

DATED 28 February 2022

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

THE SMARTER FOOD COMPANY LIMITED

(Company number: 11453121)

(Adopted by Written Resolution dated 28 February 2022)

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TITLE OF DOCUMENT

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1 PRELIMINARY

1.1 The model articles of association for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) in force on the date when these Articles become binding on the Company ("**Model Articles**") (a copy of which is annexed) apply to the Company except in so far as they are excluded or varied by these Articles.

2 DEFINITIONS AND INTERPRETATION

2.1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

2.1.1 "Act" means the Companies Act 2006 as amended from time to time;

2.1.2 "Acting in Concert" has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

2.1.3 "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 Available Profits to pay any dividend or sums, together with all interest and other amounts payable on that Share;

2.1.4 "Articles" means these Articles of Association as amended from time to time;

2.1.5 "Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets;

2.1.6 "Available Profits" means profits available for distribution within the meaning of part 23 of the Act;

2.1.7 "Bad Leaver" means a person who ceases to be an Employee and is not a Good Leaver or a Very Bad Leaver provided that such Employee who is otherwise a Bad Leaver may be re-categorised by the Board (with Investor Consent) as a Good Leaver;

2.1.8 "Beneficial Owner" means a person whose Shares are held on trust by NomineeCo;

- 2.1.9 "Board" means the board of directors of the Company from time to time acting by the resolution of a duly convened and quorate meeting;
- 2.1.10 "Business Days" means any day other than a Saturday, Sunday or English bank holiday;
- 2.1.11 "Civil Partner" means in relation to a Member:
- 2.1.11.1 a civil partner (as defined in the Civil Partnership Act 2004) of the Member; or
- 2.1.11.2 a person living in the same household as the Member as his or her wife, husband or civil partner;
- 2.1.12 "Clear Days" means in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it takes effect;
- 2.1.13 "Commencement Date" means 4 April 2019;
- 2.1.14 "Communication" has the meaning as in the Electronic Communications Act 2000;
- 2.1.15 "Connected Person" means the meaning given to "connected person" in section 993 of the Income Tax Act 2007;
- 2.1.16 "Controlling Interest" means an interest (as defined in section 820 to 825 of the Act) in shares in the Company conferring in aggregate more than 50% of the total voting rights normally exercisable at a general meeting of the Company;
- 2.1.17 "Deferred Conversion Date" means the date that the Employees Shares convert into Deferred Shares pursuant to Article 16.1;
- 2.1.18 "Deferred Shares" means shares of £0.001 each in the capital of the Company from time to time;
- 2.1.19 "Determination Date" means as such term is defined in Article 7.11;
- 2.1.20 "the Directors" means the directors for the time being of the Company or (as the context shall require) any of them acting as the board of

directors of the Company and each being “a Director”;

- 2.1.21 “Effective Termination Date” means the date on which the Employee’s employment, appointment or consultancy terminates or if sooner the date on which the Employee gives or is given notice to terminate his employment, appointment or consultancy;
- 2.1.22 “Employee” means an individual who is employed or appointed by, or who provides consultancy services to or is otherwise engaged by, the Company of any member of the Group;
- 2.1.23 **“Employee Shares”** in relation to an Employee means all Shares held by:
- 2.1.23.1 the Employee in question; and
 - 2.1.23.2 any Permitted Transferee of that Employee,

other than:
 - (i) those Shares held by Permitted Transferees of that Employee that with Investor Consent confirms were not acquired directly or indirectly from the Employee or by reasons of that person’s relationship with the Employee; and
 - (ii) Shares that an Employee holds as result of exercising option(s) under any Share Option Plan;
- 2.1.24 “Employee Trust” means a trust, the terms of which are approved with Investor Consent and whose beneficiaries are limited to the persons of the kind described in section 1166 of the Act, or any of them;
- 2.1.25 “Exit” means a Share Sale or an Asset Sale or an IPO;
- 2.1.26 “Expert” means the auditors of the Company, or if the auditors of the Company decline such appointment any said person accepting the appointment having been nominated by the President of the Institute of Chartered Accountants in England and Wales;
- 2.1.27 “Fair Value” means for the purposes of these Articles means the amount agreed between the Directors and the Transferor or, as determined by

the Expert in accordance with Article 7.8;

2.1.28 "Family Trust" means a trust which permits the settled property or the income therefrom to be applied only for the benefit of:

2.1.28.1 the settlor and/or a Privileged Relation of that settlor; or

2.1.28.2 any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities);

and under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustee or the settlor or the Privileged Relations of the settlor. For the purposes of this definition "settlor" includes a testator or an intestate in relation to a Family Trust arising respectively under a settlement, testamentary disposition or an intestacy of a deceased Member;

2.1.29 "Financial Year" means an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Act;

2.1.30 "Fund Manager" means a person whose principal business is to make, manage or advise upon investments in securities;

2.1.31 "Good Leaver" means a person who:

2.1.31.1 ceases to be an Employee for any reason after the expiration of the Relevant Period; or

2.1.31.2 ceases to be an Employee within the Relevant Period for any of the following Reasons:

(i) death;

(ii) permanent disability or permanent incapacity through ill-health;

(iii) his dismissal by reason of redundancy;

- 2.1.31.3 is otherwise determined to be a Good Leaver in accordance with these Articles;
- 2.1.32 "Group" means any holding company of any corporate member and any subsidiary of any corporate member or any holding company of such corporate member and references to "members of the Group" shall be construed accordingly;
- 2.1.33 "Holding Company" has the meaning set out in section 1159 of the Act;
- 2.1.34 "IFR" means IFR Enterprises Limited (registered in England and Wales under number 03398534);
- 2.1.35 "Issue Price" in respect of a share in the capital of the Company, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium;
- 2.1.36 "Investment Agreement" the investment agreement dated 4 April 2019 and made between (1) the Company, (2) the Existing Shareholders; and (3) the Investors and (4) the Founders (such terms as defined therein), as amended or restated from time to time;
- 2.1.37 "**Investor Directors**" has the meaning as set out in the Investment Agreement;
- 2.1.38 "**Investor Consent**" has the meaning as set out in the Investment Agreement;
- 2.1.39 "Investors" has the meaning as set out in the Investment Agreement;
- 2.1.40 "IPO" means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

2.1.41 **“Leaver’s Percentage”** means, in relation to and for the purpose of determining the number of Employee Shares that are required (pursuant to Article 16) to be converted into Deferred Shares or to be transferred as a result of an Employee ceasing to be an Employee:

(i) during the period from the Commencement Date to the first anniversary of the Commencement Date, 100 per cent; and

(ii) during the period from the first anniversary of the Commencement Date to the fourth anniversary of the Commencement Date, the percentage (rounded up to two decimal places) as calculated using the formula below:

$$x = 0.75 \times Y$$

where:

x = the Leaver’s Percentage for the purpose of this definition;

y = $100 - (2.0833 \times NM)$; and

NM = the lessor of: (i) the number of calendar months from the first anniversary of the Commencement Date to the Effective Termination Date; and (ii) 36, such that the Leaver’s Percentage shall be zero on the last day of the 48th month after the Commencement Date.

2.1.42 “Member” in relation to Shares means the member whose name is entered in the register of members as the holder of the Shares;

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

2.1.43.1 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);

- 2.1.43.2 any parent undertaking or subsidiary undertaking of that Fund Manager, or any subsidiary undertaking of any parent undertaking of that Fund Manager; or
- 2.1.43.3 any trustee, nominee or custodian of such Investment Fund and vice versa;
- 2.1.44 **“a Member of the same Group”** means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking;
- 2.1.45 "NomineeCo" means Crowdcube Nominees Limited (registered in England and Wales under 09820478) or a Permitted Transferee of such nominee;
- 2.1.46 "Ordinary Shares" means ordinary shares of £0.001 each in the capital of the Company having the rights set out in these Articles;
- 2.1.47 "Office" means the registered office of the Company;
- 2.1.48 “PBL” means Plant Bioscience Limited (registered in England and Wales under number 02896390);
- 2.1.49 "Permitted Transfers" means a transfer of Shares authorised by Article 11 and “Permitted Transferee” shall be construed accordingly;
- 2.1.50 "Privileged Relation" in relation to a Member means the spouse, Civil Partner, or widow or widower of the Member and the Member’s children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Member’s children;
- 2.1.51 “Proposed Seller” means any person proposing to transfer any shares in the capital of the Company;
- 2.1.52 "the Price" means as such term is defined in Article 7.6;
- 2.1.53 "Proceeds of Sale" means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale;

- 2.1.54 "UKI2S" means The UK Innovation & Science Seed Fund LP (registered number LP007823) acting through its general partner Prism (General Partner) Limited (registered number 44043728);
- 2.1.55 **"Realisation Price"** means the value of each Ordinary Share in issue immediately prior to an IPO, determined by reference to the price per share at which Ordinary Shares are to be offered for sale, placed or otherwise marketed pursuant to such IPO;
- 2.1.56 "Relevant Period" means the period commencing on the Commencement Date and ending on the 4th anniversary of the Commencement Date;
- 2.1.57 "Seal" means the common seal of the Company (if any);
- 2.1.58 "Secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
- 2.1.59 "Share Option Plan" means any scheme for the grant of Inland Revenue approved or unapproved share options or Enterprise Management Incentive share options pursuant to Schedule 5 of the Income Tax (Earnings and Pensions) Act 2003 to employees, officers and consultants of the Company or any subsidiary of the Company established and amended from time to time;
- 2.1.60 "Share Sale" means 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;
- 2.1.61 "Shares" means the Ordinary Shares;
- 2.1.62 "the Statutes" means the Companies Act as defined in section 2 of the Act and every other statute, order, regulation, instrument or other

subordinate legislation for the time being relating to companies and affecting the Company;

- 2.1.63 "Tag Along Offer" means an unconditional offer, open for acceptance for not less than 28 days, to purchase Shares held by the recipients of a Tag Along Offer or Shares for which such recipients may subsequently subscribe, free from all liens, charges and encumbrances at a price per Share equal to the highest price per Share paid or to be paid by any transferee referred to in Article 9 (or any person with whom such transferee is connected with or with whom such transferee is acting in concert) for Shares (inclusive of the Shares giving rise to the obligation to make the Tag Along Offer) within the period of one year ending on the proposed date of completion of such transfer of Shares. In the event of disagreement, the calculation of the relevant Tag Along Offer price shall be referred to the Expert;
- 2.1.64 "Transfer Notice" shall have the meaning give in Article 7.2;
- 2.1.65 "Treasury Shares" means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724 (5) of the Act;
- 2.1.66 "Total Transfer Condition" has the meaning given in Article 7.3.1.4;
- 2.1.67 "United Kingdom" means Great Britain and Northern Ireland;
- 2.1.68 "Very Bad Leaver" means a person who ceases to be an Employee at any time as a result of any of the following circumstances:
- (i) frauds or acts of dishonesty; or
 - (ii) be convicted of a criminal offence (other than a road traffic offence which is not punishable by a custodial sentence).
- 2.1.69 "Vested" means those Employee Shares which are no longer capable of being converted into Deferred Shares or transferred under Article 16.
- 2.1.70 "WCS Nominees" means WCS Nominees Limited (registered number 06002307) with its registered office at 4th Floor 50 Mark Lane, London, EC3R 7QR, acting through Oxford Technology Management limited

(registered number 01069573) with its registered office at Magdalen Centre, Oxford Science Park, Oxford, Oxfordshire, OX4 4GA.

- 2.1.71 "Withdrawal Period" means as such term is defined in Article 7.13.
- 2.2 Unless the context otherwise requires, words and expressions contained in these Articles bear the same meaning as in the Statutes (but excluding any statutory modification not in force when these Articles become binding on the Company) or the Investment Agreement.
- 2.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision.
- 3 SHARE RIGHTS
 - 3.1 Dividends
 - 3.1.1 In respect of any Financial Year, the Company's Available Profits may be applied as set out in this Article 3.1.
 - 3.1.2 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.
 - 3.1.3 Any Available Profits which the Company may determine to distribute to the holders of the Ordinary Shares will be distributed among the holders of the Ordinary Shares (pari passu as if the Ordinary Shares constituted one class of share) pro rata to their respective holdings of Ordinary Shares.
 - 3.2 Liquidation
 - 3.2.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of any 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):
 - 3.2.1.1 first in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be

deemed satisfied by payment to any one holder of Deferred Shares);

- 3.2.1.2 the balance of the surplus assets (if any) shall be distributed among the holders of Shares pro rata to the number of Shares held.

3.3 Exit Provisions

- 3.3.1 On a Share Sale the Proceeds of Sale shall be distributed as set out in Article 3.2 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:

- 3.3.1.1 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 3.2; and

- 3.3.1.2 the Shareholders shall take any action required by the Board to ensure that the Proceeds of Sale in their entirety are distributed in the manner set out in Article 3.2.

- 3.3.2 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) as set out in Article 3.2 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 the Board (including, but without prejudice to the generality of this Article 3.3.2, actions that may be necessary to put the Company into voluntary liquidation so that Article 3.2 applies).

4 ISSUE OF NEW SHARES

- 4.1 Save;

- 4.1.1 as may be provided by regulation 36 of the Model Articles as amended by these Articles, or

- 4.1.2 in respect of any Shares to be allotted to any Employee Trust or to any Employee pursuant to any Share Option Plan; or

- 4.1.3 with the written consent of the holders of at least 75% in nominal value of the Shares in issue to dis-apply the following provisions of this Article 4.1:
- 4.1.3.1 any Shares proposed to be issued shall first be offered to all the Members in proportion to the number of existing Shares held by them respectively, save that the Investors shall be entitled to assign their rights to be offered Shares pursuant to this Article 4.1.3.1 to any entity which would be a Permitted Transferee of the Investor pursuant to Article 11;
- 4.1.3.2 each such offer shall be made by notice in writing specifying the total number of Shares being offered to the Members as a whole, the proportionate entitlement of the Member to whom the offer is made and the price per Share (which shall be the same for each Share) and shall require each Member to state in writing within a period (not being less than fourteen days) specified in the notice whether he is willing to take any and, if so, what maximum number of said Shares he is willing to take up (up to his proportionate entitlement);
- 4.1.3.3 an offer if not accepted within the period specified in the notice as regards any Share, will be deemed to be declined as regards those Shares. After the expiration of such period, any Shares so deemed to be declined (or actually declined) by the holders of the Shares shall be offered in the proportion aforesaid to the holders of the Shares who have, within the said period, accepted all the Shares offered to them;
- 4.1.3.4 any Shares not accepted pursuant to such offer and further offer made in accordance with this Article 4.1, or not capable of being offered as aforesaid except by way of fractions shall not be issued; and
- 4.1.3.5 any Shares released from the provisions of this Article 4.1 by shareholder consent in accordance with Article 4.1.3 shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit.
- 4.2 The provisions of sub-sections 561(1) and 562(1) to (5) (inclusive) of the Act shall not apply to the Company.
- 5 LIEN

The Company has a lien over every Share, whether or not fully paid, which is registered in the name of any 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.

6 CALLS ON SHARES AND FORFEITURE

6.1 The Directors may make calls on Members in respect of any money unpaid on their Shares (whether in respect of nominal value or premium) and each Member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his Shares.

6.2 A notice of intended forfeiture:

6.2.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;

6.2.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to the transmittee of that Member;

6.2.3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment, by the date on which the notice is given and the date on which that 14 day period expires;

6.2.4 must state how the payment is to be made; and

6.2.5 must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

7 TRANSFER OF SHARES – TRANSFER PROCEDURE

7.1 Except as otherwise permitted by these Articles, the right to transfer Shares shall be subject to the following provisions and Articles 8 and 10 and 11.

7.2 A Member who wishes to transfer Shares shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Share or any interest therein (including for this purpose the assignment of

any beneficial interest in, or the creation of any charge or security interest over, such Share and the renunciation or assignment of any right to receive or subscribe for such Share) the person proposing to transfer the same (the "Transferor") shall give notice in writing (a "Transfer Notice") to the Directors that he wishes to transfer such Share.

- 7.3 The Transfer Notice shall specify:
 - 7.3.1.1 the number of Shares which the Transferor wishes to transfer (each a "Transfer Share") (which may be all or some of the Shares held by the Transferor);
 - 7.3.1.2 the identity of such third party to whom the Transferor wishes to transfer the Transfer Shares;
 - 7.3.1.3 the price at which the Transferor wishes to sell the Transfer Shares; and
 - 7.3.1.4 whether or not the Transferor wishes to impose a Total Transfer Condition (meaning a condition that, unless all the Transfer Shares are sold pursuant to the following provisions of this Article 7 then none shall be sold). In the absence of any such statement, the Transfer Notice shall be deemed to contain a Total Transfer Condition.
- 7.4 For the avoidance of doubt, where any Transfer Notice is deemed to have been given in accordance with these Articles, such Transfer Notice shall be deemed to contain a Total Transfer Condition and all the Shares registered in the name of the Transferor or its Permitted Transferees shall be included for transfer.
- 7.5 The Transfer Notice shall constitute the Company as the agent of the Transferor for the sale of the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) upon the following terms:
 - 7.5.1.1 the price for the Transfer Shares is the Price; and
 - 7.5.1.2 the Transfer Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them.
- 7.5.2 Within twenty eight days of the receipt by them of any Transfer Notice,

the Directors shall send a copy of that Transfer Notice to all the Members other than the Transferor.

- 7.6 The Price shall be the price agreed in writing between the Transferor and the Directors. The “Price”, which expression, where used in respect of more than one Transfer Share, shall mean the price in respect of one only of the Transfer Shares multiplied by the number of Transfer Shares in question agreed or determined in accordance with the following provisions of this Article 7.
- 7.7 The Expert shall act as an expert and not as an arbitrator, and his certificate shall be final and binding on all Members.
- 7.8 The Expert shall certify the Price in writing (the “Certificate”), which shall be the open market value of the Transfer Shares as at the date of the Transfer Notice on the following assumptions and bases:
 - 7.8.1 the Transfer Shares shall be valued as on an arm’s length sale between a willing seller and a willing buyer;
 - 7.8.2 it shall be assumed, if the Company is then carrying on business as a going concern, that it will continue to do so;
 - 7.8.3 it shall be assumed that the Transfer Shares are capable of being transferred without restriction; and
 - 7.8.4 it shall be assumed that no diminution in value applies to the Transfer Shares by virtue of the fact they represent a minority interest.
- 7.9 If any difficulty shall arise in applying any of the foregoing assumptions or bases, it shall be resolved by the Expert in such manner as he may in his absolute discretion think fit.
- 7.10 The Directors shall procure that the Expert shall have access to the Company’s premises and books and accounting records for the purposes of determining the Price.
- 7.11 If the determination of the Price is referred to the Expert, the date upon which the Directors receive the Certificate shall be the “Determination Date”. If the Price is determined by agreement with the Directors (in

accordance with Article 7.6), then the Determination Date shall be the date upon which such agreement is made.

- 7.12 Where the Expert has determined the Price, the Directors shall within seven days of the Determination Date send to the Transferor a copy of the Certificate.
- 7.13 The Transferor shall be entitled (except as otherwise herein provided) to revoke the Transfer Notice on giving notice in writing to the Directors within the period of fourteen days after receipt by him of the Certificate ("Withdrawal Period"), which shall be irrevocable.
- 7.14 The costs and expenses of the Expert in determining the Price shall be borne by the Transferor and the purchasers of the Transfer Shares in such proportions as the Expert may determine unless either the Transferor shall revoke the Transfer Notice as permitted by these Articles or none of the Transfer Shares are purchased by the Members pursuant to the following provisions of this Article 7, in which event the Transferor shall pay all of such costs and expenses.
- 7.15 Within seven days after the Determination Date, the Transfer Shares shall be offered for purchase at the Price by the Directors in accordance with the following provisions:
 - 7.15.1 the Directors shall by notice in writing ("the Offer") offer the Transfer Shares to those Members who at the date of the Offer are registered as the Members (but not to the Transferor or to any Member to whom under Article 8 Shares may be transferred); and any of the Transfer Shares not accepted by such Members shall, in the case of competition, be sold to the acceptors in proportion (as nearly as may be without involving fractions or selling to any Member a greater number of Transfer Shares than the maximum number applied for by him) to the number of Shares then registered in their respective names;
 - 7.15.2 The Offer shall specify:
 - 7.15.2.1 the number of Shares offered;
 - 7.15.2.2 the Price;

- 7.15.2.3 whether the Transfer Notice contains a Total Transfer Condition;
 - 7.15.2.4 the period limit for the acceptance of the Offer (“the Offer Period”) which shall be not less than twenty-one and not more than thirty-five days; and
 - 7.15.2.5 the manner in which the Offer may be accepted in accordance with Article 7.16.
- 7.16 Acceptance of the Offer shall be by notice in writing by the Member to the Directors and must specify the maximum number of Shares which that Member wishes to accept (which may be for all the Transfer Shares or some smaller number). A valid acceptance of the Offer may not be withdrawn, and a Member who validly accepts the Offer shall be obliged to purchase any Transfer Shares allocated to him in accordance with these Articles.
- 7.17 If any of the Transfer Shares shall not be capable of being allocated as aforesaid without involving fractions, then the Directors shall allocate the Transfer Shares in the integer of the numbers so determined and thereafter they will allocate any remaining shares as the Directors shall think fit.
- 7.18 If by the foregoing procedure set out in this Article 7 the Directors shall not receive acceptances in respect of all the Transfer Shares in relation to which a Total Transfer Condition applied, the Company shall have the option to buy back such Shares in accordance with the Act. In the event that the Company does not wish to buy back such Shares, the Directors shall forthwith give notice in writing of that fact to the Transferor (a “Release Notice”).
- 7.19 Within the period of three months after the date of the Release Notice but not after the said period, the Transferor may sell all, but not some only, of the Transfer Shares to the person named in the Transfer Notice, at any price which is not less than the Price (after deducting, where appropriate, an amount equal to any net dividend or other distribution declared, made or paid after the date of the Transfer Notice in respect of the Transfer Shares and which has been or is to be retained by the Transferor). The Directors shall accordingly, but subject to Article 10, be obliged to register any transfer of the Transfer Shares lodged for registration within the

period of three months after the date of the Release Notice, provided that the price in respect thereof shall be not less than as aforesaid.

7.20 If the Transfer Notice did not contain a Total Transfer Condition, and if by the foregoing procedure set out in this Article 7 the Directors shall have received acceptances in accordance with these Articles in respect of part only of the Transfer Shares, they shall forthwith send to the Transferor notice thereof, and the following provisions shall apply:

7.20.1 the Transferor shall thereupon become bound upon payment of the Price to transfer to each acceptor those Transfer Shares accepted by him (the provisions of Articles 7.20 and 7.21 applying mutatis mutandis); and

7.20.2 the Transferor may, subject as hereinafter provided, within a period of three months after the date of the Directors' notice, (referred to in this Article 7.20) sell to the person named in the Transfer Notice all or any of those Transfer Shares which have not been accepted by any person at any price which is not less than the Price (after deducting, where appropriate, an amount equal to any net dividend or other distribution declared, paid or made after the date of the Transfer Notice in respect of the Transfer Shares and which has been or is to be retained by the Transferor). The Directors shall accordingly, but subject to Article 10, be obliged to register any transfer of the Transfer Shares lodged for registration within the period of three months after the date of the Directors' notice (referred to in this Article 7.20) provided that the price in respect thereof shall be not less than as aforesaid.

7.21 If the Transferor, having become bound to transfer any Transfer Shares pursuant to this Article 7, makes default in transferring them, the Directors may appoint and authorise some person, who shall be deemed to be the attorney of the Transferor for the purpose, to execute the necessary instrument of transfer in respect of such Transfer Shares and, in the absence of the relevant share certificate, any indemnity in respect thereof requested by the Directors and may deliver it or them on his behalf, and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped) cause the transferee to be registered as the Member of such Transfer Shares and shall hold the purchase money on behalf of the Transferor. The Company

shall not be bound to earn or pay interest on any money so held. The receipt of the Company for such purchase money shall be a good discharge to the transferee, who shall not be bound to see to the application thereof, and, after the name of the transferee has been entered in the register of members in purported exercise of this power, the validity of the proceedings shall not be questioned by any person.

7.22 Without prejudice to Article 10, the Directors may require to be satisfied (including without limitation by statutory declaration as referred to in Article 10.5) that any Shares being transferred by the Transferor pursuant to Articles 7.19 or 7.20 are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and, if not so satisfied, notwithstanding any other provision of these Articles, may refuse to register the transfer.

7.23 The provisions of this Article 7 may be waived in any particular case if the holders of at least 75% of the nominal value (excluding the shareholding of the Transferor) give their consent in writing.

8 COMPULSORY TRANSFERS – GENERAL

8.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.

8.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:

8.2.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or

8.2.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 8.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

- 8.3 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 8.4 If there is a change in control (as control is defined in section 1124 of the CTA 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 and their names and their respective nominees' names save that, in the case of the Permitted Transferee, 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 before being required to serve a Transfer Notice.
- 8.5 If and whenever a Privileged Relation to whom Shares have been transferred ceases to be a Privileged Relation of the Member who made the transfer, a Transfer Notice shall be deemed to have been given by such Privileged Relation in respect of the relevant Shares by the holders thereof and such Shares may not otherwise be transferred.
- 8.6 If and whenever any Shares held by trustees of a Family Trust cease to be so held on a Family Trust (otherwise than in consequence of a transfer to the settlor, to any Privileged Relation of the settlor or other permitted transfer) or there ceases to be any beneficiaries of the Family Trust other than a charity or charities a Transfer Notice shall be deemed to have been given in respect of the relevant Shares by the holders and such Shares may not otherwise be transferred.
- 8.7 For the purposes of Articles 8.5 and 8.6 the expression "relevant Shares" means and includes the Shares originally transferred to the trustees or Privileged Relation and any additional Shares issued or transferred to the trustees or Privileged Relation by virtue of the holding of the relevant Shares or any of them.

Unless otherwise agreed by the Directors, save for Permitted Transfers under Article 11, if the effect of any transfer of Shares by the Proposed Seller would, if completed, result in the transferee together with persons acting in concert or connected with that transferee obtaining a Controlling Interest, the Proposed Seller shall procure the making, by the proposed transferee of the Proposed Seller's Shares, of a Tag Along Offer to all of the other holders of Shares of the Company. Every Member or recipient of such offer, on receipt of a Tag Along Offer, shall be bound within 28 days of the date of such offer (which date shall be specified therein) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Tag Along Offer has been made and completed the Directors shall not sanction the making and registration of the relevant transfer or transfers.

10 TRANSFER AND TRANSMISSION OF SHARES

- 10.1 Notwithstanding any other provision of these Articles, the Directors may decline to register the transfer of a Share on which the Company has a lien.
- 10.2 Notwithstanding any other provision of these Articles, the Directors may decline to register a transfer unless:
 - 10.2.1 it is lodged at the Office or at such other place as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
 - 10.2.2 it is in favour of no more than four transferees.
- 10.3 Notwithstanding any other provision of these Articles, the Directors shall refuse to register a transfer to any infant or bankrupt or to any person of unsound mind.
- 10.4 The Directors shall refuse to register any transfer of a Share unless it is permitted by or is made pursuant to and in accordance with these Articles.
- 10.5 For the purpose of ensuring that a particular transfer of Shares is

permitted by or made pursuant to and in accordance with these Articles, the Directors may require the Transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence (including without limitation a declaration pursuant to the Statutory Declarations Act 1835) as the Directors may think necessary or relevant. Failing such information or evidence being furnished to the Directors to their satisfaction within a period of twenty-eight days after a written request therefor addressed to the person or persons concerned, the Directors shall, notwithstanding any other provision of these Articles, be entitled to refuse to register the transfer in question.

11 PERMITTED TRANSFERS

11.1 Notwithstanding any other provisions of these Articles:

11.1.1 any Member (being an Investment Fund) may at any time transfer all or any Shares held by it to a Member of the same Fund Group;

11.1.2 any Member (being an individual) may at any time transfer all or any Shares held by him to a Privileged Relation;

11.1.3 any Member (being an individual) may at any time transfer all or any Shares held by him to trustees to be held upon a Family Trust of which he is the settlor;

11.1.4 where any Shares are held by trustees upon a Family Trust:

11.1.4.1 on any change of trustees such Shares may be transferred to the new trustees of that Family Trust;

11.1.4.2 such Shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor;

11.1.5 any Member being a corporation may at any time transfer all (but save with the prior consent in writing of a majority of the Directors, not some only) of the Shares held by it to:

11.1.5.1 any subsidiary of the Member; or

- 11.1.5.2 any company of which the Member is a subsidiary or any subsidiary of any such company;
- 11.1.6 any Employee Trust may transfer any Shares held by it to any employee, officer or consultant of the Company or grant any option or right to any such persons to acquire any Shares held by it;
- 11.1.7 any person may transfer any of the Shares held by him to the Employee Trust;
- 11.1.8 subject to the prior approval of the Board (such consent not to be unreasonably delayed, withheld or conditioned), NomineeCo may transfer all or any of the Shares held by it to any nominated trust company.
- 11.2 For avoidance of doubt, a Shareholder (who is not a Permitted Transferee) (the "Original Shareholder") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise under this Article 11.
- 11.3 Shares previously transferred as permitted by this Article 11 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 11.4 In relation to Shares held by NomineeCo, the Beneficial Owner of any such Shares may transfer the entire beneficial ownership without restriction as to price or otherwise, provided that:
 - 11.4.1 NomineeCo remains the holder of the legal title to the Shares immediately before and immediately after such transfer; and
 - 11.4.2 the transferee is a member of a crowdfunding platform operated by Crowdcube Capital Limited.
- 11.5 Where any Member has transferred Shares to a Privileged Relation who is that Member's spouse or Civil Partner and the relevant Permitted Transferee ceases to be the relevant Member's spouse or Civil Partner (whether by reason of divorce, termination of the relevant civil partnership or ceasing to live in the same household as the Member or otherwise), all of the Shares registered in the name of the relevant Permitted Transferee

shall cease to entitle the holder thereof (or any proxy) to any voting rights (whether on a show of hands or on a poll) otherwise attaching to such Shares or to any further Shares issued by way of rights issue (or otherwise) to such holder, or in pursuance of any offer made to the holder thereof whether such voting rights would otherwise have been exercisable at any general meeting of the Company or at any separate meeting of the class in question.

11.6 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.

11.7 If a Permitted Transferee who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to give a Transfer Notice in respect of such Shares.

12 NOTICE OF GENERAL MEETINGS

12.1 Every notice convening a general meeting shall:

12.1.1 comply with section 325(1) of the Act as to giving information to shareholders relating to their right to appoint proxies; and

12.1.2 be given in accordance with section 308 of the Act, that is in hard copy form, electronic form or by means of a website.

12.2 A notice convening a general meeting (other than an adjourned meeting) must be called by at least 14 days' notice but a general meeting can be called by shorter notice if it is so agreed by a majority in number of the

Members having a right to attend and vote at the meeting being a majority who together hold not less than 90% in nominal value of the Shares giving that right. The notice must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting.

13 PROCEEDINGS AT GENERAL MEETINGS

13.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present. Three persons, being Members present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting.

13.2 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the Directors may determine, and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same the Members present shall form a quorum. Model Articles 41(1) to (5) inclusive shall not apply to the Company.

13.3 The chairman, if any, of the Board or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman or such other Director (if any) are present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman. If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.

13.4 A Director, shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of Shares in the Company.

- 13.5 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least five clear Business Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 13.6 On a written resolution every Member has one vote in respect of each Share held by him, 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 corporation) is present by a representative or proxy (not being himself a Member entitled to vote) has one vote.
- 13.7 In the case of equality of votes on a show of hands the chairman shall not be entitled to a casting vote in addition to any other vote he may have.
- 14 WRITTEN RESOLUTIONS
- 14.1 A written resolution, proposed in accordance with section 288(3) of the Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.
- 14.2 For the purposes of this Article 14, "circulation date" is the date on which copies of the written resolution are sent or submitted to Members or, if copies are sent or submitted on different days, to the first of those days.
- 15 DEFERRED SHARES
- 15.1 Subject to the Act, any Deferred Shares may be purchased by the Company at any time at its option for the aggregate sum of one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 15.2 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer

irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:

- 15.2.1 appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise), including (subject to the Act) to the Company itself, in any such case for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s);
 - 15.2.2 receive the consideration for such a transfer or purchase (and give a good discharge for it) and hold the same on trust for the transferor(s); and/or
 - 15.2.3 give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
 - 15.2.4 retain the certificate(s) (if any) in respect of such Deferred Shares pending the transfer, cancellation and/or purchase thereof.
- 15.3 No Deferred Share may be transferred without the prior consent of the Board.

16 DEPARTING EMPLOYEES

- 16.1 Unless the Board (acting with Investor Consent) determines that this Article 16.1 shall not apply, if at any time during the Relevant Period an Employee ceases to be an Employee by reason of being a Bad leaver, the Leaver's Percentage of the Employee Shares relating to such Employee shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share).
- 16.2 If at any time an Employee ceases to be an Employee by reason of being a Very Bad Leaver, all the Employee Shares (including exercised Shares pursuant to the Share Option Plan) relating to such Employee shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded to the nearest whole share).

- 16.3 Unless the Board (acting with Investor Consent) determines that this article 16.3 shall not apply, if an Employee ceases to be an Employee by reason of being a Good Leaver, he shall:
- 16.3.1 be deemed to have given a Transfer Notice in respect of his/her Leaver's Percentage of the Employee Shares relating to such Employee and the transfer price shall be their Fair Value; and
- 16.3.2 be allowed to retain 100% of his/her Vested Employee Shares.
- 16.4 Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Deferred Conversion Date. Upon the Deferred Conversion Date, the Employee (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the shares certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the unvested shares so converting and upon such delivery there shall be issued to him (or his Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Ordinary Shares.
- 17 APPOINTMENT AND REMOVAL OF THE DIRECTORS
- 17.1 The maximum number of Directors at any one time shall be 8.
- 17.2 For so long as UKI2S and/or its Permitted Transferees to whom it has transferred shares hold more than 5% of the Shares in issue it shall have the right:
- 17.2.1 to appoint and maintain in office such natural person as UKI2S may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board) and to remove any director so appointed and, upon his removal whether by the Investor or otherwise, to appoint another director in his place; and
- 17.2.2 to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meetings but will not be entitled to

vote, provided that that representative has first signed a non-disclosure agreement in a form acceptable to the Company.

17.3 For so long as WCS Nominees and/or its Permitted Transferees to whom it has transferred shares hold more than 5% of the Shares in issue it shall have the right:

17.3.1 to appoint and maintain in office such natural person as WCS Nominees may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board) and to remove any director so appointed and, upon his removal whether by the Investor or otherwise, to appoint another director in his place; and

17.3.2 to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meetings but will not be entitled to vote, provided that that representative has first signed a non-disclosure agreement in a form acceptable to the Company.

17.4 For so long as Jonathan Milner and/or his Permitted Transferees to whom he has transferred shares hold more than 5% of the Shares in issue he shall have the right:

17.4.1 to appoint and maintain in office such natural person as he may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board) and to remove any director so appointed and, upon his removal whether by the Investor or otherwise, to appoint another director in his place; and

17.4.2 to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meetings but will not be entitled to vote, provided that that representative has first signed a non-disclosure agreement in a form acceptable to the Company.

17.5 For so long as PBL and its Permitted Transferees to whom it has transferred shares hold more than 5% of the Shares in issue it shall have the right:

17.5.1 to appoint and maintain in office such natural person as PBL may from

time to time nominate as a director of the Company (and as a member of each and any committee of the Board) and to remove any director so appointed and, upon his removal whether by the Investor or otherwise, to appoint another director in his place; and

17.5.2 to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meetings but will not be entitled to vote, provided that that representative has first signed a non-disclosure agreement in a form acceptable to the Company.

17.6 For so long as IFR and its Permitted Transferees to whom it has transferred shares hold more than 5% of the Shares in issue it shall have the right:

17.6.1 to appoint and maintain in office such natural person as IFR may from time to time nominate as a director of the Company (and as a member of each and any committee of the Board) and to remove any director so appointed and, upon his removal whether by the Investor or otherwise, to appoint another director in his place; and

17.6.2 to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meetings but will not be entitled to vote, provided that that representative has first signed a non-disclosure agreement in a form acceptable to the Company.

17.7 Appointment and removal of the Investor Director and any observer, shall be by written notice to the Company which shall take effect on delivery at its registered office or at any meeting of the Board or committee thereof.

18 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

18.1 Any Director ("appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

18.1.1 exercise that Director's powers; and

18.1.2 carry out that Director's responsibilities,

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

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

18.3 The notice must:

18.3.1 identify the proposed alternate; and

18.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

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

18.5 Except as the Articles specify otherwise, alternate directors:

18.5.1 are deemed for all purposes to be Directors;

18.5.2 are liable for their own acts and omissions;

18.5.3 are subject to the same restrictions as their appointors; and

18.5.4 are not deemed to be agents of or for their appointors,

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

18.6 A person who is an alternate director but not a Director:

18.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);

18.6.2 may participate in a unanimous decision of the Directors (but only if his appointor is an eligible director in relation to that decision, but does not

participate); and

18.6.3 shall not be counted as more than one Director for the purposes of Articles 18.6.1 and 18.6.2.

18.7 A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an eligible director in relation to that decision).

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

18.9 An alternate director's appointment as an alternate director terminates:

18.9.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

18.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director:

18.9.3 on the death of the alternate's appointor; or

18.9.4 when the alternate's appointor's appointment as a Director terminates.

19 **DIRECTOR'S INTERESTS**

19.1 Subject to these Articles and the Act, and provided that he has disclosed to the Directors the nature and extent of any interest of his, a Director notwithstanding his office:

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

19.1.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body

corporate promoted by the Company or in which the Company is in any way interested;

- 19.1.3 may or any firm or company of which he is a member or director may act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- 19.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- 19.1.5 shall be entitled to vote on any resolution and (whether or not he shall vote) be counted in the quorum on any matter referred to in any of Articles 19.1.1 to 19.1.4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted.
- 19.2 Except for a vote under section 175(4) of the Act authorising any conflict of interest which the Director or any other interested Director may have or where the terms of authorisation of such conflict of interest provide that the Director may not vote in situations prescribed by the Board when granting such authorisation, a Director will be entitled to participate in the decision making process for voting and quorum purposes on any of the matters referred to in Articles 19.1.1 to 19.1.4 (inclusive) and in any of the circumstances set out in Model Articles 14(3) and 14(4).
- 19.3 For the purposes of Article 19.1;
 - 19.3.1 a general notice to the Directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;
 - 19.3.2 an interest of which a Director has no knowledge and of which it is

unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

19.3.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) a Connected Person of a director shall be treated as an interest of the Director.

19.4 Model Articles 17(1), 17(2) and 17(5) shall not apply to the Company.

20 **PARTICIPATION IN DIRECTORS' MEETINGS**

20.1 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

20.1.1 the meeting has been called and takes place in accordance with these Articles; and

20.1.2 they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.

20.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or, subject to Article 20.1.2, how they communicate with each other.

20.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

20.4 Model Article 10 shall not apply to the Company.

20.5 Model Article 9(2)(c) shall be amended by the insertion of the word "simultaneously" after the words "how it is proposed that they should" and before the words "communicate with each other during the meeting".

21 **QUORUM FOR DIRECTORS' MEETINGS**

21.1 The quorum for Directors' meetings shall throughout each meeting be three Directors who must include at least one Investor Directors (where appointed) (save that where an interest of a Director is being authorised by other Directors in accordance with Section 175 (5) (a) of the Act, such

Director and any other interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting).

21.2 In relation to any meeting of the Directors to consider whether to authorise a conflict of interest of the Investor Director(s):

21.2.1 it shall not be necessary for the Investor Director(s) to be present in person or by proxy in order to constitute a quorum;

21.2.2 the meeting shall not deal with any other business other than that of the consideration of the conflict of interest of the Investor Director(s); and

21.2.3 the quorum for such meeting shall be one and Model Article 11(2) is varied accordingly.

21.3 If the eligible directors participating in the meeting do not constitute a quorum, then the meeting must be adjourned so as to authorise any situation in which a Director has a conflict of interest in accordance with clause 21.

21.4 If the Board appoint a chairman the chairman will not have a casting vote.

22 **AUTHORISATION OF DIRECTORS' CONFLICTS OF INTEREST**

22.1 Any approval of a conflict of interest (other than a conflict of interest of the Investor Director(s)) pursuant to Article 21 will be subject to Board authorisation pursuant to section 175 of the Act.

22.2 Any conflict of interest of the Investor Director(s) may be authorised either by way of authorisation of the Board as set out at section 175 of the Act or by way of an ordinary resolution of the Members. Any refusal of the Directors to authorise such conflict of interest will not in any way affect the validity of a resolution of the Members to authorise such conflict of interest.

22.3 Any Investor Director(s) will not be in breach of his duty under sections 172, 174 and 175 of the Act or the authorisation given by this Article 22 by reason only that he receives confidential information from a third party relating to a conflict of interest which has been authorised by this Article

22 and either fails to disclose it to the Directors or fails to use it in relation to the Company's affairs.

23 DRAG-ALONG

23.1 If the holders of at least 70 per cent of the Shares with Investor Consent (excluding any Treasury Shares) (the "Selling Shareholders") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "Drag Along Option") to compel each other holder of Shares (each a "**Called Shareholder**") and together the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the "Drag Purchaser") in accordance with the provisions of this Article.

23.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "Drag Along Notice") to the Company, which the Company shall forthwith copy to the Called Shareholders, at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that:

23.2.1 the Called Shareholders are required to transfer all their Shares (the "Called Shares") under this Article;

23.2.2 the person to whom they are to be transferred;

23.2.3 the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article);

23.2.4 the proposed date of transfer, and

23.2.5 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "Sale Agreement"),

(and, in the case of paragraphs 23.2.2 to 23.2.5 above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

- 23.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 23.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 3.2 and 3.3 (the "Drag Consideration").
- 23.5 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall be obliged to give warranties that:
- 23.5.1 may be required to accept that some or all of the Drag Consideration will be paid as deferred consideration, provided that the Called Shareholders shall receive any Drag Consideration due to them no later than the Selling Shareholders;
- 23.5.2 may be required to make a contribution towards any escrow, retention of consideration or similar arrangement on the same basis as the Selling Shareholders, on a pro-rata basis to their respective entitlement to the Drag Consideration;
- 23.5.3 shall be required to provide representations and warranties related to capacity, authority, ownership and the ability to convey title to the Called Shares, including, but not limited to, representations and warranties that the Called Shareholder holds all right, title and interest in and to the Called Shares such Called Shareholder purports to hold, free and clear of all encumbrances, on a several and not joint basis with any other person;

- 23.5.4 no Called Shareholder shall be liable for the inaccuracy of any representation or warranty made by any other person in connection with the Drag-Along Sale, other than the Company, except to the extent that funds may be paid out of an escrow established to cover, or a holdback of the purchase monies in respect of, breach of representations, warranties and covenants of the Company.
- 23.6 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the "Drag Completion Date"), each Called Shareholder shall deliver:
- 23.7 duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
- 23.8 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
- 23.9 duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,
- (together the "Drag Documents").
- 23.10 On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 23.11 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 23 in respect of their Shares.

- 23.12 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 23 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 23.13 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 7.
- 23.14 On any person, following the issue of a Drag Along Notice, acquiring Shares pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder in respect of the Shares so acquired immediately upon that acquisition on the same terms as the previous Drag Along Notice, and the New Shareholder shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this Article 23 shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.
- 24 COMPANY COMMUNICATION PROVISIONS
- 24.1 Where a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom and the Company is able to show that it was properly addressed, prepaid and

posted, it is deemed to have been received by the intended recipient 24 hours after it was posted.

24.2 Where a document or information is sent by post to an address outside the United Kingdom and the Company is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the intended recipient 3 Business Days after it was posted provided always that such document or information was sent by international overnight courier and was signed for upon delivery.

24.3 Where a document or information is sent or supplied by electronic means, and the Company is able to show that it was properly addressed, it is deemed to have been received by the intended recipient immediately after it was sent.

24.4 Where a document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient -

24.4.1 when the material was first made available on the website, or

24.4.2 if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

24.5 Pursuant to section 1147(6) of the Act, subsections (2) (3) and (4) of that section shall be deemed modified by Articles 24.1, 24.2, 24.3 and 24.4.

24.6 Subject to any requirements of the Act only such, documents and notices as are specified by the Company may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

25 INDEMNITIES FOR DIRECTORS

25.1 Subject to, and so far as may be permitted by, the Act and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every Director, former director, alternate director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the Act) against any liabilities incurred by him in the execution and discharge of his duties

or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director, former director, alternate director, secretary or other officer of the Company or of any associated company.

25.2 Subject to the Act, the Directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every Director, former director, alternate director, auditor, secretary or other officer of the Company or of any associated company (as defined in section 256 of the Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, auditor, secretary or other officer of the Company or of any associated company.

25.3 Subject to, and so far as may be permitted by, the Act, the Company shall be entitled to fund the expenditure of every Director, alternate director or other officer of the Company incurred or to be incurred:

25.3.1 in defending any criminal or civil proceedings; or

25.3.2 in connection with any application under sections 661(3) or 661(4) or under section 1157 of the Act.

25.4 Model Articles 52 and 53 shall not apply to the Company.

26 LIABILITY OF MEMBERS

26.1 The liability of Members is limited to the amount, if any, unpaid on the Shares held by them.

27 REGISTERED OFFICE

27.1 The Office is to be situated in England and Wales.

28 DATA PROTECTION

28.1 Each of the Members and Directors (from time to time) consent to the processing of their personal data by the Company, its shareholders and

directors (each a “Recipient”) for 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.

28.2 The personal data that may be processed for such purposes under this Article 28 shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any Shares (or other investment or security) in the Company. Other than as required by law, court order or any regulated authority, that personal data shall not be disclosed by a Recipient or any other person, except:

28.2.1 to its parent undertaking;

28.2.2 to subsidiary undertakings of that parent undertaking (Recipient Group Companies); and

28.2.3 to employees, directors and professional advisors of that Recipient or the Recipient Group Companies.