beneficial owner in substitution for the then registered shareholder; and
- (c) any transfer of the beneficial ownership of such Shares, where the identity of the registered legal shareholder remains the same before and immediately after such transfer of beneficial ownership.

- 18.8 Notwithstanding any other provision of this *article 18* and subject to *article 19*, *article 20* and *article 21*, a transfer of any Shares approved by the Directors (acting with Lead Investor Consent) may be made without any price or other restriction and any such transfer shall be registered by the Directors.

19. Pre-emption rights on the transfer of shares

- 19.1 Except where the provisions of *article 18*, *article 22* or *article 23* apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this *article 19*.

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

- (a) subject to *article 17.8(b)*, the number of Shares he wishes to transfer (**Sale Shares**);
- (b) the name of the proposed transferee, if any;
- (c) subject to *article 21.5*, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**); and
- (d) subject to *article 17.8(a)*, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).

- 19.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with Lead Investor Consent.

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

- 19.5 As soon as practicable following the later of:

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

the Directors shall (unless the Transfer Notice is withdrawn in accordance with *article 19.3*) offer the Sale Shares for sale in the manner set out in the remaining provisions of this *article 19* at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

- 19.6 If the Sale Shares are Ordinary Shares being sold pursuant to a Deemed Transfer Notice under *article 21*, the Company shall offer them first, to any Employee Trust that the Directors (acting with Lead Investor Consent) may nominate for the purpose or subject to the Act and, provided such purchase shall not cause any Investor's SEIS Relief to be withdrawn or the Company's qualifying status for SEIS Relief to cease, the Company.
- 19.7 An offer of Sale Shares made in accordance with *article 19.6* shall remain open for acceptance for a period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with the remaining provisions of this *article 19*.
- 19.8 Subject to *article 19.7*, the Directors shall offer the Sale Shares to the Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy.
- 19.9 If:
- (a) at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Lead Investor Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
 - (b) not all Sale Shares are allocated following allocations in accordance with *article 19.9(a)*, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in *article 19.9(a)*. The procedure set out in this *article 19.9(b)* shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and/or
 - (c) at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications. The balance (the **Surplus Shares**) shall be dealt with in accordance with *article 19.14*.
- 19.10 Where the Transfer Notice contains a Minimum Transfer Condition:

- (a) any allocation made under *article 19.7* to *article 19.9(c)* (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and
- (b) if the total number of Sale Shares applied for under *article 19.7* to *article 19.9(c)* (inclusive) is less than the number of Sale Shares, the board of directors shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

19.11 Where either:

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

the Directors shall, when no further offers or allocations are required to be made under *article 19.7* to *article 19.9(c)* (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 15 Business Days, after the date of the Allocation Notice).

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

19.13 If the Seller fails to comply with *article 19.12*:

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate,

together with such other evidence (if any) as the board of directors may reasonably require to prove good title to those Shares) to the Company.

19.14 Where a Transfer Notice lapses pursuant to *article 19.10(b)* or an Allocation Notice does not relate to all the Sale Shares, then, subject to *article 19.15*, the Seller may, at any time during the 10 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this *article 19.14* shall continue to be subject to any Minimum Transfer Condition.

19.15 The Seller's right to transfer Shares under *article 19.14* does not apply if the Directors reasonably consider that:

- (a) the transferee is a person (or a nominee for a person) whom a Lead Investor Director determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; and
- (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in *article 19.15(b)*.

20. Valuation

20.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with Lead Investor Consent, and the Seller or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.

20.2 The "**Fair Value**" shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) that the Sale Shares are capable of being transferred without restriction;

- (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 20.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 20.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.
- 20.5 The parties are entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.
- 20.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 20.7 The Independent Expert shall be requested to determine the Fair Value within 15 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.
- 20.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless:
 - (a) the Seller withdraws the relevant Transfer Notice in accordance with *article 19.3*; or
 - (b) in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost.

21. Compulsory transfers

- 21.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors (acting with Lead Investor Consent) may determine.

- 21.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors (acting with Lead Investor Consent) may determine.
- 21.3 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice. This *article 21.3* shall not apply to a Shareholder that is an Investor.
- 21.4 If:
- (a) an Employee becomes a Departing Employee and is a Bad Leaver, a Transfer Notice shall be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares; or
 - (b) an Employee becomes a Departing Employee and is a Good Leaver, a Transfer Notice shall be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares save for the Departing Employee's Vested Shares,
- (each being a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 21.5 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is:
- (a) a Bad Leaver, be restricted to the nominal value of such Relevant Shares; and
 - (b) a Good Leaver be restricted to the nominal value of the Departing Employee's Non-Vested Shares.
- 21.6 Notwithstanding the provisions of *article 21.5*, a Series A Majority may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to *article 21.5*.

21.7 Forthwith upon a Transfer Notice being deemed to be served under *article 21* the Relevant Shares subject to a Compulsory Employee Transfer (**Restricted Shares**) shall cease to confer on the holder of them any rights:

- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
- (b) to receive dividends or other distributions otherwise attaching to those Shares; or
- (c) to participate in any future issue of Shares.

Such rights shall be reinstated on completion of such transfer.

21.8 Upon a Transfer Notice being deemed to be served under *article 21* the Relevant Percentage of a Departing Employee's Vested Shares shall cease to confer on the holder of them any rights to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares. The foregoing rights shall be reinstated on completion of a transfer, unless such transfer is to a Permitted Transferee.

21.9 This *article 18* shall not apply to Shares held by the Seedrs Nominee.

22. Mandatory offer on change of control

22.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to *article 18*, *article 21* or *article 27.2*, but after the operation of the pre-emption procedure set out in *article 19*), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing Shareholder (the **Buyer**), together with any person Acting in Concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this *article 22* shall apply.

22.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder (each an **Offeree**) on the date of the Offer other than any holder(s) of Restricted Shares, to buy all of the Shares held by such Offerees on the date of the Offer for a consideration in cash per Share (the **Offer Price**) which is equal to the highest price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Ordinary Shares in connection with the Proposed Transfer.

22.3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Offeree on the date of the Offer at least 20 Business Days (the **Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**). The Offer Notice shall specify:

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

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

- (a) the making of an Offer in accordance with this *article 22*;
- (b) the completion of the transfer of any Ordinary Shares by any Offeree (each an **Accepting Offeree**) who accepts the Offer within the Offer Period, and the Directors shall refuse to register any Proposed Transfer made in breach of this *article 22.4*.

22.5 The Proposed Transfer is, but the purchase of Shares from Accepting Offerees pursuant to an Offer made under this *article 22* shall not be, subject to the pre-emption provisions of *article 19*.

22.6 The total consideration paid by the Buyer for any Shares purchased from the Shareholders who accept the Offer shall be distributed amongst the relevant Shareholders in accordance with *article 12*.

23. Drag along

23.1 If the holders of 51% or more of the Shares in issue from time to time (including, for so long as it holds Shares, the Lead Investor) (the **Selling Shareholders**) wish to transfer all of their interest in Shares (**Sellers' Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this *article 23*.

23.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:

- (a) that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this *article 23*;
- (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);

- (c) the consideration payable for the Called Shares which shall, for each Called Share, be the amount which each Called Share carries the right to receive pursuant to *article 12*; and
 - (d) the proposed date of completion of transfer of the Called Shares.
- 23.3 Once given, a Drag Along Notice may not be revoked. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 23.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this *article 23*.
- 23.5 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:
 - (a) all of the Called Shareholders and the Selling Shareholders otherwise agree;
 - (b) that date is less than 30 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 30 Business Days after the date of service of the Drag Along Notice.
- 23.6 Within 30 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 30 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to *article 23.2(c)* to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to *article 23.2(c)* shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to *article 23.2(c)* in trust for the Called Shareholders without any obligation to pay interest.
- 23.7 To the extent that the Proposed Buyer has not, on the expiration of the 30 Business Day period, put the Company in funds to pay the amounts due pursuant to *article 23.2(c)*, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Ordinary Shares and the Called Shareholders shall have no further rights or obligations under this *article 23* in respect of their Shares.

- 23.8 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this *article 23*.
- 23.9 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares, whether or not pursuant to a Share Option Scheme (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this *article 23* shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this *article 23.9* to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Ordinary Shares.
- 23.10 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of *article 19*.
- 23.11 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.
- 24. Co-sale Right**
- 24.1 No transfer (other than a Permitted Transfer or a Compulsory Transfer) of any Shares held by any of the Founders may be made or validly registered unless the relevant Founder and any Permitted Transferee of that Founder (each a **"Selling Member"**) shall have observed the following procedures of this Article unless the Series A Majority has determined that this *article 24* shall not apply to such transfer(s).

24.2 After the Selling Member has gone through the pre-emption process set out in *article 19*, the Selling Member shall give to each Investor who has not taken up their pre-emptive rights under *article 19* not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:

- (a) the identity of the proposed purchaser (the "**Buyer**");
- (b) the price per share which the Buyer is proposing to pay;
- (c) the manner in which the consideration is to be paid;
- (d) the number of Shares which the Selling Member proposes to sell; and
- (e) the address where the counter-notice should be sent.

24.3 Each Investor shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Member that they wish to sell a certain number of Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Shares which such Investor wishes to sell. The maximum number of shares which an Investor can sell under this procedure shall be:

$$\left(\frac{X}{Y} \right) \times Z$$

where:

X is the number of Shares the Selling Member proposes to sell;

Y is the total number of Shares held by the Selling Member; and

Z is the number of Shares held by the Investor.

An Investor who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no shares.

24.4 Following the expiry of five Business Days from the date the Investors receive the Co-Sale Notice, the Selling Member shall be entitled to sell to the Buyer on the terms notified to the Investors a number of shares not exceeding the number specified in the Co-Sale Notice less any shares which Investors have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Investors the number of shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Member from the Buyer.

24.5 No sale by the Selling Member shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.

24.6 Sales made in accordance with this *article 24* shall not be subject to *article 19*.

DECISION-MAKING BY SHAREHOLDERS

25. General meetings

- 25.1 No business other than, subject to *article 25.2*, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 25.2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

26. Voting

- 26.1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company.
- 26.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 26.3 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article.
- 26.4 Model article 45(1) shall be amended by:
- (a) the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate";
 - (b) the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that model article.
- 26.5 Subject to any rights or restrictions for the time being attached to any class or classes of Shares, on a show of hands every member entitled to vote who (being an individual) is present in person or by proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, every member shall have one vote for each share of which he is the holder, provided always that in

the event at any time the aggregate voting rights exercisable by a Shareholder and any other Shareholder that is connected (as defined in section 1122 of the Corporation Tax Act 2010) would result in any investor's SEIS Relief to be withdrawn or the Company's qualifying status for SEIS Relief to cease then the said Shareholder(s) collective voting rights shall not exceed 49.99% of the total voting rights in the Company.

27. Purchase of own shares

27.1 Subject to the Act and the Subscription and Shareholders' Agreement and subject to Lead Investor Consent but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

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

27.2 Subject to the remaining provisions of this *article 27*, on a purchase of Shares in accordance with Chapter 4 of Part 18 of the Act, the Company may:

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

27.3 The provisions of *articles 15.4 to 15.9* (inclusive) shall apply to a sale or transfer of Shares held in treasury pursuant to *article 27.2(b)* save that, for the purposes of this *article 27.3*:

- (a) reference in *article 15* to an allotment shall include the sale or transfer of Shares;
- (b) reference in the definition of "Relevant Securities" to Shares "issued after the Adoption Date" shall include Shares to be sold or transferred by the Company,

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

27.4 Save with the prior written consent of the Ascension Nominee or Ascension Ventures (in each case, whilst an Ascension Nominee holds Shares in the Company), a purchase by the Company of its own shares shall not be permitted where it would result in any investor's SEIS Relief to be withdrawn or the Company's qualifying status for SEIS Relief to cease.

28. Company's Lien over Shares

- 28.1 The Company has a lien (the **Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 28.2 The Company's Lien over a share:
- (a) takes priority over any third party's interest in that Share;
 - (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- 28.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

29. Enforcement of the Company's Lien

- 29.1 Subject to the provisions of this *article 29*, if:
- (a) a Lien Enforcement Notice has been given in respect of a Share;
 - (b) the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share in such manner as the Directors decide.
- 29.2 A Lien Enforcement Notice:
- (a) may only be given in respect of a Share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed;
 - (b) must specify the Share concerned;
 - (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
 - (d) must be addressed either to the holder of the Share or to a transmittee of that holder;
 - (e) must state the Company's intention to sell the Share if the notice is not complied with.
- 29.3 Where Shares are sold under this *article 29*:
- (a) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser;

- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 29.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:
 - (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;
 - (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.
- 29.5 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:
 - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share;
 - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

ADMINISTRATIVE ARRANGEMENTS

30. Means of communication to be used

- 30.1 Subject to *article 30.3*, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
 - (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address;
 - (b) if sent by fax, at the time of transmission;
 - (c) if sent by pre-paid first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting;
 - (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting;
 - (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address;

- (f) if sent or supplied by email, one hour after the notice, document or information was sent or supplied;
- (g) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website;
- (h) if deemed receipt under the previous paragraphs of this *article 30.1* would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

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

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

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

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

31. Indemnity and insurance

31.1 Subject to *article 31.2*, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

- (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto, including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants

him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs; and

- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in *article 31.1* and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

31.2 This *article 31* does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

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

31.4 In this *article 31*:

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

32. Data protection

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

32.2 The personal data that may be processed for such purposes under this *article 32* shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to:

- (a) a Member of the Same Group as the Recipient (each a **Recipient Group Company**);
- (b) employees, directors and professional advisers of that Recipient or any Recipient Group Company;
- (c) funds managed by any of the Recipient Group Companies.

- 32.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.