

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

SPITFIRE AUDIO HOLDINGS LIMITED
(the "Company")

09857384

(Adopted by a special resolution passed on 28 January 2022)

1. Introduction

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles (the "Model Articles") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles article headings are used for convenience only and shall not affect the construction or interpretation of these Articles.

2. Defined terms

- 2.1 In these Articles the following words and expressions shall have the following meanings:

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

"A Preference Shares" means the A preference shares of £0.8072 each in the capital of the Company from time to time;

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

"Asset Sale" means the sale or transfer of all or substantially all of the undertaking and assets of the Company;

"Auditors" means the auditors (or, if there are none, the accountants) of the Company from time to time;

"Bad Leaver" means an Employee Shareholder who ceases (or, in the case of an Employee Shareholder who is a Permitted Transferee, whose Original Shareholder

ceases) to be an Employee prior to the fourth anniversary of the Date of Adoption by reason of:

- (a) such person resigning as an Employee voluntarily (other than due to permanent ill health proved to the reasonable satisfaction of the Board acting unanimously) and in circumstances which do not amount to constructive dismissal and/or constructive unfair dismissal; or
- (b) such person (or his personal service company) voluntarily terminating an agreement for consultancy services (other than due to permanent ill health of such person proved to the reasonable satisfaction of the Board acting unanimously);
- (c) dismissal or termination by the Company (or a member of the Group) for Cause;

"BAJ" has the meaning given in Article 13.7;

"BAJ Ordinary Shares" has the meaning given in Article 13.7;

"BL A Preference Shares" has the meaning given in Article 13.1(b);

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

"B Preference Shares" means the B preference shares of £0.8072 each in the capital of the Company from time to time;

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);

"Called Shareholders" has the meaning given in Article 15.1;

"Called Shares" has the meaning given in Article 15.1;

"Cause" means:

- (a) the lawful termination of their contract of employment or engagement (as the case may be) without notice or payment in lieu of notice as a consequence of their misconduct or breach (as the case may be); and/or
- (b) the lawful termination of their (or their personal service company's) agreement for consultancy services with the Company without notice in accordance with its terms; and/or
- (c) their fair dismissal pursuant section 98(2)(a) (capability) or 98(2)(b) (conduct) of the Employment Rights Act 1996;

"Civil Partner" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

"Date of Adoption" means 28 June 2016;

"Director(s)" means a director or directors of the Company from time to time;

"Drag Along Notice" has the meaning given in Article 15.2;

"Drag Along Option" has the meaning given in Article 15.1;

"Effective Termination Date" means the date on which an Employee Shareholder's employment or consultancy terminates;

"Employee" means an individual who is employed by or who provides consultancy services to, whether directly or through a personal service company, the Company or any member of the Group;

"Employee Benefit Trust" means any trust or corporation established by the Company from time to time with Lead Investor Consent to acquire and hold shares for the benefit of the bona fides employees and former employees of any member of the Group and from which the Investors are expressly excluded from benefiting;

"Employee Shareholder" means a Shareholder, other than the Investors, who is or was an Employee, or is a Permitted Transferee, directly or indirectly, of any such Shareholder;

"Encumbrance" means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"Fair Value" is as determined in accordance with Article 11.3;

"Family Trusts" means trust(s) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than a Shareholder who is an individual and/or a Privileged Relation of that individual;

"Founder BL Ordinary Shares" has the meaning given in Article 13.1(a);

"Founder GL Ordinary Shares" has the meaning given in Article 13.4;

"Founders" means Paul Thomson and Christian Henson (each being a "Founder");

"Good Leaver" means an Employee Shareholder who ceases (or, in the case of an Employee Shareholder who is a Permitted Transferee, whose Original Shareholder ceases) to be an Employee at any time after the Date of Adoption and who is not a Bad Leaver;

"Group" means the Company and its subsidiary undertaking(s) (if any) from time to time;

"Investor Director" means such director of the Company nominated by the Lead Investor under any shareholders' agreement in force between, among others, the Investors and the Company;

"Investors" means Paul Kempe and Susan Lynne Kempe and their Permitted Transferees;

"ITEPA" means the Income Tax (Earnings and Pensions) Act 2003;

"Lead Investor" means Paul Kempe;

"Lead Investor Consent" means the prior written consent of the Lead Investor (which may be given through the Investor Director);

"a Member of the same Group" means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking;

"New Shareholder" has the meaning given in Article 15.10;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than (a) options to subscribe for Shares under any Share Option Plan and shares issued in satisfaction of the exercise of such options or (b) Shares or other securities which the holders of not less than 85% of the Ordinary Shares in issue from time to time have agreed should be issued without complying with Article 7);

"Ordinary Shares" means the ordinary shares of £1.00 each in the capital of the Company from time to time;

"Original Shareholder" has the meaning given in Article 9.1;

"Permitted Transfer" means a transfer of Shares in accordance with Article 9;

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Company;
- (b) in relation to a Shareholder which is an undertaking means any Member of the same Group;

"Preference Shares" means the A Preference Shares and the B Preference Shares;

"Privileged Relation" in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);

"Proposed Purchaser" has the meaning given in Article 15.1;

"Qualifying Company" means a company in which a Shareholder or Trustee(s) hold the whole of the share capital and which they control;

"Return of Capital" means a liquidation, dissolution, winding-up or any other return of capital or assets by the Company (except the payment of any dividend or redemption of Shares of any class or the purchase by the Company of any of its Shares);

"Sale" means the bona fides transfer, whether through a single transaction or a series of transactions, to a person (being neither a Shareholder nor a Permitted Transferee nor the Company) or any such persons Acting in Concert with each other, of Shares as a result of which such person acquires more than 50 per cent of all of the Ordinary Shares (or interests in such Ordinary Shares);

"Sellers' Shares" has the meaning given in Article 15.1;

"Selling Shareholders" has the meaning given in Article 15.1;

"Shareholder" means any holder of any Shares;

"Share Option Plan" means any share option plan of the Company, the terms of which have been approved by the Lead Investor;

"Shares" means the Ordinary Shares, A Preference Shares, B Preference Shares or such other shares in the capital of the Company from time to time; and

"Trustees" means the trustee(s) of a Family Trust.

3. Proceedings of Directors

- 3.1 The quorum for Directors' meetings shall be two Directors who must include, for so long as the Investors are entitled to appoint one, the Investor Director (save that where an interest of a Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting). Article 11(2) of the Model Articles shall not apply to the Company.
- 3.2 In the case of any equality of votes, the chairman shall not have a second or casting vote. Article 13 of the Model Articles shall not apply to the Company.

4. Alternate Directors

Articles 15 and 25 to 27 of the Model Articles for public companies limited by shares contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company.

5. **Directors' interests**

- 5.1 Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting. Article 14 of the Model Articles shall not apply to the Company.
- 5.2 Specific interests of a Director

Subject to the provisions of the Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Company;

- (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested; or
- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this.

6. Rights attaching to Shares

- 6.1 The Ordinary Shares, the A Preference Shares and the B Preference Shares shall rank *pari passu* in all respects save as otherwise set out in these Articles, but shall constitute separate classes of Shares.

Voting

- 6.2 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote (either on a show of hands or on a poll) at all general meetings of the Company and receive notice of and vote on a written resolution of the Company in respect of those Ordinary Shares.
- 6.3 The Preference Shares shall not confer on each holder of Preference Shares the right to receive notice of general meetings of the Company or to attend, speak or vote (either on a show of hands or on a poll) at any general meeting of the Company or receive notice of or vote on a written resolution of the Company in respect of those Preference Shares.

Income

- 6.4 All dividends or other income distributions resolved to be distributed by the Company in respect of any accounting period shall be distributed amongst the holders for the time being of the Ordinary Shares on a *pro rata* basis according to the number of Ordinary Shares held by them.
- 6.5 The holders of Preference Shares shall not be entitled to receive dividends or other income distributions in respect of them.

Capital

- 6.6 On a Return of Capital the assets of the Company available for distribution amongst the Shareholders after payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following manner and in the following order of priority:
- (a) first, in paying the sum of £0.01 to the holders of A Preference Shares on a *pro rata* basis according to the number of A Preference Shares held by them;

- (b) secondly, in paying the sum of £9,420,024 to the holders of A Preference Shares and the holders of B Preference Shares on a pro rata basis according to the number of the A Preference Shares or B Preference Shares held by them (as if the A Preference Shares and the B Preference Shares were one class of shares); and
- (c) thirdly, in paying the balance (if any) to the holders of Ordinary Shares on a pro rata basis according to the number of Ordinary Shares held by them.

Sale

- 6.7 Notwithstanding anything to the contrary in the terms and conditions governing such Sale, in the event of a Sale, the consideration (whenever received) shall be distributed in the order of priority set out in Article 6.6 as if the consideration for such Sale represented all of the assets of the Company available for distribution. The distribution of such consideration shall be made to the Shareholders in accordance with Article 6.6 and no account shall be taken at the time of making such distributions of any deferred, contingent or other consideration which may be received at a later date. On the subsequent receipt and distribution of the deferred, contingent or other consideration, all previous distributions under this Article 6.7 shall be taken into account.

Asset Sale

- 6.8 In the event of an Asset Sale, the consideration (whenever received) shall be distributed in the order of priority set out in Article 6.6 as if the consideration for such Asset Sale represented all of the assets of the Company available for distribution. The distribution of such consideration by the Company shall be made to the Shareholders in accordance with Article 6.6 and no account shall be taken at the time of making such distributions of any deferred, contingent or other consideration which may be received by the Company at a later date. On the subsequent receipt and distribution of the deferred, contingent or other consideration by the Company, all previous distributions under this Article 6.8 shall be taken into account.

Variation of Class Rights

- 6.9 The following shall be deemed to be a variation of the class rights of the A Preference Shares and the B Preference Shares:
- (a) the issue and allotment of any additional Shares ranking in priority on a Return of Capital to the A Preference Shares and/or the B Preference Shares;
 - (b) any purchase or redemption by the Company of its own shares; and
 - (c) any amendments to the distribution order upon a Return of Capital set out in Article 6.6 above.
- 6.10 Any variation of any class rights shall be carried out in accordance with section 630 of the Act.
7. Allotment of new shares or other securities: pre-emption
- 7.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act do not apply to an allotment of equity securities made by the Company.
- 7.2 Any New Securities shall, before they are allotted or granted on any terms, be first offered by the Company in writing to each holder of Ordinary Shares by:

- (a) giving details of the number and subscription price of the New Securities;
- (b) inviting him to apply for the New Securities at the subscription price (being on no less favourable terms);
- (c) stating that he will have a period of at least 14 days from the date of the notice in which to apply;
- (d) stating that, if there is competition among the holders of Ordinary Shares for the New Securities, the New Securities will be allocated to him in proportion (as nearly as may be) to his existing holdings of Ordinary Shares (his "Proportionate Allocation");
- (e) inviting him to indicate if he is willing to purchase New Securities in excess of his Proportionate Allocation ("Extra Securities") and, if so, the number of Extra Securities.

7.3 On expiry of an offer made in accordance with Article 7.2 (or sooner if applications or refusals have been received from all of the holders of Ordinary Shares and all requisite approvals have been given), the Company shall allot or grant (as the case may be) the New Securities as follows:

- (a) if the total number of New Securities applied for is equal to or less than the New Securities offered, each holder of Ordinary Shares shall be allocated the number applied for by him; or
- (b) if the total number of New Securities applied for is more than the New Securities offered, each holder of Ordinary Shares shall be allocated his Proportionate Allocation or, if less, the number of New Securities for which he has applied; and
- (c) applications for Extra Securities shall be allocated in accordance with such applications or, in the event of competition, among those holders of Ordinary Shares applying for Extra Securities in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Securities than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all New Securities have been allocated;
- (d) fractional entitlements shall be rounded to the nearest whole number,

following which the Directors may, subject to these Articles and the Act, allot or grant (as the case may be) such New Securities as have not been taken up in such manner as they think fit, but on no less favourable terms.

7.4 No Shares shall be allotted to any Employee, Director, prospective Employee or prospective director of the Company who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company.

7.5 Subject to the Articles, the Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder. The Directors are not authorised to determine the terms, conditions and manner of redemption unless express authorisation to do so is given by the Shareholders by ordinary resolution and Lead Investor Consent. Article 22(2) of the Model Articles shall not apply to the Company.

8. Transfers of Shares – general

- 8.1 Reference to the transfer of a Share in these Articles includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 8.2 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 8.3 The Directors may refuse to register a transfer of a Share if:
- (a) a Shareholder transfers a Share other than in accordance with these Articles; or
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not, when requested to do so by the Company, entered into a joint section 431 ITEPA election with the Company within 14 days of the date of the transfer.

Article 26(5) of the Model Articles shall be modified accordingly.

- 8.4 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement in force between some or all of the Shareholders and the Company.
- 8.5 Articles 27 to 29 of the Model Articles regarding transmission of shares shall not apply to the Company.
- 8.6 Any transfer of a Share by way of sale which is required to be made under Articles 10 to 15 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 8.7 Notwithstanding any provision in these Articles to the contrary:
- (a) other than pursuant to Articles 9, 15 and 16, no Share shall be transferred without Lead Investor Consent provided that, in respect of any transfer of any Share proposed to take place after the fifth anniversary of the Date of Adoption, such Lead Investor Consent shall not be unreasonably withheld; and
 - (b) other than pursuant to Articles 13, 15 and 16, no Preference Share held by a Founder shall be transferred prior to the fourth anniversary of the Date of Adoption.

9. Permitted Transfers

- 9.1 A Shareholder (the "Original Shareholder") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 9.2 Shares previously transferred as permitted by Article 9.1 may be transferred by the transferee to the Original Shareholder or any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 9.3 Where, upon death of a Shareholder, the persons legally or beneficially entitled to any Shares are Permitted Transferees of that deceased Shareholder, the legal

representative of the deceased Shareholder may transfer any Share to those Permitted Transferees without restriction as to price or otherwise.

- 9.4 A transfer of any Shares made with Lead Investor Consent and approved unanimously in writing in advance by the Board may be made without restriction as to price or otherwise and each transfer shall be registered by the Directors.

10. Transfers of Shares subject to pre-emption rights

- 10.1 Subject to Article 8.7 and save where the provisions of Articles 9, 13.3, 13.6, 13.9, 14, 15 or 16 apply, a Shareholder who wishes to transfer Shares (a "Seller") shall give notice in writing (which cannot be withdrawn save with the consent of the Board) (a "Transfer Notice") to the Company (constituting the Company the agent of the Seller) specifying:

- (a) the number and class of Shares which he wishes to transfer (the "Sale Shares");
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
- (c) the price at which he wishes to transfer the Sale Shares which will be deemed to be:
 - (i) in respect of Sale Shares that are Ordinary Shares, Fair Value if no price is agreed between the Seller and the Board (including the Investor Director);
 - (ii) in respect of Sale Shares that are A Preference Shares, the aggregate subscription price (calculated on the basis of a subscription price or deemed subscription price where such shares were issued and credited as fully paid up of £0.8072 per Preference Share) of such Sale Shares; and
 - (iii) in respect of Sale Shares that are B Preference Shares, the aggregate subscription price (calculated on the basis of a subscription price or deemed subscription price where such shares were issued and credited as fully paid up of £0.8072 per Preference Share) of such Sale Shares,
 (the "Transfer Price").

If a Shareholder is deemed to have given a Transfer Notice, the price at which he is to transfer the Sale Shares (being in this case the Transfer Price) shall be agreed between such Shareholder and the Board (including the Investor Director) and failing such agreement such price will be deemed to be the Fair Value of such Shares save for a Transfer Notice deemed to have been given in accordance with Article 13 in which case the provisions of that Article shall apply.

- 10.2 As soon as practicable following the receipt of a Transfer Notice (or, in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 11), the Company shall give notice in writing to each holder of Ordinary Shares other than the Seller (each an "Eligible Shareholder"):

- (a) inviting him to apply for the Sale Shares at the Transfer Price;
- (b) stating that he will have a period of at least 14 days from the date of the notice in which to apply;

- (c) stating that, the Sale Shares shall be offered to the Eligible Shareholders and if there is competition among the Eligible Shareholders for the Sale Shares, the Sale Shares will be allocated to him in proportion (as nearly as may be) to his existing holding of Ordinary Shares (his "Proportionate Allocation");
 - (d) inviting him to indicate if he is willing to purchase Sale Shares in excess of his Proportionate Allocation ("Extra Shares") and, if so, the number of Extra Shares.
- 10.3 On expiry of an offer made in accordance with Article 10.2 (or sooner if applications or refusals have been received from all Eligible Shareholders), the Company shall allocate the Sale Shares as follows:
 - (a) if the total number of Sale Shares applied for is equal to or less than the number of Sale Shares, each Eligible Shareholder shall be allocated the number applied for by him; or
 - (b) if the total number of Sale Shares applied for is more than the available number of Sale Shares, each Eligible Shareholder shall be allocated his Proportionate Allocation or, if less, the number of Sale Shares for which he has applied;
 - (c) applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Eligible Shareholders applying for Extra Shares in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Shares than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all Sale Shares have been allocated; and
 - (d) fractional entitlements shall be rounded to the nearest whole number.
- 10.4 The Company shall give written notice of allocation (an "Allocation Notice") to the Seller which shall specify the number of Sale Shares to be allocated to each applicant and the place and time (being not less than 7 nor more than 14 days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- 10.5 On service of an Allocation Notice, the Seller shall, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 10.6 If the Seller fails to comply with the provisions of Article 10.5:
 - (a) the chairman of the Directors or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants;
 - (ii) receive the transfer price and give a good discharge for it and (subject to the transfer being duly stamped) enter each applicant in the register of members as the holders of the Sale Shares allocated to him; and
 - (b) the Company shall pay the transfer price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate(s) for the relevant Sale Shares (or a suitable indemnity).
- 10.7 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 10.8, the Seller may, within eight weeks after service of the Allocation Notice, transfer

the unsold Sale Shares not included in the Allocation Notice to any person at a price at least equal to the Transfer Price.

10.8 The right of the Seller to transfer Shares under Article 10.7 does not apply if the Board is of the opinion on reasonable grounds that:

- (a) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate (as determined in accordance with section 435 of the Insolvency Act 1986) of a competitor with) the business of the Company or with a subsidiary undertaking of the Company;
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- (c) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

11. Valuation of Shares

11.1 If no price in respect of Sale Shares that are Ordinary Shares is agreed between the Seller and the Board (including the Investor Director) then, upon service of the Transfer Notice the Board shall appoint an expert valuer in accordance with Article 11.2 (the "Expert Valuer") to certify the Fair Value of the such Sale Shares that are Ordinary Shares or if the Fair Value has been certified by the Expert Valuer within the preceding 12 weeks, such certified Fair Value shall apply.

11.2 The Expert Valuer will be the Auditors unless this is not agreed by the Seller and the Board in which case it will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement within 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and appointed by the Company. Neither the Board nor the Seller shall be permitted to challenge any such nomination by the President or to seek to oppose or delay such nomination in any other manner whatsoever.

11.3 The "Fair Value" of the Sale Shares that are Ordinary Shares shall be determined by the Expert Valuer on the following assumptions and bases:

- (a) valuing the Sale Shares that are Ordinary Shares as on an arm's-length sale between a willing seller and a willing buyer;
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) that the Sale Shares that are Ordinary Shares are capable of being transferred without restriction;
- (d) valuing the Sale Shares that are Ordinary Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
- (e) reflecting any other factors which the Expert Valuer reasonably believe should be taken into account.

- 11.4 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the Board and the Seller of its determination. The Expert Valuer shall act as experts and not as arbitrators and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 11.5 The cost of obtaining the certificate shall be paid by the Company unless the Fair Value certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Share that are Ordinary Shares before Expert Valuer was instructed in which case the Seller shall bear the cost.
12. Compulsory transfers – general
- 12.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 12.2 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 12.3 If a Permitted Transferee ceases to be a Permitted Transferee of the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or another Permitted Transferee of the Original Shareholder without restriction as to price or otherwise, failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 12.4 On the death, bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.
- 12.5 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
 - (b) 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 12.5 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine.

- 12.6 If there is a change in control (as control is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of any Permitted Transferee and/or nominee) a Transfer Notice in respect of all the Shares registered in its name, its Permitted Transferee name and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of the Original Shareholder before being required to serve a Transfer Notice.

13. Compulsory transfer – Leavers

Founders – Bad Leaver

- 13.1 If an Employee Shareholder who is a Founder becomes a Bad Leaver he shall be deemed to have given a Transfer Notice in respect of:

- (a) all of his Ordinary Shares (the “Founder BL Ordinary Shares”); and
 - (b) 934,648 of his A Preference Shares (the “BL A Preference Shares”),
- on the Effective Termination Date.

- 13.2 The Transfer Price of the:

- (a) Founder BL Ordinary Shares shall be £0.10 per Founder BL Ordinary Share;
- (b) BL A Preference Shares shall be £0.01 in aggregate in respect of all of the BL A Preference Shares.

- 13.3 The Founder BL Ordinary Shares and the BL A Preference Shares shall be offered to an Employee Benefit Trust only.

Founders – Good Leaver

- 13.4 If an Employee Shareholder who is a Founder becomes a Good Leaver he shall be deemed to have given a Transfer Notice in respect of all of his Ordinary Shares (the “Founder GL Ordinary Shares”) on the Effective Termination Date.

- 13.5 The Transfer Price of the Founder GL Ordinary Shares shall be the higher of Fair Value and the nominal value of the Founder GL Ordinary Shares.

- 13.6 The Founder GL Ordinary Shares shall be offered to an Employee Benefit Trust only.

BAJ – Leaver

- 13.7 If an Employee Shareholder is any of Blake Robinson, Andrew Blaney or James Bellamy (together, “BAJ”) and he becomes a Bad Leaver or a Good Leaver he shall be deemed to have given a Transfer Notice in respect of all of his Ordinary Shares (the “BAJ Ordinary Shares”) on the Effective Termination Date.

- 13.8 The Transfer Price of the BAJ Ordinary Shares shall be:

- (a) if he is a Bad Leaver, £2,000 per BAJ Ordinary Share; and
- (b) if he is a Good Leaver, the higher of Fair Value and £2,000 per BAJ Ordinary Share.

13.9 The BAJ Ordinary Shares shall be offered to an Employee Benefit Trust only.

General

13.10 A Founder holding Founder BL Ordinary Shares or Founder GL Ordinary Shares (as applicable) (and any Permitted Transferee (if any)) and/or any of BAJ holding BAJ Ordinary Shares (as applicable) (and any Permitted Transferee (if any)) shall be able to nominate another person or persons to enjoy or exercise all or any specified rights of such Founder in relation to his Founder BL Ordinary Shares or Founder GL Ordinary Shares or of BAJ in relation to his BAJ Ordinary Shares (as applicable), pursuant to section 145 of the Act.

13.11 The Board with Lead Investor Consent can determine whether any of the provisions of this Article 13 shall not apply to a Founder or any of BAJ.

14. Co-Sale right

14.1 No transfer (other than a Permitted Transfer) of any Ordinary Shares the effect of which would be a Sale may be registered unless the intending transferors (the "Selling Members") have observed the following procedures of this Article.

14.2 The Selling Members shall give to each other Shareholder (the "Other Shareholders" and each an "Other Shareholder") not less than 15 Business Days' notice in advance of the proposed sale (a "Co-Sale Notice"). The Co-Sale Notice shall specify:

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

14.3 Each Other Shareholder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Selling Members that they wish to sell a certain number of Ordinary Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Ordinary Shares which such Other Shareholder wishes to sell.

14.4 The maximum number of Ordinary Shares which an Other Shareholder can sell under this procedure shall be:

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

where:

X is the number of Ordinary Shares held by the Other Shareholder;

Y is the total number of Ordinary Shares;

Z is the number of Ordinary Shares the Selling Members propose to sell.

Any Other Shareholder who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no Ordinary Shares.

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

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

14.7 Sales made under a Co-Sale Notice in accordance with this Article 14 shall not be subject to Article 10.

15. Drag-along

15.1 If holders of Ordinary Shares (the "Selling Shareholders") wish to transfer an interest in Shares (the "Sellers' Shares") to a proposed purchaser who has made an offer on arm's length (the "Proposed Purchaser") for a price per:

(a) Preference Share of at least £0.8072; and

(b) Ordinary Share of at least £38,330,

(or such lower consideration as may be agreed in writing by the Selling Shareholder and the Lead Investor) and the result of such transfer would be a Sale and a sale of all of the Preference Shares held by the Selling Shareholders, the Selling Shareholders shall have the option (the "Drag Along Option") to require all the other holders of Shares (the "Called Shareholders") to sell and transfer the same proportion of the Ordinary Shares that the Selling Shareholders are selling and all of their Preference Shares (if any) (the "Called Shares") to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article 15.

15.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "Drag Along Notice") to the Company (which the Company shall immediately send to the Called Shareholders) at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Called Shares under this Article 15, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article 15) and the proposed date of transfer.

15.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 15.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be on terms no less favourable than those obtained by the Selling Shareholders from the Proposed Purchaser for each class of Shares.
- 15.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article 15 and Article 8.6.
- 15.6 Within five Business Days of the Company serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Called Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or an indemnity for lost certificate in a form acceptable to the Directors) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 15.4 to the extent that the Company has received these amounts in cleared funds from the Proposed Purchaser. The Company's receipt for the amounts due pursuant to Article 15.4 shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 15.4 in trust for the Called Shareholders without any obligation to pay interest.
- 15.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 15.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or an indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 15 in respect of their Called Shares.
- 15.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or an indemnity) for its Called Shares to the Company upon the expiration of that five Business Day period, any Director is authorised to transfer the Called Shareholder's Shares as agent on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 15.4 for the Called Shareholder's Called Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Called Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to Article 15.4.
- 15.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 10.
- 15.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

16. Share Security

Notwithstanding anything contained in these Articles, the Directors of the Company may not decline to register any transfer of shares in the Company and may not suspend any registration thereof or impose any conditions on such transfer and no Lead Investor Consent shall be required, where such transfer is:

- i. to a bank or institution to which such shares have been mortgaged or charged by way of security (whether as lender, or agent and trustee for a group of banks or institutions or otherwise) (a "Secured Institution"), or to any nominee of such Secured Institution, pursuant to any such security;
- ii. executed by a Secured Institution or its nominee pursuant to the power of sale or other power under any such security; or
- iii. executed by a receiver or manager appointed by or on behalf of any Secured Institution or its nominee, under any such security,

and furthermore, notwithstanding anything to the contrary contained in these Articles:

- i. no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or to its nominee;
- ii. no Secured Institution or its nominee; and
- iii. no receiver or manager appointed by or on behalf of a Secured Institution or its nominee,

shall be required to offer the shares which are or are to be the subject of any such transfer to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under these Articles or otherwise to require such shares to be transferred to them whether for consideration or not.