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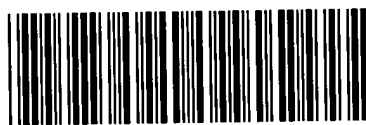
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DATED

5 April 2023

ARTICLES OF ASSOCIATION
IRIS AUDIO TECHNOLOGIES LIMITED

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IRIS AUDIO TECHNOLOGIES LIMITED
Company Number: 12043620

Articles of Association

Articles adopted on 5th Apr 2023

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COMPANY NUMBER: 12043620

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
IRIS AUDIO TECHNOLOGIES LIMITED (THE "COMPANY")**

(adopted by special resolution passed on 5 April 2023)

1 DEFINITIONS AND INTERPRETATIONS

1.1 The following definitions apply in these Articles:

A Ordinary Share	an A ordinary share of £0.0001 in the capital of the Company having the rights set out in these Articles and the term A Ordinary Shareholder(s) shall be construed accordingly
A Ordinary Shareholder Amount	the aggregate amount, including nominal and any premium, paid to the Company by or on behalf of the A Ordinary Shareholders in connection with the issue of the A Ordinary Shares in existence at the relevant time
Act	those provisions of the Companies Act 2006, including any statutory modification or re-enactment of it for the time being in force
Acting in Concert	has the meaning given to it in the United Kingdom's City Code on Takeovers and Mergers
Active Period	in respect of a specified notice, the period from the time of its service or deemed service until the time when none of the Shareholders, the Directors or the Company has any further rights or duties, directly or indirectly, pursuant to that notice
Adoption Date	the date of adoption of these articles of association of the Company
AML Regulations	the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering, Terrorist Financing and

	Transfer of Funds (Information on the Payer) Regulations 2017
Anti-Dilution Shares	has the meaning set out in Article 6.1
Articles	the articles of association of the Company
Associate	has the meaning given to it in section 435 of the Insolvency Act 1986
Available Profits	profits available for distribution within the meaning of Part 23 the Act
Bad Leaver	<p>means a person who ceases to be an Employee as a consequence of either:</p> <ul style="list-style-type: none">(a) that person's dismissal in circumstances which constitute Gross Misconduct; or(b) a breach by that person of clause 14 (<i>Restrictions against Competing with the Group</i>) of the Investment Agreement, <p>and who does not remain as an Employee of any other Group Company</p>
Board	the board of Directors of the Company from time to time
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 A Ordinary Shareholders) or any consolidation or subdivision or redenomination or any repurchase or redemption of shares (other than A Ordinary 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 as a result of the events set out in Article 5.2;
Business	the business of the Group as carried on from time to time, being as at the Adoption Date

	the development and commercialisation of technology that has the potential to improve audio clarity
Business Day	a day (other than Saturday or Sunday or a public holiday) on which banks are generally open for business in London for normal business
Business Plan	has the meaning set out in the Investment Agreement
Buy Back Agreement	has the meaning given to it in Article 8.15
Civil Partner	in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder
Commencement Date	the date of the Leaver's commencement of employment or appointment as an Employee with the relevant Group Company
company	includes (except when referring to the Company) any body corporate, partnership, limited liability partnership, unincorporated business or association or other body
Compulsory Sale Notice	has the meaning set out in Article 9.4
Conflict of Interest	includes a conflict of duties, or a conflict of interest and duty, or a potential conflict
Connected Persons	has the meaning given to it in section 1122 Corporation Tax Act 2010
Controlling Interest	the holding of Qualifying Shares (or the right to exercise the votes attaching to Shares) which confers in aggregate more than 50% of the total voting rights conferred by all the Qualifying Shares for the relevant time being in issue
Deferred Shares	the deferred shares of £0.0001 each in the capital of the Company and the term Deferred Shareholder(s) shall be construed accordingly

Directors	the directors from time to time of the Company, each a Director ;
Disposal	the sale of the whole or substantially the whole of the undertaking or assets of the Company
EIS	the Enterprise Incentive Scheme, the terms of which are set out in Part 5 of ITA
EIS Investor Shares	the A Ordinary Shares issued to the Pershing Securities Limited (company number 02474912) on behalf of PIML for underlying investors for whom Pershing Securities Limited holds legal title, the underlying investors having the beneficial interest and ownership in funds which PIML manages
EIS/VCT Reliefs	has the meaning set out in Article 19.1.1
Employee	an employee or executive director of, or consultant to, a Group Company (but, for the avoidance of doubt, shall exclude any Puma Director)
Exercising Investor	has the meaning set out in Article 6.1
Exit Event	any of the following events: <ul style="list-style-type: none">(a) a Disposal;(b) a Share Sale;(c) a Listing; or(d) a liquidation or return of capital
Experts	has the meaning set out in Article 8.6
Family Member	in relation to any person, the spouse, Civil Partner, parent and every child and remoter descendant of that person (including stepchildren and adopted children)
Family Trusts	as regards any particular individual Shareholder or former individual Shareholder, a trust or trusts under which no immediate beneficial interest in any of the shares in question is from time to time

vested in any person other than that individual and/or Family Members of that individual (and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income from it is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching to such share are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred by the relevant trusts on any person or persons)

Founder Shareholders

together the Significant Executive Shareholder, TB and Khiron Capital

Good Leaver

means a person who ceases to be an Employee as a consequence of:

- (a) that person's death or the death of that person's spouse, civil partner, long term partner or child;
- (b) that person's personal incapacity due to ill health or disability or the incapacity of that person's spouse, civil partner, long term partner or child;
- (c) circumstances which are finally determined by an employment tribunal or a court of competent jurisdiction as amounting to constructive, unfair or wrongful dismissal (save where such determination of wrongful dismissal is on procedural grounds only);
- (d) that person being made redundant by the Company; or
- (e) any other circumstances where the Board (including the Puma

Representative) determine the person to be a Good Leaver,

and who does not remain as an Employee of any other Group Company

Gross Misconduct

means any of the following circumstances:

- (a) a dismissal for misconduct that justifies summary dismissal without notice and without payment in lieu of notice (and notwithstanding any separate contractual arrangements entitling the Company to terminate employment without notice);
- (b) fraud or acts of dishonesty that materially discredit the Company or its reputation (as determined by the Board with the consent of the Puma Representative and each acting reasonably and in good faith);
- (c) any other act that occurs after the Adoption Date which causes material harm to the Company or its reputation and which (as determined by the Board with the consent of the Puma Representative each acting reasonably and in good faith) was either intended by him to cause such harm or was an action a diligent person of a similar job title within a similar type of company to the Company would not have been expected to take having regard to reasonably foreseeable risk for the Company or its reputation; and/or
- (d) being convicted of, or entering a plea of no contest, to a criminal offence (other than a driving offence carrying only a non-custodial sentence)

Group

the Company and any Subsidiary or Holding Company or any Subsidiary of the Holding Company from time to time (and **Group**

	Company means any of them from time to time)
Intermediate Leaver	means a person who ceases to be an Employee during the Relevant Period in circumstances where they are neither a Good Leaver nor a Bad Leaver
Investment Agreement	the investment agreement, dated on or about the Adoption Date, between the Puma Investors, the existing Shareholders of the Company and the Company that relates in whole or in part to the conduct of the Company's affairs (or such other similar agreement relating to the Company as may exist from time to time between the Shareholders and the Company)
Investment Fund	a fund; partnership, company, investment trust, syndicate or other entity whose principal business is to make investments and whose business is managed or advised by an Investment Manager
Investment Manager	a person whose principal business is to make, arrange or advise upon investments
Issue Price	the price at which the relevant Share is issued, including any premium
ITA	the Income Tax Act 2007
Khiron Capital	Khiron Capital Inc (registered number 1885969) of 116 Mains Street, P.O. Box 3324, Road Town, Tortola, Virgin Islands, British
Leaver	a Good Leaver, an Intermediate Leaver or a Bad Leaver
Listing	the listing or admission to trading of all or any of the Shares, or any Shares of any holding company of the Company, to any Recognised Investment Exchange or Overseas Investment Exchange or the offering of any such aforesaid Shares or Shares which includes an offering to the

public of such Shares or Shares in any jurisdiction

Model Articles

the model articles for public companies contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles

New Securities

any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Adoption Date (other than shares or securities issued as a result of the events set out in Article 5.2) excluding for the avoidance of doubt any treasury shares transferred by the Company after the Adoption Date;

Offer Period

has the meaning set out in Article 8.11

Offer Price

has the meaning set out in Article 8.5

Options

options over Ordinary Shares

Ordinary Share

an ordinary share of £0.0001 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles, and the term **Ordinary Shareholder(s)** shall be construed accordingly

Ordinary Shareholder Catch-Up Amount

$$\frac{A}{B} * C$$

Where:

A = the A Ordinary Shareholder Amount multiplied by two

B = the total number of A Ordinary Shares divided by the total number of Qualifying Shares

C = the total number of Ordinary Shares divided by the total number of Qualifying Shares

Overseas Investment Exchange	bears the meaning set out in section 313 of the Financial Services and Markets Act 2000
Permitted Transferee	a person to whom shares have been permitted to be transferred pursuant to Article 14
PIML	Puma Investment Management Limited, a company incorporated in England and Wales (company number 08210180) whose registered office is Cassini House, 57 St James's Street, London, SW1A 1LD
Proceeds Available for Distribution	<p>(a) on a Disposal, the total consideration paid or payable for the assets sold or transferred (whether that consideration is to be satisfied in cash, shares, loan notes or a combination thereof or otherwise)</p> <p>(b) on a Share Sale, the total consideration paid or payable for all of the Shares (whether that consideration is to be satisfied in cash, shares, loan notes or a combination thereof or otherwise);</p> <p>(c) on a Listing, the valuation placed on all of the Shares on the date on which all or any of the Shares are listed, as shown in the prospectus, listing particulars or admission document published in connection with the Listing, less the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares (if any); and</p> <p>(d) on a liquidation or return of capital, the surplus assets of the Company remaining after payment of its liabilities,</p> <p>in each case less the amount of any fees, costs and expenses reasonably and properly incurred and borne by the</p>

	Company in respect of any of the above events and, in respect of (b) only in respect of a Share Sale effected pursuant to Article 13 (Drag Along Rights), less the amount of any fees, costs and expenses reasonably and properly incurred and borne by the Calling Shareholders in connection with the exercise of such drag along right
Proposed Purchaser	a proposed purchaser of Shares which results in a Tag Offer under Article 12
Proposing Transferor	has the meaning set out in Article 8.1
Puma Affiliate	Puma Investment Manager, or any fund, company or entity managed or advised by the Puma Investment Manager or any of the Puma Investment Manager's subsidiary undertakings or parent undertakings, including PIML
Puma Director	any Director appointed under Article 18.1
Puma Investment Manager	any fund, company or entity that advises or manages any Puma Investor
Puma Investors	has the meaning set out in the Investment Agreement
Puma Representative	the person appointed as the representative of the Puma Investors under the Investment Agreement
Puma Shares	the A Ordinary Shares held by the Puma Investors
Qualifying Company	a company in which a Shareholder or Trustee(s) holds the entire issued Share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the Corporation Tax Act 2010)
Qualifying Issue	has the meaning set out in Article 6.1
Qualifying Shares	the Ordinary Shares and the A Ordinary
Qualifying Shareholders	any person holding Qualifying Shares

Recipient Shareholders	has the meaning set out in Article 13.2
Recognised Investment Exchange	bears the meaning set out in section 285 of the Financial Services and Markets Act 2000
Relevant Event	has the meaning set out in Article 9.2
Relevant Period	means 3 years from the Adoption Date (or, if later, the Commencement Date)
Relevant Proportion	the proportion of Compulsory Sale Shares, which is determined by reference to the following equation: $100\% - \frac{X}{36}\%$ <p>where X is the number of whole calendar months between the Adoption Date (or, if later, the Commencement Date) and the Termination Date in respect of the relevant Leaver</p>
Relevant Shares	(so far as they remain held by the Permitted Transferee) the Shares originally transferred to a Permitted Transferee pursuant to Article 14 (Permitted Transfers of Shares) and any additional Shares either issued to such Permitted Transferee by way of capitalisation of reserves or acquired by such Permitted Transferee in exercise of any right or option granted or arising by virtue of the holding of such Shares or additional Shares or any of them or the membership conferred by them
Relevant Shareholder	has the meaning set out in Article 9.4
Share Option Scheme	any share option scheme adopted by the Company from time to time
Share Sale	the completion of any transaction or series of transactions in which any person, Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains all of the Shares in the Company

Shareholder	a registered holder of Shares in the Company (and includes joint holders)
Shares	any share or shares in the capital of the Company
Significant Executive Shareholder Director	has the meaning set out in Article 18.2
Significant Executive Shareholder	Jacobi Anstruther-Gough-Calthorpe
Starting Price	£11.83 (if applicable, as adjusted as referred to Article 6.3)
Subsidiary and Holding Company	have the meanings ascribed to such expressions by section 1159 of the Act
TB	Toby Brzoznowski
Termination Date	the date on which the Leaver ceases to be an Employee
Transfer Notice	has the meaning set out in Article 8.3
Transfer Shares	has the meaning set out in Article 8.1
Trustees	in relation to a Shareholder means the trustee or the trustees of a Family Trust

- 1.2 In these Articles, where the context admits and unless specified to the contrary:
- 1.2.1 words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles;
 - 1.2.2 a reference to an **Article** is a reference to the relevant article of these Articles unless expressly provided otherwise;
 - 1.2.3 words and expressions defined in any part of these Articles have the same meanings throughout these Articles;
 - 1.2.4 a reference to the issue of a share includes the allotment of a share;
 - 1.2.5 use of the singular is deemed to include the plural, use of any gender is deemed to include every gender and any reference to a person is deemed to include a corporation, a partnership and other body or entity; and (in each case) vice versa;
 - 1.2.6 references to the **Directors** means, unless the context otherwise requires, the directors of the Company acting as a board or the directors of the

Company present or deemed to be present at a duly convened board meeting at which a quorum is present;

1.2.7 a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of (i) any subordinate legislation from time to time made under it and (ii) any amendment or re-enactment, and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts;

1.2.8 in relation to any shareholder, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that shareholder is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned;

1.2.9 the headings shall not affect the interpretation of these Articles.

2 MODEL ARTICLES

2.1 The Model Articles apply to the Company, except to the extent they are modified or excluded by or are inconsistent with these Articles.

2.2 The registered office of the Company will be situated in England and Wales.

3 SHARE CAPITAL

3.1 **Classes of Shares.** The Company has three classes of Shares, namely Ordinary Shares of £0.0001 each, A Ordinary Shares of £0.0001 each and Deferred Shares of £0.0001 each. The Shares have the rights and restrictions set out in Article 4 (Share rights).

3.2 **Restrictions on issue of new Shares.** No Shares shall be allotted by the Company on any occasion without the prior written consent of the Puma Representative.

3.3 **Directors' authority to issue new Shares.** Subject always to Article 3.2 (Restrictions on issue of new Shares), the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to allot shares in the capital of the Company, and to grant rights to subscribe for or convert any security into shares in the capital of the Company, on such terms and in such manner as they think fit up to an aggregate nominal amount of shares of £20,000,000 This authority will expire five years from the date of adoption of these Articles. The Company may make any offer or agreement before the expiry of this authority which would or might require shares to be allotted or the rights to be granted after this authority has expired and the Directors may allot shares or grant the rights in pursuance of any such offer or agreement. This authority may at any time, subject to section 551 of the Act, be renewed, revoked or varied by an ordinary resolution of the Company.

- 3.4 **Subscription rights and convertible securities.** In relation to rights to subscribe for or to convert any security into Shares in the Company, the reference in Article 3.3 to the maximum amount of Shares that may be allotted under the authority contained in Article 3.3 is to the maximum amount of Shares that may be allotted pursuant to the rights.
- 3.5 **No maximum number of Shares.** Subject to Article 3.2 (Restrictions on issue of new Shares) and Article 3.3 (Directors' authority to issue new Shares), there will be no maximum number of shares which may be allotted by the Company, or over which rights may be granted.
- 3.6 **Pre-emption rights.** The Directors' authority under Article 3.3 is subject to the pre-emption rights in favour of Shareholders contained in Article 5 (Pre-Emption Rights in Respect of New Issues of Shares) and the exceptions set out in Article 5.2.
- 3.7 **Disapplication of statutory pre-emption rights.** The statutory pre-emption rights contained in sections 561 and 562 of the Act will not apply to an issue of equity securities (as defined in section 560(1) of the Act) made by the Directors. The pre-emption rights set out in Article 5 (Pre-Emption Rights in Respect of New Issues of Shares) shall apply instead.
- 3.8 **Lien.** The Company shall have a first and paramount lien on every Share, whether or not a fully paid Share, for all moneys, whether presently payable or not, payable or otherwise owing by the holder of such Share, or any Associate of such holder, to the Company or any other member of the Group. The Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article 3.8. The Company's lien on a Share shall extend generally as described above as well as to any amount payable in respect of it.

4 **SHARE RIGHTS**

- 4.1 **Voting.** Subject always to Article 11 (Disenfranchisement), each Shareholder holding Qualifying Shares, shall be entitled to receive notice of, attend and vote at general meetings of the Company on the basis of one vote per share held. For the avoidance of doubt, the Deferred Shares shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 4.2 **Quorum.** No meeting of Shareholders will be quorate unless those Shareholders present include (whether in person or by proxy): (i) the holder or holders of more than 50 per cent of the Puma Shares in issue from time to time; and (ii) the holder or holders of more than 50 per cent of the Ordinary Shares in issue from time to time. If a meeting is not quorate it will be adjourned to the same time and day the following week and a quorum will only require the holder or holders of more than 50 per cent of the Puma Shares in issue from time to time. Notices of all meetings of Shareholders must be served on the Puma Representative in accordance with Article 21.3 at the same time as notice is served on the Shareholders.

4.3 Consent to alteration of these Articles. It is a term of issue of the Puma Shares that the rights attached to such shares will be deemed to be varied by any alteration of these Articles or the adoption of new articles of association of the Company each of which will accordingly require the consent of the holders of the Puma Shares stipulated in section 630 of the Act.

4.4 Return of Capital

4.4.1 Sharing the proceeds on an Exit Event. On an Exit Event, the total Proceeds Available for Distribution among the Shareholders will be distributed in the following order and priority:

- (a) 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 the payment to any one holder of Deferred Shares);
- (b) second, in paying to the Shareholders (other than the Deferred Shareholders), pro rata to the aggregate amount deemed paid up on each Share (other than Deferred Shares) until the A Ordinary Shareholders have received the A Ordinary Shareholder Amount in aggregate, where:
 - (i) the amount paid up on each Ordinary Share shall be deemed to be £0.00001; and
 - (ii) the amount paid up on each A Ordinary Share shall be deemed to be £1.00; and
- (c) third, in paying to the Shareholders (other than the Deferred Shareholders) until the A Ordinary Shareholders have received, in aggregate (including for the avoidance of doubt, any amounts paid to such shareholders pursuant to Article 4.4.1 (b)), two times the A Ordinary Shareholder Amount: (i) 50% of the Proceeds Available for Distribution to the Ordinary Shareholders pro rata to their respective holdings of Ordinary Shares; and (ii) 50% of the Proceeds Available for Distribution to the A Ordinary Shareholders pro rata to their respective holdings of A Ordinary Shares;
- (d) fourth, in paying to the Shareholders (other than the Deferred Shareholders) pro rata to the aggregate amount deemed paid up on each Share (other than Deferred Shares) until the Ordinary Shareholders have received, in aggregate, the Ordinary Shareholder Catch-Up Amount (including for the avoidance of doubt, any amounts paid to such shareholders pursuant to Article 4.4.1(c)):
 - (i) the amount paid up on each A Ordinary Share shall be deemed to be £0.00001; and

- (ii) the amount paid up on each Ordinary Share shall be deemed to be £1.00; and
 - (e) thereafter, in paying any remaining Proceeds Available for Distribution to each Shareholder (other than Deferred Shareholders) *pro rata to their respective holdings of Qualifying Shares (as if all such Qualifying Shares constituted one class).*
- 4.4.2 **Share Sale.** In the event of a Share Sale, notwithstanding anything to the contrary in the terms and conditions governing such Share Sale the selling Shareholders agree that the Directors shall not register any transfer of Shares unless:
 - (a) the Proceeds Available for Distribution (whenever received) represented by cash are paid into the Company's solicitors' bank account and the Proceeds Available for Distribution represented other than in cash shall be held by the Company (or its nominee) on bare trust for the Shareholders whose Shares are being sold in connection with the Share Sale; and
 - (b) the Proceeds Available for Distribution are then distributed amongst such selling Shareholders in the amounts and in the order of priority as set out in Article 4.4.1.
- 4.4.3 **Disposal.** Upon the completion of a Disposal, all of the Shareholders shall procure that the Company is wound up and shall take all such steps as are required to wind up the Company and distribute the assets of the Company remaining after the payment of its liabilities to the Shareholders in accordance with the order of priority set out in Article 4.4.1.
- 4.4.4 **Listing.** Immediately prior to and conditionally upon a Listing:
 - (a) subject to Article 4.4.4(b), the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as the Company's auditors shall specify to ensure that the Shareholders are in the same economic position as if the order of priority set out in Article 4.4.1 for the distribution of the Proceeds Available For Distribution had been applied to the Listing; or
 - (b) if decided by the Board, the Company shall issue to each Shareholder (to the extent legally permissible), by way of automatic capitalisation of reserves, such number of new Shares as would put them in the same economic position as if the order of priority set out in Article 4.4.1 for the distribution of the Proceeds Available For Distribution had been applied to the Listing.
- 4.4.5 All Shares to be issued in accordance with Article 4.4.4 shall be paid up by the automatic capitalisation of any amount standing to the credit of the Share premium account or any other available reserve of the Company as

determined by the Board and shall be credited as fully paid at par. Such a capitalisation shall not require any action on the part of the Shareholders and the Board shall allot the Shares arising on the capitalisation to the Shareholders entitled to them in accordance with Article 4.4.4. If and to the extent that the Company is not lawfully permitted to carry out the capitalisation required by Article 4.4.4(b) in full (whether by virtue of the Act or otherwise), each such Shareholder shall be entitled to subscribe in cash at par for the balance of that number of additional Shares as would otherwise have been issued pursuant to Article 4.4.4. The Shareholders shall procure (so far as they are lawfully able) that the Board shall have sufficient authorisations required to issue the Shares which may fall to be issued under Article 4.4.4 or this Article 4.4.5.

4.5 Income

- 4.5.1 **Income.** Any profits that the Company may decide to distribute shall be distributed amongst the Shareholders pro rata to the amount paid up per Share, for which purpose the amount paid up on each Deferred Share shall be deemed to be £0.00001 and the amount paid up on each Ordinary Share and A Ordinary Share shall be deemed to be £1.00.
- 4.5.2 **Separate classes of Shares:** The Ordinary Shares, A Ordinary Shares and Deferred Shares have the special rights and restrictions attaching to them under this Article 4. Except for those special rights and restrictions, the Ordinary Shares and A Ordinary Shares will rank equally, but will constitute separate classes of Shares.
- 4.5.3 **Deferred Shares:** The Deferred Shares shall have the following additional rights and restrictions:
- (a) neither the passing by the Company of any special resolution for the cancellation of the Deferred Shares for no consideration by means of a reduction of capital nor the obtaining by the Company nor the making by the court of any order confirming any such reduction of capital nor the making effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares and accordingly the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with the Act without any sanction on the part of the Deferred Shareholders.
 - (b) upon the issue of any Deferred Shares or the conversion of any share capital into Deferred Shares, the Company shall be deemed to have been given irrevocable authority at any time to appoint any person on behalf of any Deferred Shareholder to execute an agreement to transfer and/or a transfer of such Deferred Shares for no consideration to such person (whether or not an officer of the Company) as the Directors may determine as the custodian of them

and to purchase them (in accordance with the provisions of the Act) for a consideration not exceeding one penny for each holding of Deferred Shares then purchased and upon giving 14 days' prior notice to the holders of the Deferred Shares so to be purchased and pending any such transfer or purchase to retain the certificate or certificates for such shares.

- (c) the special rights conferred by the Deferred Shares shall be deemed not to be modified or abrogated by the creation or issue of further shares ranking *pari passu* or in priority to the Deferred Shares.
- (d) Ordinary Shares will be convertible into Deferred Shares (in the ratio of one Deferred Share for one Ordinary Share) at any time in accordance with any express provision of these Articles. If any Ordinary Shares are so converted:
 - (i) the Directors shall ensure that the conversion is recorded in the Company's register of members;
 - (ii) the holder of the Ordinary Shares converted must promptly deliver to the Company the certificate(s) for such shares for cancellation (or a customary indemnity in respect of any lost certificate(s)) and the Company will issue such holder with a replacement certificate in respect of the Deferred Shares into which the Ordinary Shares have been converted and, if applicable, a balancing certificate for any Ordinary Shares retained by the holder.

4.6 50% Caps on corporate shareholders and their Connected Persons. The limitations in Article 4.7, Article 4.8 and Article 4.9 shall apply to:

4.6.1 any Shareholder that is a "company" for the purposes of the independence requirement in section 185(2) and 296(2) of ITA (a **Corporate Shareholder**); and

4.6.2 any Shareholder that is a Connected Person in relation to that Corporate Shareholder (a **Relevant Connected Person**).

4.7 At any time, on a liquidation or other return of capital event (including the redemption or repurchase of Shares) the aggregate amount payable to any Corporate Shareholder and all of its Relevant Connected Persons shall not exceed 50% of the assets of the Company available for distribution amounts the participators (as defined in section 454 of CTA) or the Company at that time.

4.8 At any time, on a distribution of any profits of the Company by way of dividend or otherwise (including on the redemption or repurchase of Shares) no distribution shall be made to any Corporate Shareholder and all of its Relevant Connected Persons if, and to the extent that, the aggregate amount that would (but for this Article 4.8) be payable to that Corporate Shareholder and its Relevant Connected Persons would

exceed 50% of the total amount of the profits of the Company available for distribution at that time.

- 4.9 At any time, the aggregate number of voting rights attaching to all the Shares held by any Corporate Shareholder and all of its Relevant Connected Persons shall be restricted to the lower of:

4.9.1 49.99% of the votes attaching to all Shares; and

4.9.2 the total number of voting rights that would have been conferred on such

5 PRE-EMPTION RIGHTS IN RESPECT OF NEW ISSUES OF SHARES

- 5.1 **Pre-emption rights.** Subject to Articles 3.2 and 5.2, if the Directors wish to issue any new Shares in the Company after the Adoption Date they must first offer them to the Qualifying Shareholders in accordance with this Article 5. However, the offer shall not be made to any Qualifying Shareholder who has served, or is deemed to have served, a Transfer Notice which is then in its Active Period or to any Associate or Permitted Transferee of that Shareholder.

- 5.2 **Exceptions.** Article 5.1 shall not apply to:

5.2.1 the issuance of shares contemplated by the Investment Agreement;

5.2.2 the issuance of shares pursuant to any Share Option Scheme;

5.2.3 the issuance of Anti-Dilution Shares pursuant to Article 6; and

5.2.4 the issuance of Shares for non-cash consideration, subject to the prior written consent of the Puma Representative, as part of one or more acquisitions by the Company or any other member of the Group of any shares, assets, businesses or undertakings.

- 5.3 **Terms of the offer.** The new Shares must be offered to the Qualifying Shareholders in proportion (as nearly as possible) to the numbers of Qualifying Shares already held by them (as if all classes of the Qualifying Shares were one class). The offer must be at the same price and on the same terms for each Qualifying Shareholder. A Qualifying Shareholder may accept all or part of their proportionate entitlement and may apply for Shares in excess of their proportionate entitlement.

- 5.4 **Notice of the offer.** The offer must be made to each Qualifying Shareholder by notice specifying the price per Share, the number of Shares offered and the proportionate entitlement of the Qualifying Shareholder. The notice must also set a period of between 7 and 14 days within which the offer must be accepted (**Acceptance Period**).

- 5.5 **Issue of the shares.** After the end of the Acceptance Period the Directors shall promptly issue the Shares to those Qualifying Shareholders who have accepted them, subject to payment of the price.

- 5.6 **Shares not taken up.** Any Shares not accepted pursuant to the offer, or not capable of being so offered except by way of fractions, shall in the first instance be offered to

Qualifying Shareholders who may apply to take more than their proportionate entitlement and thereafter may be issued to any person at the discretion of the Directors (with the consent of the Puma Representative such consent not to be unreasonably withheld or delayed). However, such Shares shall not be issued to any person on terms more favourable than the terms on which they were offered to the Qualifying Shareholders.

- 5.7 **No assignment or renunciation.** No new Shares shall be issued on terms that the right to take up the Shares can be assigned to or renounced in favour of another person. No person entitled to the issue of any Shares may direct that such Shares be issued to any other person.
- 5.8 **New subscription and conversion rights are also covered by this Article.** A reference to the issue of Shares in the above provisions of this Article 5 includes the grant by the Directors of a right to subscribe for, or convert any securities into, Shares in the Company. However, such a reference does not include the subsequent issue of any Shares pursuant to such a right. This Article 5 will apply accordingly.
- 5.9 **Rights of holders of existing subscription and conversion rights.** If under the terms of any right to subscribe for, or convert securities into, Shares, a person is entitled to receive any offer made pursuant to this Article 5 as if that person had exercised their right in full prior to the making of the offer then the offer shall be extended to that person accordingly. This will only apply to a right which was granted lawfully and not made in contravention of any agreement binding on the Company.
- 5.10 **Forfeited and surrendered shares.** The provisions of this Article 5 will apply to any Share which the Directors decide to forfeit (or accept a surrender of) and re-allot under any of the powers contained in the Model Articles.
- 5.11 **Waiver.** The provisions of this Article 5 may not be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case without the prior written consent of the Puma Representative.

6 ANTI-DILUTION PROTECTION

- 6.1 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 Company's auditors 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 the Puma Representative consents in writing otherwise, issue to each holder of A Ordinary Shares, other than the EIS Investor Shares (the **Exercising Investors**) a number of new A Ordinary 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 6.3 (the **Anti-Dilution Shares**):

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

Where:

N = the number of Anti-Dilution Shares;

W = the total amount subscribed (whether in cash or by way of conversion of loan) by such Exercising Investor for its A Ordinary Shares prior to the Qualifying Issue;

WA = the weighted average price per share held by the Exercising Investors as calculated by the following formula:

$$WA = \frac{(T + M)}{(B + Y)}$$

T = the total amount subscribed (whether in cash or by way of conversion of loan) by all such Exercising Investors for the A Ordinary Shares then in existence;

M = the aggregate of amounts to be paid in respect of the New Securities to be issued pursuant to the Qualifying Issue and the aggregate of amounts paid in respect of all previous Qualifying Issues (if any) (which in the event that the New Securities or shares in respect of Qualifying Issues are not issued for cash shall be the sum certified by the Auditors 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 Securities or shares in respect of a Qualifying Issue);

B = the aggregate number of A Ordinary Shares held by all Exercising Investors immediately prior to the Qualifying Issue;

Y = the aggregate number of New Securities to be issued and the aggregate number of shares issued in respect of all previous Qualifying Issues (if any);

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

6.2 The Anti-Dilution Shares shall:

6.2.1 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 Puma Representative agrees 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 the Puma Representative) and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 6.1 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 6.1 or this Article 6.2, the matter shall be referred (at the cost of the Company) to the Company's auditors for certification of the number of Anti-Dilution Shares to be issued. The auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor; and

- 6.2.2 subject to the payment of any cash payable pursuant to Article 6.2.1 (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing A Ordinary Shares, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to Article 6.2.1.
- 6.3 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 with Puma Representative consent within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the Puma Representative cannot agree such adjustment it shall be referred to the Company's Auditors 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 auditors shall be borne by the Company.
- 6.4 For the purposes of this Article 6 any Shares held as treasury shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

7 RESTRICTIONS ON DISPOSING OF SHARES OR INTERESTS IN THEM

- 7.1 **General restriction.** Subject to Article 7.2, Shareholders may not sell, transfer or dispose of any of their Shares, or any interest in them, or create or permit to exist any charge, lien or encumbrance over any of their Shares or any interest in them, or agree to do any of the above whether conditionally or unconditionally without following the procedures in Article 8, other than transfers to a party who is already a Shareholder to which the Puma Representative has provided its prior written consent (such consent not to be unreasonably withheld or delayed). Subject to Article 7.2, any transfer that does not take place in accordance with Article 8 and / or does not have the written consent of the Puma Representative shall not be registered by the Board.

- 7.2 **Exceptions.** The exceptions to Article 7.1 are:

- 7.2.1 a transfer of Deferred Shares made pursuant to Article 4.5.3(b);
- 7.2.2 a transfer of Shares which is required under Article 9 (Compulsory Sale of Shares);
- 7.2.3 a transfer of Shares which is required or permitted by Article 12 (Tag Along Rights) or Article 13 (Drag Along Rights);
- 7.2.4 a transfer which is permitted by Article 14 (Permitted Transfers of Shares);
or

7.2.5 a transfer of Shares to which the Puma Representative has consented in writing.

7.3 **Obligation to transfer whole legal and beneficial interest.** An obligation to transfer any Share pursuant to any provision of these Articles is an obligation to transfer the whole of the legal and beneficial title to such Share free from all charges, liens and encumbrances and other third party rights and together with all rights, title and interest in such Share in existence at the date of transfer and which may arise afterwards. A Shareholder must not do anything which would be inconsistent with or which would prevent the Shareholder from complying with this obligation.

7.4 **Entitlement of Directors to refuse to register transfers.** The Directors may refuse to register the transfer of any Share:

7.4.1 in accordance with the discretions vested in them pursuant to article 63 of the Model Articles;

7.4.2 to a person who is, or whom the Directors reasonably believe to be, under 18 years of age or who does not have, or whom the Directors reasonably believe does not have, the legal capacity freely to dispose of any Share without restriction or court approval;

7.4.3 save in respect of any transfers of Shares by the Puma Investors to any Puma Affiliate, if they have reasonable grounds for believing that such Share will or may be transferred to or become beneficially owned by a person, or an Associate of a person, carrying on business in competition with any business at the relevant time being carried on by a member of the Group; or

7.4.4 if the transferee fails to execute a deed of adherence in connection with that transfer as required by Article 15;

and any right to transfer a Share under these Articles shall be subject to this Article 7.4 (other than a transfer under Article 13 (Drag Along Rights)).

8 **PRE-EMPTION RIGHTS ON TRANSFERS OF SHARES**

8.1 **Pre-emption rights.** Subject to Article 7.1, a Shareholder who proposes to transfer all or any Qualifying Shares held by it, or if a Compulsory Sale Notice has been served on a Relevant Shareholder under Article 9 (**Proposing Transferor**), the Proposing Transferor must first offer such Shares (**Transfer Shares**) for sale to the other Qualifying Shareholders in accordance with this Article 8. To the extent that the Transfer Shares are not taken up by the other Qualifying Shareholders, they may be dealt with in accordance with the remaining provisions of this Article 8.

8.2 **Exempt transfers.** An offer under Article 8.1 is not required in respect of a proposed transfer or sale of Shares of a type described in Article 9.5 (sale to an incoming employee or director), Article 12 (Tag Along Rights), Article 13 (Drag Along Rights) or Article 14 (Permitted Transfers of Shares).

- 8.3 **Transfer Notice and share certificates.** The Proposing Transferor must give notice in writing (**Transfer Notice**) to the Company that they wish to transfer the Transfer Shares and, if they wish to transfer the Transfer Shares to specific person / entity, the identity of that person / entity (**Nominated Transferee**). The Company (acting by the Directors) will be the Proposing Transferor's agent for the sale of the Transfer Shares in accordance with this Article 8. Once given, a Transfer Notice cannot be revoked. The Proposing Transferor must deliver to the Company the share certificate(s) in respect of the Transfer Shares (or a customary indemnity in respect of any lost certificate(s)) at the same time as giving a Transfer Notice.
- 8.4 **Notice to Qualifying Shareholders.** Within seven days after the receipt of a Transfer Notice, the Directors must serve notice on all the Qualifying Shareholders, except the Proposing Transferor, notifying them that the Transfer Notice has been given and identify the Nominated Transferee (if any).
- 8.5 **Offer Price.** The Transfer Shares will be offered at the Offer Price. This means such sum per Transfer Share and such terms of transfer as may have been agreed between the Nominated Transferee and the Proposing Transferor, or if no such price has been agreed or there is no Nominated Transferee, the Offer Price shall be: (i) following the issuance of a Transfer Notice, agreed between the Proposing Transferor and the Directors as representing the fair market value of the Transfer Shares as at the date of the Transfer Notice; (ii) following the issuance of a Compulsory Sale Notice in connection with a Relevant Event, the price agreed between the Proposing Transferor and the Directors as representing the fair market value of the Transfer Shares as at either the date of the Compulsory Sale Notice or the date of the Relevant Event, whichever is lower; or (iii) following the issuance of a Compulsory Sale Notice in connection with: (A) an Employee or the Significant Executive Shareholder ceasing to be an Employee by reason of being a Bad Leaver; or (B) in connection with the Significant Executive Shareholder or TB ceasing to be an Employee by reason of being an Intermediate Leaver or a Good Leaver, the relevant price as set out in Article 10.
- 8.6 **Dispute.** If the Proposing Transferor and the Directors cannot reach agreement for any reason within 14 days after the service of a notice under Article 8.4, Article 9.3 or Article 9.4, the Offer Price will be decided by experts appointed under Article 8.7. Either the Proposing Transferor or the Directors may request an appointment under Article 8.7.
- 8.7 **Experts.** An independent firm or other entity capable of acting as the Company's auditors, but not being the Company's auditors. The Experts will be appointed by agreement between the Proposing Transferor and the Directors. However, if they fail to agree on an appointment within 14 days after a particular appointment is proposed by either the Proposing Transferor or the Directors, the Experts will be selected by the President (or, if the President is unavailable for any reason, the next most senior available officer) from time to time of the Institute of Chartered Accountants in England and Wales. If such individual shall be unable or unwilling to make a selection, then the selection will be made by the High Court of Justice in England. Either the Proposing Transferor or the Directors may apply for such a selection to be made.

- 8.8 **Referral to Experts and costs of the Experts.** The Company must refer the valuation of the Transfer Shares to the Experts promptly after the selection of the Experts. The Company will use all reasonable endeavours to ensure that the Experts reach their decision as soon as possible after such referral. The Experts will act as experts and not as arbitrators and their decision will, in the absence of manifest error, be final and binding. The Experts will act at the cost and expense of the Company subject to Article 8.9.
- 8.9 **Costs of the Experts.** The costs and expenses of the Experts, and of their appointment, will be borne by the Company unless the Offer Price decided by the Experts is the same as, or within ten per cent of, that (if any) which the Directors had notified to the Proposing Transferor in writing as being in their opinion the appropriate Offer Price, in which event such costs and expenses will be borne by the Proposing Transferor.
- 8.10 **Basis of valuation by the Experts.** The Experts will decide and certify the fair market value of the Transfer Shares as at the date of the Transfer Notice as between a willing buyer and a willing seller at arm's length, which value will not be discounted by reason of the fact that the Transfer Shares are not freely transferable and/or (if such be the case) constitute a minority holding. However, a different basis of valuation may be used if the Proposing Transferor and the Directors agree in writing to this.
- 8.11 **Offer to Qualifying Shareholders.** Within seven days after the Offer Price has been agreed or decided, the Company will offer the Transfer Shares at the Offer Price to the Qualifying Shareholders. However, the offer must not be made to the Proposing Transferor, any Associate of the Proposing Transferor, any Permitted Transferee of the Proposing Transferor, any Shareholder who has served or is deemed to have served a Transfer Notice which is then in its Active Period or any Associate or Permitted Transferee of that Shareholder. The offer must be made in writing specifying the total number of Shares offered. It must be accompanied by a form of application for use by the Qualifying Shareholder in applying for any Transfer Shares which they are willing to purchase. The offer must be open for acceptance for 21 days from the date of its despatch (**Offer Period**).
- 8.12 **Competition for Shares.** It will be a further term of the offer that, if there is competition within the Qualifying Shareholders for the Transfer Shares offered to such Qualifying Shareholders, such Transfer Shares will be treated as offered among the Qualifying Shareholders in proportion (as nearly as possible) to their existing holdings of Qualifying Shares (as if all Qualifying Shares constituted one class) (**Proportionate Entitlement**). However, the offer will also invite Qualifying Shareholders to indicate, in their applications for Transfer Shares, whether they would be willing to buy Shares in excess of their Proportionate Entitlement should any such Shares be available and, if so, how many (**Extra Shares**).
- 8.13 **Allocation of Transfer Shares.** At the end of the Offer Period, the Directors will allocate the Transfer Shares to accepting Qualifying Shareholders (each Qualifying

Shareholder allocated Shares being referred to below as a **Purchasing Shareholder**) as follows:

- 8.13.1 if the total number of Transfer Shares applied for (including Extra Shares) is less than the available number of Transfer Shares, each accepting Qualifying Shareholder will be allocated the number applied for in accordance with that Qualifying Shareholder's application and Article 8.13.4 will apply; or
- 8.13.2 if the total number of Transfer Shares applied for (including Extra Shares) is equal to the available number of Transfer Shares, each accepting Qualifying Shareholder will be allocated the number applied for in accordance with that Qualifying Shareholder's application; or
- 8.13.3 if the total number of Transfer Shares applied for is greater than the available number of Transfer Shares each accepting Qualifying Shareholder will be allocated their Proportionate Entitlement or, if less, the number of Transfer Shares which they have applied for; and
- 8.13.4 applications for Extra Shares will be allocated in accordance with such applications or, in the event of competition between Qualifying Shareholders, among those applying for Extra Shares in such proportions as equal (as nearly as possible) the proportions of all the Qualifying Shares held pro rata in relation to the total issued share capital of the Company.

8.14 Right for the Directors to nominate a preferred purchaser (including the Company) for Shares not taken up by Shareholders. If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the Directors may (with the prior written consent of the Puma Representative such consent not to be unreasonably withheld or delayed), within 14 days after the expiry of the Offer Period (**Nomination Period**), nominate any person or persons, which may include the Company, to purchase some or all of the Transfer Shares which have not been allocated to a Purchasing Shareholder. (**Board Nominated Transferee**). However, no such person will be entitled to be nominated unless:

- 8.14.1 they shall be obliged to purchase the Transfer Shares in respect of which they are so nominated no later than if they had been a Purchasing Shareholder and at the Offer Price; or
- 8.14.2 in the case of the Company being nominated, the conditions set out in Article 8.15 have been satisfied.

8.15 Conditions for the Company to be nominated. The conditions referred to in Article 8.14.2 are that:

- 8.15.1 a resolution must have been passed, or a Shareholders' written resolution must have been signed, in either case approving in accordance with the Act the terms of a proposed share purchase agreement for the purchase by the Company of the Transfer Shares in respect of which it is so nominated from the Proposing Transferor;

- 8.15.2 under the terms of the proposed share purchase agreement, the Company would be obliged to purchase the Transfer Shares in respect of which it is so nominated no later than if it had been a Purchasing Shareholder and at the Offer Price;
- 8.15.3 the proposed share purchase agreement when executed would impose no obligations on the Proposing Transferor other than to sell the relevant Transfer Shares to the Company and to the effect that they will be so sold with full title guarantee and free from any encumbrances and third party rights and with all rights attaching to them at the time the agreement is executed;
- 8.15.4 the proposed share purchase agreement complies with and its terms are consistent with the requirements of sections 690 to 724 (inclusive) of the Act; and
- 8.15.5 the Directors must have resolved that the share purchase agreement be executed by the Company.

Subject to, and immediately following, the Company being nominated and satisfaction of all the conditions set out in this Article 8.15, the Company and the Proposing Transferor must execute the proposed Share purchase agreement (**Buy Back Agreement**).

- 8.16 **Notice of allocation of Shares.** Within seven days after the expiry of the Offer Period or, if all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the expiry of the Nomination Period, the Directors will notify the Proposing Transferor and all Purchasing Shareholders of the details of the applications which have been made, of the allocations made as between Purchasing Shareholders and of the Board Nominated Transferee(s) nominated under Article 8.13.4 and those Transfer Shares which each such person is obliged to purchase (**Allocation Notice**).
- 8.17 **Sale at Offer Price.** Any sale of Shares made pursuant to this Article 8 to a Purchasing Shareholder or a Board Nominated Transferee shall be at the Offer Price. If, in determining the Offer Price, there was taken into account any entitlement to any dividend which has been paid prior to the date on which the transfer is registered then the Proposing Transferor shall be liable to account to the transferee for the amount of the dividend and the transferee, when making payment for such Shares, may set-off such amount against the Offer Price payable.
- 8.18 **Completion of the Sale.** Completion of the sale and purchase of any Transfer Shares shall take place no later than ten days following the date of service of the Allocation Notice. The Proposing Transferor must, upon payment of the Offer Price, transfer to each Purchasing Shareholder and to each Board Nominated Transferee those Transfer Shares which such person is obliged to purchase and to deliver, if such person has not already done so, the relative share certificates (or a customary indemnity in respect of any lost certificates). Such payment shall be deemed to be made validly if it is made to the Company to be held on trust for the Proposing Transferor against delivery of

such transfers and share certificates (or indemnity). In the case of Transfer Shares the subject of a Buy Back Agreement, completion of the sale and purchase of such Transfer Shares will take place in accordance with the terms of the Buy Back Agreement.

8.19 Right for Proposing Transferor to sell to Nominated Transferee any Shares not taken up.

8.19.1 If all the Transfer Shares are not accepted by the Purchasing Shareholder(s) or the Board Nominated Transferee(s), the Proposing Transferor may, subject to the prior written consent of the Puma Representative, within 60 days after the date of service of the Allocation Notice, transfer all, but not some only, of the Transfer Shares which have not been accepted to its Nominated Transferee, on a bona fide sale at a price per Transfer Share not less than the Offer Price (after deduction, where appropriate, of any dividend or other distribution to be retained by the Proposing Transferor). This is subject to Article 8.19.2 and Article 12 (Tag Along Rights).

8.19.2 The provisions of Article 8.19.1 shall not apply to Transfer Shares the subject of a Transfer Notice deemed to be served under Article 9. In such event, the holder of such Transfer Shares shall not be permitted to transfer all or any of such Transfer Shares as provided in Article 8.19.1 and the same restriction shall apply if such holder subsequently proposes to transfer all or any of such Transfer Shares.

8.20 Failure of the Proposing Transferor to complete the sale. The following will apply if the Proposing Transferor fails to comply with their obligation to complete the transfer of any Transfer Shares:

8.20.1 the Directors may authorise some person to execute the necessary instrument of transfer of such Transfer Shares, who may deliver such instrument of transfer on the Proposing Transferor's behalf;

8.20.2 the person so authorised is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the agent of the Proposing Transferor for that purpose;

8.20.3 the Company will receive the purchase money and will hold it on trust for the Proposing Transferor pending the delivery by the Proposing Transferor of their share certificates (or a customary indemnity in respect of any lost certificates);

8.20.4 upon receipt of the purchase money the Company will ensure that the transferee is registered as the holder of such Transfer Shares, subject to such instrument of transfer being stamped with any required stamp duty;

8.20.5 the Company will not be obliged to earn or pay interest on the purchase money and will not pay the purchase money to the Proposing Transferor until the Proposing Transferor has delivered their share certificates (or a customary indemnity in respect of any lost certificates) to the Company; and

- 8.20.6 the receipt of the Company for the purchase money will be a good discharge to the transferee who will not be obliged to see to the application of the purchase money and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.
- 8.21 **Failure of the Proposing Transferor to comply with a Buy Back Agreement.** The following shall apply if the Proposing Transferor, having become obliged to execute or complete a Buy Back Agreement, fails to do so:
- 8.21.1 the Directors may authorise some person (**agent**) to execute or complete the Buy Back Agreement and receive the purchase money due in respect of it on the Proposing Transferors behalf;
- 8.21.2 the agent is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the agent of the Proposing Transferor for the purpose;
- 8.21.3 the receipt of the purchase money by the agent shall be a good discharge to the Company and the Company shall be entitled to treat the Buy Back Agreement as completed against such receipt;
- 8.21.4 the agent will hold the purchase money on trust for the Proposing Transferor pending delivery by the Proposing Transferor of their share certificates (or a customary indemnity in respect of any lost certificates); and
- 8.21.5 the agent will not be bound to earn or pay interest on the purchase money and shall not pay the purchase money to the Proposing Transferor until the Proposing Transferor delivers to the Company their share certificates (or a customary indemnity in respect of any lost certificates).
- 8.22 **Lien, forfeiture, surrender and treasury Shares.** The provisions of this Article 8 will apply to any Share which the Directors decide to sell or otherwise dispose of under any of the powers contained in articles 52 to 62 of the Model Articles and to any Share which is held as a treasury Share and which the Company decides to sell for a cash consideration pursuant to section 727(1)(a) of the Act.
- 8.23 **Waiver.** The provisions of this Article 8 cannot be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case without the prior written consent of the Puma Representative.
- 9 COMPULSORY SALE OF SHARES**
- 9.1 **Offer for sale.** A Shareholder, other than a Puma Investor, may become obliged in certain events (defined below as Relevant Events) to offer their Shares (and all Shares resulting from the exercise of Options) for sale pursuant to Article 8.
- 9.2 **A Relevant Event means:**
- 9.2.1 in relation to a Shareholder being an individual:

- (a) such Shareholder being adjudicated bankrupt;
 - (b) such Shareholder dying and there not been a transfer by that Shareholder's personal representatives to a Permitted Transferee of the deceased Shareholder within 6 months of his / her death; or
 - (c) such Shareholder, by reason of their mental health, having had a court make an order which wholly or partly prevents them from personally exercising any powers or rights which they would otherwise have;
- 9.2.2 in relation to a Shareholder being a body corporate:
 - (a) a receiver, manager, administrative receiver or administrator being appointed in respect of such Shareholder or over all or any part of its undertaking or assets; or
 - (b) such Shareholder entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme or solvent amalgamation or reconstruction);
- 9.2.3 in relation to a Shareholder who is an Employee (other than the Significant Executive Shareholder or TB), such a Shareholder being or becoming a Good Leaver or an Intermediate Leaver;
- 9.2.4 a Shareholder making any voluntary arrangement or composition with their creditors;
- 9.2.5 the happening in relation to a Shareholder of any insolvency event analogous to any of the above in any jurisdiction in which the shareholder is resident, carries on business or has assets;
- 9.2.6 the acquisition of Shares by a Shareholder at any time after any other person has acquired the entire issued Share capital of the Company as a result of the exercise of a right granted to the Shareholder, prior to such acquisition, to subscribe for, or convert securities or indebtedness into, such Shares;
- 9.2.7 the commitment by a Shareholder of a breach of Article 7.1 (Restrictions on disposing of Shares or interests in them);
- 9.2.8 the commitment by a Shareholder of a material breach of the Investment Agreement by a Shareholder; and / or
- 9.2.9 being an Ordinary Shareholder at any time following the date of adoption of these Articles, such Ordinary Shareholder competing with the Company, meaning that the Ordinary Shareholder (whether directly or indirectly, and whether solely or jointly with or as agent, director, shareholder, member, sole proprietor, partner, manager, employee, consultant or independent contractor of, in or to any other person) acquiring any proprietary interest in, or carrying on or becoming engaged, concerned or interested in carrying on,

or working for or providing services or advice to any person carrying on within the United Kingdom (or any other territory anywhere else in the world in which at that time any company in the Group has customers or outstanding contracts, or having taken steps with a view to commencing operations which would lead to such company having customers or outstanding contracts) any business competing with any business of any Group Company as carried on at that time (provided that nothing in this Article 9.2.8 shall prevent any Ordinary Shareholder from holding for investment purposes only, not more than 3% in nominal value of any class of shares or securities of any company traded on a recognised investment exchange (within the meaning of the Financial Services and Markets Act 2000)),

for the avoidance of doubt, a Relevant Event will not be deemed to have taken place with respect to any Puma Investor in any circumstances.

- 9.3 **Deceased Shareholders.** If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of the death of such Shareholder the Directors may require the legal personal representatives of that deceased Shareholder either:

- 9.3.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- 9.3.2 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 9.3 shall not be fulfilled to the satisfaction of the Directors within the time period specified by the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share, save to the extent the Directors (acting with the consent of the Puma Representative) may otherwise determine.

- 9.4 **Effect of a Relevant Event.** If a Relevant Event occurs in respect of a Shareholder (subject always to Article 10.4 in respect of the Significant Executive Shareholder), the Directors shall on each occasion they are instructed by the Puma Representative, serve written notice (**Compulsory Sale Notice**) on that Shareholder requiring the Shareholder to offer some or all or such number of the Shares then owned and/or held by the Shareholder for sale (as specified in writing by the Directors upon instructions from the Puma Representative) (the **Compulsory Sale Shares**) to the other Shareholders pursuant to Article 8.1. A Shareholder on whom a Compulsory Sale Notice is validly served is referred to as a **Relevant Shareholder**. A Compulsory Sale Notice may be served on a Relevant Shareholder on one or more occasions by the Company following the occurrence of a Relevant Event.
- 9.5 **Service of a Compulsory Sale Notice.** The Directors may require, by specifying in the Compulsory Sale Notice if so instructed by the Puma Representative, that the Relevant Shareholder (or the Leaver under Articles 10.1 or 10.2) offers some or all of their

Compulsory Sale Shares for sale to any incoming employee or director of any Group Company or to the Company by way of a share buyback.

- 9.6 **Notification of Relevant Event.** Any Shareholder who becomes aware of the occurrence of a Relevant Event in respect of itself or another Shareholder must as soon as reasonably practicable notify the Directors and the Puma Representative of that Relevant Event.
- 9.7 **Effect of a Compulsory Sale Notice.** Immediately upon the Compulsory Sale Notice being served, the Relevant Shareholder shall be deemed to have served a Transfer Notice on the Company under Article 8 in respect of all of the Compulsory Sale Shares registered in the name of such Shareholder and Article 8 shall take effect accordingly.
- 9.8 **Joint Shareholders.** A reference to a Shareholder in the definition of Relevant Event includes a joint holder of Shares. If a Relevant Shareholder holds Compulsory Sale Shares jointly then the provisions of this Article 9 shall extend to all the jointly held Compulsory Sale Shares and to all the joint holders of such Compulsory Sale Shares.
- 9.9 The provisions of this Article 9 may not be waived, disapplied, modified, suspended or relaxed in whole or in part, in any particular case, without the prior written consent of the Puma Representative.
- 10 **LEAVER**
- 10.1 **Departing Significant Executive Shareholder or Employee – Bad Leaver.** If at any time the Significant Executive Shareholder or any Employee ceases to be an Employee or TB ceases to be employed by, engaged by or otherwise ceases to provide services to a Group Company (provided he does not remain employed or engaged by another Group Company) in each case by reason of being a Bad Leaver, then notwithstanding Article 10.4, 100% of the Shares held by the relevant Leaver and their respective Permitted Transferees shall automatically convert into Deferred Shares on the Termination Date (and the provisions of Article 4.5.3(d) shall apply in respect of such conversion).
- 10.2 **Departing Significant Executive Shareholder – Intermediate Leaver.** If at any time during the Relevant Period the Significant Executive Shareholder ceases to be an Employee by reason of being an Intermediate Leaver then, subject always to Article 10.4, the Relevant Proportion of Shares held by the Significant Executive Shareholder and his Permitted Transferees shall convert into Deferred Shares on the Termination Date (and the provisions of Article 4.5.3(d) shall apply in respect of such conversion) and the Directors shall (if so instructed by the Puma Representative) serve a Compulsory Sale Notice on the Leaver in respect of the balance of any such Shares which shall be subject to the provisions of Article 8.1 and the Offer Price shall be the fair market value of such Shares as agreed or determined in accordance with Articles 8.5 to 8.10 (inclusive).
- 10.3 **Departing Significant Executive Shareholder – Good Leaver.** If at any time the Significant Executive Shareholder is or becomes a Good Leaver, then, subject always to Article 10.4, the Directors shall (if so instructed by the Puma Representative) serve

a Compulsory Sale Notice on the Leaver in respect of all of the Shares held by the Leaver and his Permitted Transferees, which shall be subject to the provisions of Article 8.1 and the Offer Price shall be the fair market value of the Shares as agreed or determined in accordance with Articles 8.5 to 8.10 (inclusive).

- 10.4 **Exemptions for Significant Executive Shareholder.** 45% of the Shares held by the Significant Executive Shareholder or his Permitted Transferees shall be exempt from the compulsory transfer and Leaver provisions unless he is a Bad Leaver.

Exemptions for TB. 100% of the Shares held by TB or his Permitted Transferees shall be exempt from the compulsory transfer and Leaver provisions unless he is a Bad Leaver.

- 10.5 **Option to transfer a Bad Leaver's or an Intermediate Leaver's Shares.** The Board (acting with the consent of the Puma Representative) shall be entitled to determine that, in the alternative to Articles 10.1 and 10.2, a Compulsory Transfer Notice shall be served on the Bad Leaver or the Intermediate Leaver (as appropriate) on the Termination Date in respect of all of the Shares which were to convert into Deferred Shares under Article 10.1 or 10.2 on the Termination Date and instead the Bad Leaver or Intermediate Leaver (as appropriate) shall be deemed to have given a Transfer Notice in respect of all of the Shares which were to convert into Deferred Shares under Articles 10.1 or 10.2 and the Offer Price shall be the lower of (i) fair market value; and (ii) the nominal value of the Shares. For the purpose of this Article 10.5, the fair market value shall be as agreed between the Board (with the consent of the Puma Representative) and the Bad Leaver or Intermediate Leaver (as appropriate), or failing any such agreement shall be determined in accordance with Article 8.6.

- 10.6 If at any time after ceasing to be a Director or Employee of the Company, any such person acquires (or any Connected Person of such person shall acquire) any Shares pursuant to an option, conversion or like right which was granted to or otherwise vested in them prior to them ceasing to be a Director or Employee (including, without limitation, any Shares issued to them pursuant to any option scheme established by the Company from time to time) then the provisions of this Article 10 shall apply to such Shares.
- 10.7 The provisions of this Article 10 may not be waived, disapplied, modified, suspended or relaxed in whole or in part, in any particular case, without the prior written consent of the Puma Representative.

11 DISENFRANCHISEMENT

- 11.1 **Breach of Article.** Subject to Article 11.4, if any Shareholder commits any material breach of Article 7, the Shares registered in the name of such Shareholder will not carry any rights whatsoever (whether as to voting, dividend or otherwise) until the breach is remedied or the Shares are transferred without a breach of Article 7.
- 11.2 **Deemed Transfer Notices.** If any Share is the subject of a Transfer Notice deemed to be served pursuant to Article 9.7 or Article 10.5, that Share shall carry no rights whatever (whether as to voting, dividend or otherwise) while that Transfer Notice is in its Active Period.

11.3 **Restricted Members.** Any Shares held by: (i) a Leaver and any Permitted Transferee of that Leaver; and (ii) a Shareholder in respect of whom a Relevant Event has occurred and any Permitted Transferee of that Shareholder, but in each case who continues to hold Shares (in each case a **Restricted Member**) shall be disenfranchised from the time the Leaver ceases to be an Employee or the time the Relevant Event occurs in respect of the Shareholder (as applicable). Any Shares held by a Restricted Member shall accordingly carry no voting rights whatever unless the Board (acting with the consent of the Puma Representative) notify them otherwise, provided that:

11.3.1 the Restricted Member shall be entitled to receive any proceeds of an Exit Event to which such member is otherwise entitled pursuant to Article 4 (Share Rights); and

11.3.2 the Restricted Member shall be entitled to vote on any resolution of the Shareholders which constitutes a variation of the class rights of class of Shares held by such member, where the effect of such resolution (if passed) would be to adversely affect the right of that Restricted Member to receive the proceeds of an Exit Event to which such member is otherwise entitled pursuant to Article 4 (Share Rights) in a manner which is disproportionate to the effect on the other holders of the same class of Shares.

11.4 **No disenfranchisement.** Shares will not be disenfranchised if as a result of such disenfranchisement any Shareholder will hold over 50% of the voting rights in the Company's Share capital.

12 TAG ALONG RIGHTS

12.1 A Proposing Transferor must not transfer any Shares pursuant to Article 8.19 if it would result in a transferee (and any persons Acting in Concert with such transferee) acquiring more than 50% of the Qualifying Shares in issue at the relevant time, unless, before the transfer is made, the proposed transferee (**Buyer**) makes a written offer to all the Shareholders to purchase all the Shares in the capital of the Company then in issue on the terms set out in Article 12.2. At the request of the Buyer, the Company will send the offer to the Shareholders on behalf of the Buyer.

12.2 The offer must be:

12.2.1 at an average price per Share not less than the Offer Price (as defined in Article 8.5), but apportioning the total purchase price between the Shareholders in accordance with Article 4.4.1 (Return of Capital and Exit);

12.2.2 made at the same time and on the same terms and conditions for each Shareholder, except as stipulated in Article 12.2.1 above and except that it must not contain any requirement for any holder of Puma Shares to give any representations, warranties or undertakings other than as to their capacity and capability to sell the relevant Puma Shares and all rights to them free from any charge, lien, encumbrance or other third party right; and

12.2.3 open for acceptance in England for a period of at least 21 days from its delivery, which shall be made by personal delivery or courier to each of the Shareholders at its registered address.

12.3 A Shareholder (including the Proposing Transferor) must not complete any sale of Shares to the Buyer unless the Buyer completes the purchase of all the Shares agreed to be sold at the same time.

13 DRAG ALONG RIGHTS

13.1 **Right to require minority Shareholders to sell their Shares to a third party.** The following rights to require Shareholders to join in a sale of the entire issued Share capital of the Company to a third party will apply.

13.2 Call Notice.

13.2.1 Subject to Article 13.2.2, the holder or holders of more than 50.1% of the Qualifying Shares, which must include the Puma Investors (the **Calling Shareholders**) will be entitled to require all the other holders of Shares in the Company (**Recipient Shareholders**) by notice in writing to them (**Call Notice**) to sell all of the Shares held by the Recipient Shareholders subject to the conditions set out in Article 13.3 being met. The sale will be to any person (**Purchaser**) to whom the Calling Shareholders propose to sell all of their Shares. The proposed sale will be deemed to be permitted for the purposes of Article 7. At the request of the Calling Shareholders, the Company will send a Call Notice to the Recipient Shareholders on behalf of the Calling Shareholders.

13.2.2 If a proposed sale is to a bona fide third-party arms' length Purchaser and the proceeds from sale will be sufficient for the A Ordinary Shareholders to receive, in aggregate, two times the A Ordinary Shareholder Amount pursuant to Article 4 upon completion of such sale, then there will be no requirement for the Puma Investors to be included within the Calling Shareholders provided that, if there is a further Exit Event within 18 months of the sale to the Purchaser, the A Ordinary Shareholders shall be entitled to receive an additional sum which would provide them with an aggregate sum (including any amounts paid to them on the initial Exit Event) equal to the sum they would have received if the consideration payable in connection with the further Exit Event had been paid on the initial Exit Event (and distributed in accordance with Article 4) instead of the amount actually paid in connection with such initial Exit Event. If there is any dispute as to the consideration payable in connection with such an Exit Event, the price shall be certified by the Company's auditors acting as experts and not as arbitrators as being in their opinion the consideration payable in connection with the Exit Event.

13.3 **Conditions.** The conditions referred to in Article 13.2 are that:

- 13.3.1 the terms and conditions applying to the sale of the Shares of the Calling Shareholders and the Recipient Shareholders are set out in reasonable detail (including without limitation details of all cash and non-cash consideration payable to the Calling Shareholders and any other related arrangements made between the Calling Shareholders and the proposed purchaser) in, or in one or more attachments to, the Call Notice;
 - 13.3.2 except as provided in Article 13.3.3 and Article 13.3.4 below, the terms and conditions applying to the sale of the Shares held by each of the Recipient Shareholders shall be no less favourable to the Recipient Shareholders than the terms and conditions applying to the sale of the Shares held by the Calling Shareholders (and Shareholders shall be deemed to be treated as favourably as each other in respect of: (i) the consideration provided that Article 13.3.3 is complied with; and (ii) a liability or obligation which they assume if they assume it in proportion to their Shareholdings in the Company (as if all classes of Qualifying Shares were one class);
 - 13.3.3 the consideration shall be apportioned between the Shareholders in accordance with Article 4.4.1 (Sharing the proceeds on Exit);
 - 13.3.4 save with the prior written approval of the Puma Representative (which may be given subject to terms and conditions), the terms of sale must not contain any requirement for any holders of the Puma Shares (in that capacity) to give any representations, warranties or undertakings other than as to their capacity and capability to sell the relevant Puma Shares and all rights to them free from any charge, lien, encumbrance or other third party right; and
 - 13.3.5 the Purchaser is a bona fide arm's length purchaser who is not a Calling Shareholder or an Associate of a Calling Shareholder.
- 13.4 **Obligation to sell.** If a Call Notice is served and the conditions in Article 13.3 are met, all the Shareholders must proceed with the sale of all their Shares on the terms and conditions notified in the Call Notice and in accordance with these Articles.
- 13.5 **Simultaneous purchase.** A Shareholder must not complete any sale of Shares to the Purchaser unless the Purchaser simultaneously completes the purchase of all the Shares required to be sold at the same time.
- 13.6 **Failure to complete.** The following will apply if any Shareholder (**Defaulter**) fails to agree to sell, or to complete the sale of, any Shares as they are obliged to do in accordance with this Article 13:
- 13.6.1 the Calling Shareholders or the Directors may authorise any Director or the Puma Representative (**attorney**) to execute all necessary agreements, deeds and other documents necessary to give effect to the sale on the terms and conditions notified in the Call Notice as the attorney or as the agent of the Defaulter;

- 13.6.2 the attorney is, as security for the performance of the Defaulter's obligations, irrevocably and unconditionally appointed as the attorney of the Defaulter for that purpose;
 - 13.6.3 the attorney may execute the necessary instrument of transfer of the Defaulter's Shares and may deliver such transfer on the Defaulter's behalf;
 - 13.6.4 the Company will receive the purchase consideration and will hold it on trust for the Defaulter pending delivery by the Defaulter of their share certificates (or a customary indemnity in respect of any lost certificates);
 - 13.6.5 upon receipt of the purchase consideration the Company will ensure that the Purchaser is registered as the holder of the Defaulter's Shares, subject to the instrument of transfer of the Shares being stamped with any required stamp duty at the cost of the Purchaser;
 - 13.6.6 the Company will not be obliged to earn or pay interest on the purchase consideration and will not deliver the purchase consideration to the Defaulter until the Defaulter has delivered their share certificates (or a customary indemnity in respect of any lost certificates) to the Company; and
 - 13.6.7 the receipt of the Company for the purchase consideration will be a good discharge to the Purchaser who will not be bound to see to the application of the purchase consideration and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.
- 13.7 **Existing subscription and conversion rights.** The Calling Shareholders are entitled to give a Call Notice to any person who has the right to subscribe for, or convert securities or indebtedness into, Shares in the Company which is capable of being exercised prior to the date that falls 24 months after completion of the sale of Shares pursuant to this Article 13. The effect of serving such a Call Notice will be that if they exercise their right and become a Shareholder within such 24 month period, then they will be treated as a Recipient Shareholder and shall be obliged to sell all such Shares in accordance with this Article 13. If the registration of such Shares in their name occurs after completion of the sale of Shares pursuant to this Article 13 then the sale of the after-acquired Shares must be completed within seven days of such registration.
- 13.8 **Non-cash consideration.** For the purposes of this Article 13, a **sale** includes a disposal of Shares where the consideration is to be provided wholly or partly in securities or any other non-cash consideration and the expressions **sell**, **purchase** and **purchaser** will be construed accordingly.
- 13.9 **Nil consideration.** If the effect of the apportionment of the consideration under Article 4.4.1 is that any Shareholder will receive a nil consideration, that Shareholder will nevertheless be bound by the provisions of this Article 13 and obliged to transfer their Shares for that nil consideration and references to 'sale', 'sell', 'purchase' and 'purchaser' shall be construed accordingly.

14 PERMITTED TRANSFERS OF SHARES

14.1 Professional investor permitted transfer rights

14.1.1 A Shareholder will be permitted to transfer the legal title to and/or the beneficial ownership of a Share:

- (a) where any member is an Investment Manager or a nominee of an Investment Manager, between that member and:
 - (i) any participant or partner in or member of any Investment Fund in respect of which the Shares to be transferred are held (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course); or
 - (ii) any Investment Fund whose business is managed or advised by the Investment Manager who is or whose nominee is the transferor; or
 - (iii) any other Investment Manager who manages or advises the business of the Investment Fund in respect of which the Shares are held; or

14.1.2 where any member is an Investment Fund or nominee of an Investment Fund, between that member and:

- (a) any participant or partner in or member of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course); or
- (b) any other Investment Fund whose business is managed or advised by the same Investment Manager as manages or advises the Investment Fund which is or whose nominee is the transferor save that a transfer shall not be permitted to be made to that Investment Fund pursuant to this Article 14.1.2(b) if the management or advisory relationship by reference to which a transfer would otherwise be permitted pursuant to this Article 14.1.2(b) was solely or primarily entered into for the purpose of permitting such transfer; or
- (c) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor; or
- (d) any co-investment scheme, being a scheme under which certain officers, employees or partners of such Investment Fund or its adviser or manager are entitled (as individuals or through a body corporate or any other vehicle) to acquire Shares which the Investment Fund

would otherwise acquire (Co-Investment Scheme) and any person holding Shares in connection with a Co-Investment Scheme may at any time transfer any Share:

- (i) to another person which holds or is to hold Shares in connection with such Co-Investment Scheme; and/or
- (ii) to any person on their becoming entitled to the same under the terms of such Co-Investment Scheme.

14.2 Shareholder permitted transfer rights

14.2.1 A Shareholder will be permitted to transfer the legal title to and/or the beneficial ownership of a Share (except as provided in Article 14.2.4 (Restrictions on Permitted Transfers)):

- (a) in the case of a Shareholder who is an individual, to a Family Member of that Shareholder or to trustees to be held on Family Trusts of that Shareholder;
- (b) to a nominee for the Shareholder; or
- (c) to any person with the prior written consent of the Puma Representative;

provided that written details of the proposed transferee are sent to the Board and the Puma Representative no less than ten Business Days before the proposed transfer.

14.2.2 **Family Trusts.** Where Shares have been transferred under Article 14.2.1 or this Article 14.2.2 to trustees of Family Trusts, the trustees and their successors may transfer all or any of the Relevant Shares (subject as provided in Article 14.2.4) as follows:

- (a) on any change of trustee, the Relevant Shares may be transferred to the trustees from time to time of the Family Trusts concerned;
- (b) pursuant to the terms of such Family Trusts or in consequence of the exercise of any power or discretion vested in the trustees or any other person, all or any of the Relevant Shares may be transferred to the trustees from time to time of any other Family Trusts of the same individual Shareholder or deceased or former Shareholder or to any Family Member of the relevant Shareholder or deceased or former Shareholder who has become entitled to the Shares proposed to be transferred;
- (c) back to the original individual Shareholder.

14.2.3 **On Death.** Where under the provision of a Deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares,

whether immediately or contingently, are Permitted Transferees of the Deceased Shareholder, the legal representative of the Deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.

14.2.4 **Restrictions on Permitted Transfers.**

- (a) No transfer of any Share which would otherwise be permitted by this Article 14 shall be made or registered:
 - (i) during the Active Period of any Transfer Notice under Article 8 (Pre-emption rights on transfers of Shares) or any Call Notice under Article 13 (Drag Along Rights) relating to that Share;
 - (ii) during the period from the happening of any Relevant Event under Article 9 (Compulsory Sale of Shares) or any Leaver event under Article 10 (Leaver) in relation to the Shareholder holding such Share until the time when none of the Shareholders, the Directors or the Company has any further rights or duties, directly or indirectly, in relation to that Relevant Event or Leaver event;
 - (iii) if that Share has previously been the subject of a Transfer Notice deemed to be given under Article 9 (Compulsory Sale of Shares) or 10 (Leaver) and that Share has not been validly transferred subsequently pursuant to any provision of these Articles (other than this Article 14); or
 - (iv) if the Puma Representative has objected to the transfer on any of the following grounds: (i) the proposed transferee's connection or involvement with any business directly competing with the Business will be likely to risk the disclosure of commercially sensitive information, technical know-how or will otherwise undermine the Business; (ii) the Puma Representative is concerned that the proposed transferee will undermine the reputation of the Company or the Puma Investors; or (iii) the proposed transferee does not provide any documentation required by the Company and the Puma Investors evidencing proof of funds, identity, home address, any underlying beneficial ownership structures and any other documentation required to comply with the AML Regulations or other statutory regulations; or (iv) the proposed transferee will acquire following completion of the sale more than 24.9% of the Qualifying Shares in issue at the relevant time.

- 14.2.5 Where a Share has been transferred by a Shareholder (the **Original Shareholder**) to a Permitted Transferee pursuant to the terms of this Article 14 and the Permitted Transferee subsequently ceases to be a Permitted

Transferee of the Original Shareholder, within 10 Business Days of such cessation, the relevant Shares shall be transferred to the Original Shareholder (or any Permitted Transferee of the Original Shareholder) without any price or other restriction. If the Permitted Transferee fails to make the transfer in accordance with this Article 14.2.5 the terms of Article 13.6 shall apply in respect of such transfer mutatis mutandis.

- 14.2.6 Any transfer of a Share which would otherwise be permitted by this Article 14 is subject to the restrictions set out in Article 7.4 (directors' right to refuse to register transfers).

15 DEED OF ADHERENCE TO INVESTMENT AGREEMENT

- 15.1 At the same time as any person who is not already a Shareholder is registered as the holder of any Share in the Company such person will, and the Company will procure that such person will, execute a deed of adherence in the form required by the Investment Agreement in force from time to time. Any right to transfer or issue Shares or to receive a transfer or issue of Shares under these Articles will take effect subject to this obligation.

- 15.2 If any person fails to comply with Article 15.1, the Directors may authorise some other person, who is (as security for the performance of the defaulter's obligations) irrevocably and unconditionally appointed as the agent of the defaulter for the purpose, to execute the necessary deed of adherence on the defaulter's behalf.

16 DIRECTORS

- 16.1 **No retirement by rotation.** The Directors will not be required to retire by rotation. article 21 of the Model Articles shall not apply and all other references in the Model Articles to retirement by rotation shall be disregarded.

- 16.2 **Removal by Directors.** A Director may be removed from office by resolution of the Directors (other than the Director proposed to be removed) to that effect or by notice in writing to that effect delivered to the Company's registered address and signed by a majority of the other Directors. This is subject to any agreement to the contrary contained in the Investment Agreement.

- 16.3 **Removal by shareholders.** A Director may be removed from office by notice in writing to that effect delivered to the Company's registered address signed by either: (i) a Shareholder or Shareholders alone or together holding more than 50 per cent of the voting rights attaching to the issued Shares of the Company; or (ii) a Shareholder or Shareholders alone or together who have that right pursuant to the Investment Agreement. This is subject to any agreement to the contrary contained in the Investment Agreement.

- 16.4 **Removal of a delinquent director by the holder or holders of more than 50 per cent of the Puma Shares in issue from time to time.** A Director may be removed from office by notice in writing to that effect delivered to the Company's registered

address and signed by the holder or holders of more than 50 per cent of the Puma Shares in issue from time to time if the Director shall:

- 16.4.1 be unable to pay their debts within the meaning of sections 267 and 268 of the Insolvency Act 1986 or if they make an application for an interim order or otherwise manifests their intention to seek an Individual Voluntary Arrangement under Part VIII of that Act;
- 16.4.2 be convicted of any serious criminal offence (other than a motoring offence);
- 16.4.3 be prevented by law from holding office as a director;
- 16.4.4 being an Employee, be in material breach of their contract of employment or contract for services (as the case may be) by reason of fraud or a serious or repeated breach of their obligations (where appropriate, after having first been given reasonable opportunity to remedy such breach) such that the Company (and/or any of its subsidiaries as appropriate) would be entitled to lawfully summarily dismiss or lawfully summarily terminate the services of the Director pursuant to the terms of such contract of employment or contract for services; or
- 16.4.5 (such Director not being an Employee) knowingly, with the intention or consequence of causing damage to the Company, commit any breach of their fiduciary duties to the Company or threatening to commit any breach of their fiduciary duties to the Company.

16.5 **Board decisions.** Any decision of the Directors must be:

- 16.5.1 a majority decision at a Directors' meeting; or
- 16.5.2 in the form of a Directors' written resolution.

16.6 **Board quorum.** The quorum for Directors' meetings is two Directors, or one Director if only one Director is in office, provided that the Puma Director must always be present at the meeting.

16.7 **Board notices.** Notices of all Board meetings must be served on the Directors and the Puma Representative in accordance with Article 21.3 at least ten Business Days prior to such meeting.

16.8 **Casting vote.** In the case of an equality of votes, the chairman shall not have a casting vote.

16.9 **Number of Directors.** Unless otherwise specified the maximum number of Directors shall be 8. The Board may resolve to alter this maximum provided that the prior written consent of the Puma Representative is obtained.

17 **DIRECTORS' CONFLICTS OF INTEREST**

17.1 Regulation 16 of the Model Articles does not apply.

- 17.2 Authorising situational conflicts of interest.** The Directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a Director infringing their duty to avoid a situation in which such Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties). The Directors may do so subject to such terms and conditions, if any, as they may think fit from time to time to impose and subject always to their right to vary or terminate such authorisation.
- 17.3 Conditions for the authorisation to be effective.** The authorisation referred to in Article 17.2 is only effective if:
- 17.3.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director;
 - 17.3.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted; and
 - 17.3.3 the matter is agreed to in writing by the Puma Representative (such agreement not to be unreasonably withheld or delayed).
- 17.4 Conflicts of interest of a Puma Director.** A Puma Director may hold office as a Director from time to time despite any matter arising from any of the following circumstances, which would otherwise result in the Puma Director infringing their duty to avoid a situation in which the Puma Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company:
- 17.4.1 any office, employment or position in any Puma Investor or any Associate of a Puma Investor and/or in the fund manager, investment adviser or management company of any Puma Investor which was held by them at the time of such person's appointment as a Director;
 - 17.4.2 any office, employment or position in any other company to which the Puma Director was nominated by any Puma Investor (including without limitation in relation to any company whose business competes or may compete with that of the Company) which was held by them at the time of such person's appointment as a Director; and
 - 17.4.3 any carried interest or other co-investment, profit-share, bonus or commission arrangement or entitlement in which the Puma Director had an interest at the time of such person's appointment as a Director and which is or may be affected by any Puma Investor's investment in the Company and/or the Company's performance;

and the general duties of a Puma Director pursuant to sections 171 to 177 of the Act shall, to the extent legally permissible, have effect subject to the authority conferred by this Article.

- 17.5 **Effect of authorisation.** If a matter has been authorised by the Directors in accordance with Article 17.2 or is permitted under Article 17.4 (an **approved matter**) then the relevant Director:
- 17.5.1 shall not be required to disclose any confidential information relating to the approved matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by them in relation to or in connection with that approved matter;
 - 17.5.2 may absent themselves from discussions, whether in meetings of the Directors or otherwise, and exclude themselves from information, which may be relevant to the approved matter; and
 - 17.5.3 shall not, by reason of such person's office as a Director, be accountable to the Company for any benefit which such Director derives from the approved matter.
- 17.6 **Interests in transactions or arrangements with the Company.** The provisions of Articles 17.2 to 17.5 (inclusive) shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this Article 17.6 and Article 17.7 shall apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that such Director complies with the Act.
- 17.7 **Effect of declaring an interest in a transaction or arrangement with the Company.** Without prejudice to the obligation of each Director to declare an interest in accordance with sections 177 and 182 of the Act, a Director may vote at a meeting of the Board on any resolution concerning a matter in which that Director has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which the Director has a duty. Having so declared any such interest or duty such Director may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if such Director votes on such resolution the vote of that Director shall be counted. Such Director may also retain for their own absolute use and benefit all profits and advantages directly or indirectly accruing to them under or in consequence of such transaction or arrangement. Article 18 of the Model Articles shall not apply.
- 17.8 **Interests under Articles 8, 9 and 10.** Despite the above provisions of this Article 17, any Director (other than a Puma Director) shall be regarded as having an interest which is material and which conflicts with the interests of the Company in (and accordingly shall not be entitled to vote in relation to) any matter which requires to be determined or decided by the Directors under Article 8 (Pre-emption rights on transfers of Shares), Article 9 (Compulsory Sale of Shares) or Article 10 (Leaver) to the extent the matter relates to any Share held by that Director or any Associate of that Director or in which that Director is otherwise interested.
- 17.9 **Quorum in the event of conflicts of interest.** If at any meeting of Directors there is only one Director entitled to vote on the business of the meeting, or any item of business

at the meeting, because of a conflict of interest of the other Directors, then the quorum for that meeting or that item of business shall be one.

18 DIRECTOR AND OBSERVER APPOINTMENT RIGHTS

18.1 PIML shall be entitled at its discretion to appoint, remove and replace from time to time up to one Director of the Company (**Puma Director**) and one person as an observer to the board (**Puma Observer**). The Puma Director shall not be removed in any circumstances without the prior written consent of the Puma Representative. Upon the request of PIML the Company shall procure that such persons are similarly appointed in relation to the board of directors of any Group Company. The Puma Observer shall be entitled to receive notice of, attend and speak (but not vote) at meetings of the relevant board(s) of Directors.

18.2 Subject to Article 18.3, each Founder Shareholder and his / its Permitted Transferees shall be entitled to appoint one Director of the Company (a **Founder Director**) by notice in writing to the Company and shall not be removed other than pursuant to Article 15.4 provided that Puma Representative consent (not to be unreasonably withheld or delayed) will be required in respect of the appointment if it is proposed that the Founder Director is an individual other than the Founder Shareholder itself or in the case of Khiron Capital, a person or entity other than Khiron Capital. The first Founder Directors shall be the Significant Executive Shareholder, TB and Khiron Capital (as a corporate director).

18.3 If:

18.3.1 the shareholding of Qualifying Shares held by a Founder Shareholder and his / its Permitted Transferees falls below 50% of the Qualifying Shares held by the relevant Founder Shareholder as at the Adoption Date;

18.3.2 the Founder Shareholder becomes a Restricted Member;

18.3.3 the Significant Executive Shareholder ceases to be employed by a Group Company,

then in each case the relevant Founder Shareholder will automatically lose all rights under Article 18.2.

18.4 Any appointment or removal under Article 18.1 or 18.2 shall be by written notice signed by or on behalf of the Puma Representative or the relevant Founder Shareholder (as applicable) and delivered to the Company's registered address or emailed to the email address set out in Article 21.2.

18.5 No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the

incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.

- 18.6 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of a Puma Director under these Articles, if at any time a Puma Director has not been appointed, such action or matter shall require the consent of the Puma Representative and, if at any time a Puma Representative has not been appointed, such action or matter shall require the written consent of PIML.

19 EIS AND VCT

- 19.1 With effect from the date of adoption of these Articles:

19.1.1 the Company shall ensure that (i) the Company does nothing which will cause the Company to cease to be a qualifying company as that expression is defined in section 180 of ITA; (ii) the Company shall carry on a qualifying trade for the purposes of Chapter 4 of Part 6 of ITA; (iii) that the Shares or securities in the Company are and continue to be eligible shares for the purposes of sections 173(2) and 285(3) of ITA; and (iv) that neither the Company, nor any of its subsidiaries, shall take any action that will prejudice relief claimed by any Shareholder under Part 5 or Part 6 of ITA or exemption or relief available under sections 150A, 150C, 151A and Schedules 5B and 5C of the Taxation of Chargeable Gains Act 1992 (together, such reliefs and exemptions the **EIS/VCT Reliefs**); and

19.1.2 the Company undertakes to notify the Puma Representative of any action or intended action of the Company that the Company knows will or are likely to result in the Company or the Shares ceasing to satisfy the requirements of Part 5 or Part 6 of ITA, the Company ceasing to be a qualifying company or ceasing to operate a qualifying trade as mentioned in Article 19.1.1 or any one or more of the **EIS/VCT Reliefs** being prejudiced in respect of any Shareholder for the time being and in the event that any such action has been taken, the Company undertakes to take such other action as may be required to ensure that the breach is remedied as soon as reasonably practicable.

20 TRANSMITTEES

These Articles shall be binding upon and shall apply for the benefit of each transmittee of a Shareholder.

21 MEANS OF COMMUNICATION TO BE USED

- 21.1 The address for service of the Company shall be the office or such other place as the Directors may appoint. The address for service of each Shareholder shall be their address in the register of members within the United Kingdom or such other address for service, which may include an electronic address, as the addressee may from time to time notify to the Company for the purposes of this Article 21. In the absence of such

address the Shareholder shall not be entitled to receive from the Company notice of any meeting.

- 21.2 The Company's email address is tanisha@iris.audio and may be amended to another email address from time to time by notice in writing to all Shareholders.
- 21.3 All notices of Board meetings must be sent to the Puma Representative by letter and by email at PPENotices@PumaInvestments.co.uk.
- 21.4 In the case of joint holders of a Share, a notice or other document or information shall be sent or given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice or other documents or information so sent or given shall be sufficiently sent to all the joint holders.
- 21.5 Notices or other documents or information will be deemed to be received:
 - 21.5.1 if personally delivered, at the time of delivery and, in proving service, it shall be sufficient to produce a receipt for the notice or other document or information signed by or on behalf of the addressee;
 - 21.5.2 if by letter, at noon two days after such letter was posted and, in proving service, it shall be sufficient to prove that the letter was properly prepaid or stamped first class, addressed and delivered to the postal authorities; and
 - 21.5.3 if by electronic communication to an electronic address, on the same day it is sent and, in proving service, it shall be sufficient to prove that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators from time to time.
- 21.6 For the purposes of this Article, no account shall be taken of any part of a day that is not a Business Day.

22 PURCHASE OF OWN SHARES

- 22.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
 - 22.1.1 £15,000; and
 - 22.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.