

Company Number: 04066289

THE COMPANIES ACTS 1985 AND 2006

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

OF

CHROMA THERAPEUTICS LIMITED (the "Company")

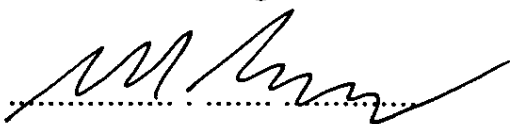
(Passed on 21<sup>st</sup> May 2008)

In accordance with Part 2 of Chapter 13 of the Companies Act 2006 the following Resolutions were agreed to as Special Resolutions and were duly passed on 21<sup>st</sup> May 2008.

WRITTEN RESOLUTIONS

- 1 THAT the share capital of the Company be hereby increased from £46,202.439 to £46,275.969 by the creation of a further 73,530 C preferred ordinary shares of £0.001 each.
- 2 THAT the articles of association contained in the printed document produced to the meeting marked "A" and for the purpose of identification signed by the chairman thereof be and the same are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all the existing articles of association of the Company.
- 3 THAT the directors be hereby generally and unconditionally authorised, in accordance with section 80 Companies Act 1985, to allot relevant securities (as defined in that section) up to a maximum aggregate nominal amount of relevant securities of, when aggregated with the aggregate nominal value of the issued share capital immediately prior to the passing of this Resolution, £46,275.969 and this authority will (unless renewed) expire five years from the date on which this resolution is passed, but the Company may before this authority expires, make an offer or agreement which would or might require relevant securities to be allotted after this authority expires.

Dated 21<sup>st</sup> May 2008



Director/Secretary

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THE COMPANIES ACTS 1985 TO 2006

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PRIVATE COMPANY LIMITED BY SHARES

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**ARTICLES OF ASSOCIATION**

- of -

**CHROMA THERAPEUTICS LIMITED**

(incorporated in England and Wales  
under Registered No: 4066289)

(Adopted by Special Resolution passed on 21/05/08)

## **Indemnity**

99. Subject to the provisions of the Companies (Audit, Investigations, and Community Enterprise) Act 2004 and the Act as amended from time to time but without prejudice to any indemnity to which a director may otherwise be entitled, every person who is or was at any time a person who is or was at any time a director or other officer of the Company shall be indemnified to the fullest extent permitted by law out of the assets of the Company against any and all costs, charges, expenses, losses or liabilities which he may sustain or incur in the actual or purported execution and/or discharge of the duties of his office or otherwise in relation to his office, including any liabilities or expenses incurred by him in defending any proceedings, whether civil or criminal or in connection with any application under section 727 of the Companies Act 1985 (or, when in force, sections 549 or 1157 of the Companies Act 2006), in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or otherwise in relation to his office. In the case of any proceedings or application for relief by the court, each director or officer shall be entitled, to the extent permitted by law, to be indemnified against his losses, expenses and liabilities during the course of such proceedings or application for relief, provided that such sums shall be repaid by the relevant director or officer to the Company forthwith if following the conclusion of such proceedings or application for relief, such director or officer is not entitled to the benefit of any indemnity from the Company whether pursuant to this article or otherwise.

## **Insurance**

100. The Directors shall have power to purchase and maintain for any Director, Secretary or other officer of the Company insurance against any such liability as is referred to in section 309A of the Companies Act 1985 (or, when in force, sections 232 and 233 of the Companies Act 2006).
101. Subject to the provisions of the Act, a director shall (in the absence of some other material interest) be entitled to vote and be counted in the quorum in respect of any resolution concerning any proposal concerning directors and officers insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any directors of the Company.

Legal01#11307497v4[JTY]/[EXS2]

93. Any notice to be given to or by any person (including the Company) pursuant to these Articles shall be in writing and may be given by means of electronic mail or facsimile
94. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by the other means specified in article 93. A notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed provided that (a) a copy of the notice is also sent to such person by post in accordance with the provisions of these Articles and (b) if any such notice would be deemed to be served after 5.00 p.m., such notice shall instead be deemed to be served at 9.30 a.m. on the following day. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
95. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
96. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the Articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.
97. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

### **Winding up**

98. If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

## **Capitalisation of Profits**

91. Subject to article 92, the Directors may with the authority of an ordinary resolution of the Company:

91.1 subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;

91.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

91.3 make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this article in fractions; and

91.4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

92. Notwithstanding the provisions of article 91, an issue by the Company of:

92.1 any Shares pursuant to the requirements of any articles 6, 7, 8 or 8A; and

92.2 any Cashless Shares,

shall not require the sanction of an ordinary resolution and, in the case of an issue of Cashless Shares, may be made by the Company both to Shareholders and to any person(s) who is not, immediately prior to such issue, a Shareholder.

## **Notices**

## **The Seal**

- 85 If the Company has a seal it shall only be used with the authority of the Directors or of a Committee. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by either the Secretary or a second Director. The obligation under article 15 relating to the sealing of share certificates shall apply only if the Company has a seal.

## **Dividends**

86. Subject to the provisions of the Act and these Articles, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Directors.
87. Subject to the provisions of the Act and the other provisions of these Articles, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution.
88. A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
89. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
90. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share. The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company as trustee in respect of such moneys. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

79. All acts done by a meeting of Directors, or of a Committee, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
80. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a Committee shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a Committee duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity. A resolution in writing signed by any relevant Director, alternate Director or member of a Committee may be evidenced by letter, facsimile or otherwise as the Directors may from time to time resolve.
81. Where a Director is a corporation, a director, the secretary or other officer thereof shall be deemed to be a duly authorised representative of that corporation for the purposes of signing any written resolution of Directors of the Company.
82. Subject to article 71 and to such disclosure as is required by section 317 of the Act, a Director shall be counted for the purposes of calculating whether there is a quorum and shall be entitled to vote at a meeting of Directors or of a Committee on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company.

### **Secretary**

83. Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them. If thought fit, two or more persons may be appointed as joint Secretaries. The Directors may also appoint from time to time on such terms as they think fit one or more assistant or deputy Secretaries.

### **Minutes**

84. The Directors shall cause minutes to be made in books kept for the purpose:
- 84.1 of all appointments of officers made by the Directors; and
- 84.2 of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the Directors, and of Committees, including the names of the Directors present at each such meeting

of a Director shall, call a meeting of the Directors. Notice of every meeting of Directors shall be given to each Director or his alternate Director, including Directors and alternate Directors who may for the time being be absent from the United Kingdom and have given the Company their address outside the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

75. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A majority of the Directors appointed, provided at least a majority in number of the Directors appointed by Abingworth, Wellcome, Gilde, Essex and Nomura are present, shall be required to constitute a quorum and a quorum of directors must be present throughout all meetings of the Board. The chairman of the meeting shall not have a second or casting vote, in the case of an equality of votes. Where any committee (other than the remuneration committee and the audit committee) has been constituted by the Board, the quorum for meetings of such committee shall (unless otherwise resolved by the Board) be the same as the quorum for meetings of the Board.
76. Any director or alternate director may validly participate in a meeting of the Directors or of a Committee through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Directors or a Committee shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Directors or a Committee notwithstanding that a quorum of directors is not physically present in the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
77. The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
78. The Investor Majority may appoint one of the Directors to be the chairman of the board of Directors and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.



71. Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:

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

71.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

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

72. For the purposes of article 71:

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

72.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

#### **Directors' Gratuities and Pensions**

73. The Directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

#### **Proceedings of Directors**

74. Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request

- 67.3 he becomes, in the unanimous opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as a Director; or
- 67.4 he resigns his office by notice to the Company; or
- 67.5 he is otherwise duly removed from office; or
- 67.6 pursuant to any contractual arrangement of which the Directors are aware any person having an entitlement to appoint a director ceases to be so entitled.

### **Remuneration of Directors**

68. The Directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day. Such remuneration shall be divided between the Directors in such proportion and manner as the Directors may unanimously determine or in default of such determination equally, except that any Director holding office for less than a year or other period for which remuneration is paid shall rank in such division in proportion to the fraction of such year or other period during which he has held office. Any Director who, at the request of the Directors, performs special services or goes or resides abroad for any purpose of the Company may receive such extra remuneration by way of salary, commission or participation in profits, or partly in one way and partly in another, as the Directors may determine.

### **Directors' Expenses**

69. The Directors (including alternate Directors) may be paid all travelling, hotel, and other expenses properly and reasonably incurred by them (together with VAT thereon, if applicable) in connection with their attendance at meetings of Directors or Committees or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

### **Directors' Appointments and Interests**

70. Subject to the provisions of the Act, the Directors may appoint one or more of their number to the office of Managing Director or to any other executive office of the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such Director for his services as they think fit. Any appointment of a Director to an executive office shall terminate if he ceases to be a Director but without prejudice to any claim to damages for breach of the contract of service between the Director and the Company.

act to be a Director either to fill a vacancy or as an additional Director or, if all holders of Shares have agreed in writing, directors may be nominated by notice in writing to the Company by individual holders in accordance with such agreement.

63. The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors.
- 63A. For so long as any Abingworth Associate is a holder of shares in the Company, Abingworth may from time to time appoint one person to be a Director. For so long as Wellcome or any successor or additional trustee or trustees of the Wellcome Trust is a holder of shares in the Company, Wellcome or that successor or additional trustee or trustees (as the case may be) may from time to time appoint one person to be a Director. For so long as any Gilde Associate is a holder of shares in the Company, Gilde may within the period of 12 months from the date of the adoption of these Articles appoint one person to be a Director. For so long as any Essex Associate is a holder of shares in the Company, Essex may from time to time appoint one person to be a Director. For so long as Nomura Associate is a holder of shares in the Company, Nomura may from time to time appoint one person to be a Director. Any appointment or removal of a Director pursuant to this clause may be effected by notice in writing served on the Company and signed by a director or the company secretary of the person delivering such notice.
64. In any case where as the result of the death of a sole member of the Company the Company has no members and no Directors, the personal representatives of such deceased member shall have the right by notice in writing to appoint a person to be a Director of the Company and such appointment shall be as effective as if made by the Company in general meeting pursuant to article 60 of these Articles.
65. There shall be no age limit for Directors of the Company.
66. A Director shall not be required to hold any qualification shares in the Company.

#### **Disqualification and Removal of Directors**

67. The office of a Director shall be vacated if:
- 67.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director, or
- 67.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

56. If his appointor is for the time being unavailable or temporarily unable to act through ill health or disability, the signature of an alternate Director to any resolution in writing of the Directors shall be as effective as the signature of his appointor.
57. When an alternate Director is also a Director or acts as an alternate Director for more than one Director, such alternate Director shall have one vote for every Director so represented by him (in addition to his own vote if he is himself a Director) and when so acting shall be considered as two Directors for the purpose of making a quorum unless he is the only individual present
58. Save as otherwise provided in the Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

#### **Powers of Directors**

59. Subject to the provisions of the Act, the memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
60. The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

#### **Delegation of Directors' Powers**

61. The Directors may delegate any of their powers to any Committee consisting of one or more persons. They may also delegate to any managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a Committee with two or more members shall be governed by the articles regulating the proceedings of Directors so far as they are capable of applying.

#### **Appointment and Retirement of Directors**

62. The Company may by ordinary resolution appoint a person who is willing to

within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and an instrument of proxy which is not deposited or delivered in the manner so permitted shall be invalid. The Directors may at their discretion treat a copy of a faxed or machine made instrument appointing a proxy as an instrument of proxy. Notwithstanding the foregoing provisions of this article, the appointment of a proxy may be accepted by the Directors in their discretion at any time prior to the meeting at which the person named in the instrument appointing the proxy proposes to vote.

50. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded.
51. The provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, with the necessary changes being made, apply to every separate meeting of the holders of any class of share.

#### **Number of Directors**

52. Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate directors) shall be a maximum of nine and the minimum number of Directors shall be two.

#### **Alternate Directors**

53. Any Director (other than an alternate Director) may appoint any person to be an alternate Director and may remove from office an alternate Director so appointed by him. An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director.
54. An alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of Committees of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate Director.
55. Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.

not be exercisable

45. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
46. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive
47. On a show of hands or a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion and a member entitled to more than one vote on a poll need not use all his votes or cast all his votes used in the same way. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting except with the permission of the chairman of the meeting.
48. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and may, in the case of a corporation, be signed on its behalf by a director, the secretary or other officer thereof or by its duly appointed attorney or duly authorised representative and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member/members of the above-named Company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_, or failing him, \_\_\_\_\_ of \_\_\_\_\_, as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the Company to be held on \_\_\_\_\_ 200\_\_\_\_, and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 \*for \*against

Resolution No 2 \*for \*against.

\*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this                      day of                      200 .”

49. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may be deposited at the Office or at such other place

partner, managing partner, duly authorised manager or member of that limited partnership; and

40.2 a share registered in the name of joint holders, the signature of any one of such joint holders;

shall be deemed to be and shall be accepted as the signature of the member or members concerned for all purposes including the signature of any form of proxy, resolution in writing, notice or other document signed or approved pursuant to any provision of these Articles.

### **Votes of Members**

41. Subject to any rights or restrictions attached to any shares:

41.1 on a show of hands every person holding one or more Ordinary Shares or Preferred Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote; and

41.2 on a poll every person holding one or more Ordinary Shares or Preferred Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote for each Ordinary Share and one vote for each Preferred Ordinary Share of which he is the holder.

42. In the case of a member which is a corporation or a limited partnership, a director or the secretary or a general partner, managing partner, duly authorised manager or member shall be deemed to be a duly authorised representative of that corporation or limited partnership (as the case may be) for the purposes of articles 40 and 41 and for the purpose of agreeing to short notice of, or attending and voting at, any general meeting of the Company.

43. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members

44. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall

meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

33. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by the chairman, or by any member present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a member entitled to vote.
34. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
35. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
36. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
37. The chairman of the meeting shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise a second or casting vote.
38. When a poll has been demanded it shall be taken immediately following the demand.
39. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members. Such a resolution may be evidenced by letter or facsimile or otherwise as the Directors may from time to time resolve.
40. In the case of:
  - 40.1 a member which is a corporation or a limited partnership, the signature of any director or the secretary of that corporation or of the general



Ordinary Shares and B-1 Preferred Ordinary Shares, the “relevant class” shall be the B Preferred Ordinary Shares and B-1 Preferred Ordinary Shares as if the same constitute one class of shares and the quorum of such class meeting shall be two or more Members holding in excess of 50% of the total issued B Preferred Ordinary Shares and B-1 Preferred Ordinary Shares (taken together) as if the same constitute one class of shares.

- 27.4 For the purpose of a variation to rights attached to both the C Preferred Ordinary Shares and C Defaulting Shares, the “relevant class” shall be the C Preferred Ordinary Shares and C Defaulting Shares as if the same constitute one class of shares and the quorum of such class meeting shall be two or more Members holding in excess of 50% of the total issued C Preferred Ordinary Shares and C Defaulting Shares (taken together) as if the same constitute one class of shares.
- 27.5 For the avoidance of doubt, articles 27.3 and 27.4 shall not apply to variations to article 6, article 7, article 8 or article 8A.
- 27.6 At any time that all the issued share capital of any class of Shares is held by one person, the quorum for meetings of such class shall be one.
28. If a quorum is not present within half an hour of the time appointed for a general meeting or, if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
29. The chairman, if any, of the board of Directors or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
30. If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
31. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak (but not vote) at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
32. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the

23. All meetings of shareholders shall be called general meetings
24. The Directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any member of the Company may call a general meeting.

#### **Notice of General Meetings**

25. A general meeting called for the passing of a special resolution or a resolution appointing a person as a Director shall be called by at least twenty-one clear days' notice. All other general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the Shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the Directors and auditors.

26. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

#### **Proceedings at General Meetings**

27

27.1 The members may only transact business at a general meeting whilst a quorum of members is present. Subject as provided in Article 28 the quorum necessary for the transaction of business at any general meeting (other than an adjourned meeting) shall be two or more members representing in excess of 50% of the total issued Shares entitled to vote upon the business to be transacted (and whether present in person by or by their respective proxies or duly authorised representatives).

27.2 A quorum at a class meeting shall be two or more Members holding in excess of 50% of the total issued Shares entitled to vote upon the business to be transacted of the relevant class (whether present in person or by their respective proxies or duly authorised representatives).

27.3 For the purpose of a variation to rights attached to both the B Preferred

registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company

### **Alteration of Share Capital**

21. Subject to the other provisions of these Articles, the Company may by ordinary resolution:
- 21.1 increase its share capital by new shares of such amount as the resolution prescribes;
  - 21.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - 21.3 subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
  - 21.4 cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- 21A. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the Directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the Directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 21B. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account or other distributable reserve in any way.

### **Purchase of Own Shares**

22. Subject to the provisions of the Act and any other agreement between the Shareholders, the Company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

### **General Meetings**

the Company pursuant to any authority conferred on the Directors pursuant to section 80 of the Companies Act 1985 (or, when in force, sections 549 to 551 (inclusive) of the Companies Act 2006).

16. The Company shall not, without Investor Majority Consent, allot shares which are not fully paid or which have a nominal value other than £0.001 per share.

### **Share Certificates**

17. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the Directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

### **Transmission of Shares**

18. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
19. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the Directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
20. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being

## **PART B**

### **Share Capital**

9. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the Articles.
10. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commissions may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
11. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.
12. Subject to the other provisions of these Articles and any direction to the contrary which may be given by the Company in general meeting, the Directors are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (or, when in force, sections 549 to 551 (inclusive) of the Companies Act 2006) to exercise all powers of the Company to allot, relevant securities (within the meaning of section 80(2) of the Companies Act 1985) or, as the case may be, shares (within the meaning of sections 549(1) to (3) and 551 of the Companies Act 2006) to such persons (including any Director) on such terms and at such time or times as they think fit, provided that no shares shall be issued at a discount.
13. The maximum amount of relevant securities which the Directors may allot pursuant to the authority in article 12 shall be equal to the amount of share capital of the Company authorised but unissued as at the date of adoption of these Articles or, where the authority is renewed, such other amount as shall be authorised by the Company in general meeting.
14. The authority conferred on the Directors by articles 6.5, 7.5, 8.5, 8A.5, 12 and 13 shall remain in force for a period of five years from the date of adoption of these Articles and thereafter provided this authority is renewed from time to time by the Company in general meeting in accordance with section 80 of the Companies Act 1985 (or, when in force, sections 549 to 551 (inclusive) of the Companies Act 2006) and is not revoked. The Directors may under the authority conferred on them by articles 6.5, 7.5, 8.5, 8A.5, 12 and 13 or under any renewal thereof make at any time prior to the expiry of such authority any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority.
15. Section 89(1) of the Act shall not apply to any allotment of equity securities by

Shares to the C Defaulting Shareholders as provided for in this article 8A and article 2C shall not apply to such allotments.

- 8A.6 In the event of an increase in the share capital of the Company by way of an allotment of Shares credited as fully or partly paid pursuant to a capitalisation of profits or reserves (other than pursuant to article 6, article 7, article 8 or this article 8A) or a sub-division, consolidation or other variation of the share capital of the Company subsequent to the date of adoption of these Articles, the C Bench Mark Price shall also be subject to adjustment on such basis as may be agreed by the Company with the holders of the C Defaulting Shares. Any dispute as to such adjustment shall be determined by the Company's auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its members. The costs of the auditors shall be borne by the Company.
- 8A.7 In the case of an issue of Additional Shares (other than pursuant to article 6, article 7, article 8 or this article 8A) for a consideration in whole or in part other than cash, in calculating the subscription price of these shares for the purposes of this article 8A, the consideration other than cash shall be deemed to be the fair value of such consideration as determined by the auditors of the Company (acting as experts and not as arbitrators), irrespective of any accounting treatment.
- 8A.8 The Directors and the Shareholders shall use their respective rights and powers to procure, so far as they are able, that the Company has sufficient authorised but unissued C Preferred Ordinary Shares to meet any obligations which may arise under this article 8A.

respect of which C Defaulting Bonus Shares are to be issued

- ESC** is the number of shares in the Company's equity share capital (as defined by the Act) that would be in issue on the date of conversion if all the Share Option Shares had been issued and all options, warrants, conversion rights and all other rights of any person to acquire Shares had been exercised and the Shares the subject of such rights had been issued less the total number of shares issued on the C Defaulting Qualifying Issue and the total number of C Defaulting Bonus Shares issued on the C Defaulting Qualifying Issue and the total number of C Bonus Shares to be issued in respect of the C Defaulting Qualifying Issue which also constitutes a C Qualifying Issue and the total number of Bonus Shares to be issued in respect of the C Defaulting Qualifying Issue which also constitutes a Qualifying Issue and the total number of B-1 Bonus Shares to be issued in respect of the C Defaulting Qualifying Issue which also constitutes a B-1 Qualifying Issue
- ASP** is the average subscription price per share paid for shares on the C Qualifying Issue calculated by dividing the aggregate of amounts paid or to be paid in respect of the Additional Shares issued pursuant to the C Qualifying Issue by the total number of Additional Shares issued pursuant to the C Qualifying Issue
- N** the number of C Defaulting Shares in issue immediately before the C Defaulting Qualifying Issue (but excluding any C Defaulting Shares issued prior to the date of the C Defaulting Qualifying Issue as a result of the previous operation of this clause 8A)
- NSC** is the total number of shares issued on the C Defaulting Qualifying Issue.

- 8A.3 The C Defaulting Bonus Shares shall be issued to the holders of the C Defaulting Shares pro rata to their respective holdings of C Defaulting Shares and shall be issued fully paid.
- 8A.4 In the event that the Company is prohibited from issuing the C Defaulting Bonus Shares, whether by virtue of the Act or any other reason, the holders of the C Defaulting Shares shall be entitled, at any time, to subscribe at nominal value for the relevant C Defaulting Bonus Shares that they would otherwise have been entitled to have received as a bonus issue by virtue of this article 8A.
- 8A.5 The directors of the Company are unconditionally authorised for the purpose of section 80 of the Companies Act 1985 (or, when in force, sections 549 to 551 (inclusive) of the Companies Act 2006) to allot the C Defaulting Bonus

**Defaulting Shareholder**”), without prejudice to the rights and remedies available to the Company (whether under these Articles, the Subscription and Shareholders’ Agreement or otherwise):

- 8.9.1 the provisions of this article 8 shall cease to apply to such C Defaulting Shareholder (in respect of all of its C Defaulting Shares) and each Shareholder (a “**C Transferee**”) who holds C Preferred Ordinary Shares as a result of a direct or indirect transfer by such C Defaulting Shareholder (in respect only of those C Preferred Ordinary Shares acquired (whether directly or indirectly) by such C Transferee from such C Defaulting Shareholder (“**C Transferee Defaulting Shares**”));
- 8.9.2 the provisions of article 8A shall apply to such C Defaulting Shareholder (in respect of all of its C Defaulting Shares) and each C Transferee (in respect of C Transferee Defaulting Shares); and
- 8.9.3 all references in this article 8 to “the holders of C Preferred Ordinary Shares” (or similar phrases) shall be deemed to exclude all C Defaulting Shareholders and C Transferees and all references in this article 8 to “C Preferred Ordinary Shares” shall be deemed to exclude all C Defaulting Shares.

#### **8A C Defaulting Anti – Dilution**

- 8A.1 If the Company issues any Additional Shares without consideration (other than pursuant to article 6, article 7, article 8 or this article 8A) or for a consideration per share less than the C Bench Mark Price (a “**C Defaulting Qualifying Issue**”) then the Company shall forthwith make a bonus issue of a certain number of C Preferred Ordinary Shares to the C Defaulting Shareholders, calculated in accordance with this article 8A (“**C Defaulting Bonus Shares**”)
- 8A.2 The total number of C Defaulting Bonus Shares to be issued to all the C Defaulting Shareholders shall equal:

$$\left( \frac{OSP \times N}{X} \right) - N$$

where:

$$X = \frac{(OSP \times ESC) + (ASP \times NSC)}{ESC + NSC}$$

and for the purpose of this article 8A.2:

**OSP** is the Subscription Price of the relevant C Defaulting Share in



excluding any C Defaulting Shares)

NSC is the total number of shares issued on the C Qualifying Issue.

- 8.3 The C Bonus Shares shall be issued to the holders of the C Preferred Ordinary Shares pro rata to their respective holdings of C Preferred Ordinary Shares and shall be issued fully paid.
- 8.4 In the event that the Company is prohibited from issuing the C Bonus Shares, whether by virtue of the Act or any other reason, the holders of the C Preferred Ordinary Shares shall be entitled, at any time, to subscribe at nominal value for the relevant C Bonus Shares that they would otherwise have been entitled to have received as a bonus issue by virtue of this article 8.
- 8.5 The directors of the Company are unconditionally authorised for the purpose of section 80 of the Companies Act 1985 (or, when in force, sections 549 to 551 (inclusive) of the Companies Act 2006) to allot the C Bonus Shares to the holders of the C Preferred Ordinary Shares as provided for in this article 8 and article 2C shall not apply to such allotments.
- 8.6 In the event of an increase in the share capital of the Company by way of an allotment of Shares credited as fully or partly paid pursuant to a capitalisation of profits or reserves (other than pursuant to article 6, article 7, this article 8 or article 8A) or a sub-division, consolidation or other variation of the share capital of the Company subsequent to the date of adoption of these Articles, the C Bench Mark Price shall also be subject to adjustment on such basis as may be agreed by the Company with the holders of the C Preferred Ordinary Shares. Any dispute as to such adjustment shall be determined by the Company's auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its members. The costs of the auditors shall be borne by the Company.
- 8.7 In the case of an issue of Additional Shares (other than pursuant to article 6, article 7, this article 8 or article 8A) for a consideration in whole or in part other than cash, in calculating the subscription price of these shares for the purposes of this article 8, the consideration other than cash shall be deemed to be the fair value of such consideration as determined by the auditors of the Company (acting as experts and not as arbitrators), irrespective of any accounting treatment.
- 8.8 The Directors and the Shareholders shall use their respective rights and powers to procure, so far as they are able, that the Company has sufficient authorised but unissued C Preferred Ordinary Shares to meet any obligations which may arise under this article 8.
- 8.9 In the event that a Further Investor fails to comply (whether in whole or in part) with its obligations under clause 2.7 of the Subscription and Shareholders' Agreement to subscribe for Second Stage Shares (a "C

$$\left[ \left( \frac{OSP \times N}{1} \right) - N \right] + \left[ \left( \frac{OSP \times N}{X} \right) - N \right] - \left[ \left( \frac{OSP \times N}{Y} \right) - N \right]$$

where:

$$X = \frac{(OSP \times ESC) + (ASP \times NSC)}{ESC + NSC}$$

$$Y = \frac{(OSP \times ESC) + \left[ \left( \frac{ASP \times NSC}{1} \right) \right]}{\left[ \left( \frac{ASP \times NSC}{1} \right) + ESC \right]}$$

and for the purpose of this article 8.2:

**OSP** is the Subscription Price of the relevant C Preferred Ordinary Share in respect of which C Bonus Shares are to be issued

**ESC** is the number of shares in the Company's equity share capital (as defined by the Act) that would be in issue on the date of conversion if all the Share Option Shares had been issued and all options, warrants, conversion rights and all other rights of any person to acquire Shares had been exercised and the Shares the subject of such rights had been issued less the total number of shares issued on the C Qualifying Issue and the total number of C Bonus Shares to be issued in respect of the C Qualifying Issue and the total number of Bonus Shares to be issued in respect of the C Qualifying Issue which also constitutes a Qualifying Issue and the total number of B-1 Bonus Shares to be issued in respect of the C Qualifying Issue which also constitutes a B-1 Qualifying Issue and the total number of C Defaulting Bonus Shares to be issued in respect of the C Qualifying Issue which also constitutes a C Defaulting Qualifying Issue

**ASP** is the average subscription price per share paid for shares on the C Qualifying Issue calculated by dividing the aggregate of amounts paid or to be paid in respect of the Additional Shares issued pursuant to the C Qualifying Issue by the total number of Additional Shares issued pursuant to the C Qualifying Issue

**N** the number of C Preferred Ordinary Shares in issue immediately before the C Qualifying Issue (but excluding any C Preferred Ordinary Shares issued prior to the date of the C Qualifying Issue as a result of the previous operation of this clause 8 and

- 7.6 In the event of an increase in the share capital of the Company by way of an allotment of Shares credited as fully or partly paid pursuant to a capitalisation of profits or reserves (other than pursuant article 6, this article 7, article 8 or article 8A) or a sub-division, consolidation or other variation of the share capital of the Company subsequent to the date of adoption of these Articles, the B-1 Bench Mark Price shall also be subject to adjustment on such basis as may be agreed by the Company with the holders of the B-1 Preferred Ordinary Shares. Any dispute as to such adjustment shall be determined by the Company's auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its members. The costs of the auditors shall be borne by the Company.
- 7.7 In the case of an issue of Additional Shares (other than pursuant to article 6, this article 7, article 8 or article 8A) for a consideration in whole or in part other than cash, in calculating the subscription price of these shares for the purposes of this article 7, the consideration other than cash shall be deemed to be the fair value of such consideration as determined by the auditors of the Company (acting as experts and not as arbitrators), irrespective of any accounting treatment.
- 7.8 The Directors and the Shareholders shall use their respective rights and powers to procure, so far as they are able, that the Company has sufficient authorised but unissued B-1 Preferred Ordinary Shares to meet any obligations which may arise under this article 7.

## **8 C Anti – Dilution**

- 8.1 Notwithstanding the provisions of article 91, if the Company issues any Additional Shares without consideration (other than pursuant to article 6, article 7, this article 8 or article 8A) or for a consideration per share less than the C Bench Mark Price (a “**C Qualifying Issue**”) then the Company shall forthwith make a bonus issue of a certain number of C Preferred Ordinary Shares to the holders of the C Preferred Ordinary Shares, calculated in accordance with this article 8 (“**C Bonus Shares**”)
- 8.2 Subject to article 8.9, the total number of C Bonus Shares to be issued to all the holders of C Preferred Ordinary Shares shall equal either:

- 8.2.1 in the event that ASP is £1.00 or more:

$$\left( \frac{OSP \times N}{ASP} \right) - N$$

or

- 8.2.2 in the event that ASP is less than £1.00:

$$X = \frac{(OSP \times ESC) + (ASP \times NSC)}{ESC + NSC}$$

and for the purpose of this article 7.2:

**OSP** is the Subscription Price of the relevant B-1 Preferred Ordinary Share in respect of which B-1 Bonus Shares are to be issued

**ESC** is the number of shares in the Company's equity share capital (as defined by the Act) that would be in issue on the date of conversion if all the Share Option Shares had been issued and all options, warrants, conversion rights and all other rights of any person to acquire Shares had been exercised and the Shares the subject of such rights had been issued less the total number of shares issued on the B-1 Qualifying Issue and the total number of B-1 Bonus Shares to be issued in respect of the B-1 Qualifying Issue and the total number of Bonus Shares to be issued in respect of the B-1 Qualifying Issue which also constitutes a Qualifying Issue

**ASP** is the average subscription price per share paid for shares on the B-1 Qualifying Issue calculated by dividing the aggregate of amounts paid or to be paid in respect of the Additional Shares issued pursuant to the B-1 Qualifying Issue by the total number of Additional Shares issued pursuant to the B-1 Qualifying Issue

**N** the number of B-1 Preferred Ordinary Shares in issue immediately before the B1 Qualifying Issue (but excluding any B-1 Preferred Ordinary Shares issued prior to the date of the Qualifying Issue as a result of the previous operation of this clause 7)

**NSC** is the total number of shares issued on the B1 Qualifying Issue.

7.3 The B-1 Bonus Shares shall be issued to the holders of the B-1 Preferred Ordinary Shares pro rata to their respective holdings of B-1 Preferred Ordinary Shares and shall be issued fully paid

7.4 In the event that the Company is prohibited from issuing the B-1 Bonus Shares, whether by virtue of the Act or any other reason, the holders of the B-1 Preferred Ordinary Shares shall be entitled, at any time, to subscribe at nominal value for the relevant B-1 Bonus Shares that they would otherwise have been entitled to have received as a bonus issue by virtue of this article 7.

7.5 The directors of the Company are unconditionally authorised for the purpose of section 80 of the Companies Act 1985 (or, when in force, sections 549 to 551 (inclusive) of the Companies Act 2006) to allot the B-1 Bonus Shares to the holders of the B-1 Preferred Ordinary Shares as provided for in this article 7 and article 2C shall not apply to such allotments.

- 6.5 The directors of the Company are unconditionally authorised for the purpose of section 80 of the Companies Act 1985 (or, when in force, sections 549 to 551 (inclusive) of the Companies Act 2006) to allot the Bonus Shares to the holders of the B Preferred Ordinary Shares as provided for in this article 6 and article 2C shall not apply to such allotments.
- 6.6 In the event of an increase in the share capital of the Company by way of an allotment of Shares credited as fully or partly paid pursuant to a capitalisation of profits or reserves (other than pursuant to this article 6, article 7, article 8 or article 8A) or a sub-division, consolidation or other variation of the share capital of the Company subsequent to the date of adoption of these Articles, the Bench Mark Price shall also be subject to adjustment on such basis as may be agreed by the Company with the holders of the B Preferred Ordinary Shares. Any dispute as to such adjustment shall be determined by the Company's auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its members. The costs of the auditors shall be borne by the Company.
- 6.7 In the case of an issue of Additional Shares (other than pursuant to this article 6, article 7, article 8 or article 8A) for a consideration in whole or in part other than cash, in calculating the subscription price of these shares for the purposes of this article 6, the consideration other than cash shall be deemed to be the fair value of such consideration as determined by the auditors of the Company (acting as experts and not as arbitrators), irrespective of any accounting treatment.
- 6.8 The Directors and the Shareholders shall use their respective rights and powers to procure, so far as they are able, that the Company has sufficient authorised but unissued B Preferred Ordinary Shares to meet any obligations which may arise under this article 6.

## **7 B-1 Anti – Dilution**

- 7.1 Notwithstanding the provisions of article 91, if the Company issues any Additional Shares without consideration (other than pursuant to article 6, this article 7, article 8 or article 8A) or for a consideration per Share less than the B-1 Bench Mark Price (a “**B-1 Qualifying Issue**”) then the Company shall forthwith make a bonus issue of a certain number of B-1 Preferred Ordinary Shares to the holders of the B-1 Preferred Ordinary Shares calculated in accordance with this article 7 (“**B-1 Bonus Shares**”).
- 7.2 The total number of B-1 Bonus Shares to be issued to all the holders of B-1 Preferred Ordinary Shares shall equal:

$$\left( \frac{OSP \times N}{X} \right) - N$$

where:

$$\left( \frac{OSP \times N}{X} \right) - N$$

where:

$$X = \frac{(OSP \times ESC) + (ASP \times NSC)}{ESC + NSC}$$

and for the purpose of this article 6.2:

- OSP** is the Subscription Price of the relevant B Preferred Ordinary Share in respect of which Bonus Shares are to be issued
- ESC** is the number of shares in the Company's equity share capital (as defined by the Act) that would be in issue on the date of conversion if all the Share Option Shares had been issued and all options, warrants, conversion rights and all other rights of any person to acquire Shares had been exercised and the Shares the subject of such rights had been issued less the total number of shares issued on the Qualifying Issue and the total number of Bonus Shares to be issued in respect of the Qualifying Issue and the total number of B-1 Bonus Shares to be issued in respect of the Qualifying Issue which also constitutes a B-1 Qualifying Issue
- ASP** is the average subscription price per share paid for shares on the Qualifying Issue calculated by dividing the aggregate of amounts paid or to be paid in respect of the Additional Shares issued pursuant to the Qualifying Issue by the total number of Additional Shares issued pursuant to the Qualifying Issue
- N** the number of B Preferred Ordinary Shares in issue immediately before the Qualifying Issue (but excluding any B Preferred Ordinary Shares issued prior to the date of the Qualifying Issue as a result of the previous operation of this clause 6)
- NSC** is the total number of shares issued on the Qualifying Issue.

- 6.3 The Bonus Shares shall be issued to the holders of the B Preferred Ordinary Shares pro rata to their respective holdings of B Preferred Ordinary Shares and shall be issued fully paid.
- 6.4 In the event that the Company is prohibited from issuing the Bonus Shares, whether by virtue of the Act or any other reason, the holders of the B Preferred Ordinary Shares shall be entitled, at any time, to subscribe at nominal value for the relevant Bonus Shares that they would otherwise have been entitled to have received as a bonus issue by virtue of this article 6

- 4B.1 If at any time one or more Shareholders (the "**Proposed Sellers**") propose to sell, in one or a series of related transactions (not being a Sale nor a Company Building Merger), a majority in nominal value of the Ordinary Shares and the Preferred Ordinary Shares taken together as one class (the "**Majority Holding**") to any person (not being an Offeror for the purposes of article 4A 1) other than pursuant to article 3 3, the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this article 4B.
- 4B.2 The Proposed Sellers shall give written notice (the "**Proposed Sale Notice**") to the other holders of Shares ("**Remaining Shareholders**") of such intended sale at least ten business days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "**Proposed Buyer**"), the purchase price and other terms and conditions of payment, the proposed date of sale (the "**Proposed Sale Date**") and the number of Shares proposed to be purchased by the Proposed Buyer (the "**Proposed Sale Shares**").
- 4B 3 Any Remaining Shareholder shall be entitled, by written notice given to the Proposed Sellers within five business days of receipt of the Proposed Sale Notice, to be permitted to sell the same proportionate number of his Shares (provided such Shares are fully paid up) equal to the proportion of all Shares held by the Proposed Sellers represented by the Majority Holding the subject of the Proposed Sale Notice, to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice.
- 4B.4 If any Remaining Shareholder is not given the rights accorded him by the provisions of this article 4B, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register the transfer of Proposed Sale Shares intended to carry such a sale into effect.

## **5 Sale: mandatory transfer notices**

If there is a Sale, the provisions of articles 4, 4A and 4B shall cease to apply immediately following completion of the Sale.

## **6 Anti – Dilution**

- 6.1 Notwithstanding the provisions of article 91, if the Company issues any Additional Shares without consideration (other than pursuant to this article 6, article 7, article 8 or article 8A) or for a consideration per share less than the Bench Mark Price (a "**Qualifying Issue**") then the Company shall forthwith make a bonus issue of a certain number of B Preferred Ordinary Shares to the holders of the B Preferred Ordinary Shares, calculated in accordance with this article 6 ("**Bonus Shares**").
- 6.2 The total number of Bonus Shares to be issued to all the holders of B Preferred Ordinary Shares shall equal:

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 4A) and the proposed date of transfer

- 4A.5 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Accepting Shareholders' Shares to the Offeror within 120 days after the date of service of the Drag Along Notice. The Accepting Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 4A.6 The consideration (in cash or otherwise) for which the Other Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration (in cash or otherwise) proposed to be paid by the Offeror for the entire issued share capital of the Company were to be distributed to the holders of the Called Shares and the Accepting Shareholders Shares in accordance with the provisions of article 2B.
- 4A.7 No Drag Along Notice may require an Other Shareholder to agree to any terms save those specifically provided for in this article 4A.
- 4A.8 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Accepting Shareholders' Shares unless:
- 4A.8.1 all of the Other Shareholders and the Accepting Shareholders agree otherwise; or
- 4A.8.2 that date is less than 5 business days after the Drag Along Notice where it shall be deferred until the fifth day after the Drag Along Notice.
- 4A.9 The rights of pre-emption set out in these Articles shall not arise on any transfer of Shares to a Offeror pursuant to a sale in accordance with the provisions of this article 4A and in respect of which a Drag Along Notice has been duly served.
- 4A.10 If any holder of Shares does not on completion of the sale of Called Shares execute a transfer(s) in respect of all the Called Shares held by them the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Accepting Shareholders to be their agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Offeror and the Directors shall forthwith register the Offeror as the holder thereof. After the Offeror has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of Shares under this sub-article that no share certificate has been produced.

#### **4B. Tag Along**



terms and conditions of payment, the proposed date of sale (the "**Co-Sale Date**") and the number of Sale Shares proposed to be purchased by the Co-Sale Transferee (the "**Co-Sale Shares**")

- 4.10 Any Co-Sale Shareholder shall be entitled, by written notice given to the Co-Sale Transferee within five business days of receipt of the Co-Sale Notice, to be permitted to sell to the Co-Sale Transferee such number of Shares held by each Co-Sale Shareholder which represents the same proportion of the Shares held by each Co-Sale Shareholder as is equal to the proportion of Shares held by the Co-Sale Transferee represented by the Co-Sale Shares, on the same terms and conditions as those set out in the Co-Sale Notice.
- 4.11 If any Co-Sale Shareholder is not given the rights accorded him by the provisions of this article 4, the Co-Sale Transferor shall be required not to complete their sale of the Co-Sale Shares and the Company shall be bound to refuse to register the transfer of Co-Sale Shares intended to carry such a sale into effect.
- 4.12 Any Share required to be transferred by a Transferor to an Approved Transferee pursuant to this article shall be transferred free from any mortgage, charge, lien, option or other encumbrance and with the benefit of all rights and entitlements attaching thereto.
- 4.13 A Director shall be regarded as having an interest which is material and which conflicts with the interests of the Company (and accordingly shall not be entitled to vote in relation to at any meeting of the Directors) in any matter which requires to be determined or otherwise decided upon by the Directors pursuant to or for the purpose of this article 4 to the extent such matter relates to any Shares held by such Director or any Associate of such Director or in which such Director is otherwise interested

#### **4A. Drag Along**

- 4A.1 In these Articles a "**Qualifying Offer**" shall mean an offer or offers in writing by or on behalf of any bona fide arms length purchaser (the "**Offeror**") to the holders of the entire issued share capital in the Company to acquire all their Shares, which the Investor Majority wishes to accept.
- 4A.2 In this Article 4A, the phrase "**Accepting Shareholders**" shall mean the Investor Majority and the phrase "**Accepting Shareholders Shares**" shall mean all the Investor Majority's respective Shares
- 4A.3 The Accepting Shareholders shall give written notice ("**Drag Along Notice**") to the remaining holders of Shares (the "**Other Shareholders**") of their wish to accept the Qualifying Offer before the transfer of the Accepting Shareholders' Shares to the Offeror.
- 4A.4 A Drag Along Notice shall specify that the Other Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to this article 4A, the

days after the date by which applications had to be received) at which the sale of the Sale Shares shall be completed.

- 4.5.6 Allocations of Sale Shares by the Company in accordance with this article 4.5 shall constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them
- 4.6 If, within 60 days of the service or deemed service of the Transfer Notice (the "**Prescribed Period**"), the Company shall, pursuant to the foregoing provisions of this article 4, find Shareholders or other persons (herein called "**Approved Transferees**") to purchase some or all the Sale Shares it shall as soon as practicable after so doing give notice in writing thereof to the Transferors and the Approved Transferees. Every such notice shall state the name and address of each of the Approved Transferees and the number of the Sale Shares to be purchased by him and shall specify a place and time and date (not being less than three days nor more than seven days after the date of such notice) at which the sale and purchase shall be completed. Upon the giving by the Company of any such notice as aforesaid, the Transferors shall be bound (subject only to due payment of the Sale Price) to complete the sale of the Sale Shares to which such notice relates in accordance with its terms.
- 4.7 If a Transferor shall (save only for reason that an Approved Transferee does not duly pay the Sale Price) fail to duly transfer any Sale Shares to an Approved Transferee, the Directors shall be entitled to, and shall, authorise and instruct some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for such Transferor and shall cause such Approved Transferee to be registered as the holder of such Shares. The receipt of the Company for the purchase money shall be a good discharge to the Approved Transferee (who shall not be bound to see to the application thereof) and after the Approved Transferee has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.
- 4.8 If the Company shall not, prior to the expiry of the Prescribed Period, find Approved Transferees willing to purchase all of the Sale Shares, it shall, as soon as practicable following such expiry, give notice in writing thereof to the Transferors and each Transferor ("**Co-Sale Transferor**") shall be entitled to retain the Sale Shares not purchased by Approved Transferees or sell such Sale Shares at a price not less than the Sale Price (unless otherwise agreed by the Directors with Investor Majority Consent) to a third party ("**Co-Sale Transferee**") provided that the provisions of article 3 and the following provisions of this article are complied with
- 4.9 The Co-Sale Transferor shall give written notice (the "**Co-Sale Notice**") to the other holders of Shares ("**Co-Sale Shareholders**") of any intended sale to a Co-Sale Transferee at least ten business days prior to the date thereof. The Co-Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the Co-Sale Transferee, the purchase price and other

C Preferred Ordinary	C Preferred Ordinary	B Preferred Ordinary	A Preferred Ordinary	Ordinary
Ordinary	Ordinary	C Preferred	B Preferred Ordinary	A Preferred Ordinary

- 4.5.3 If the total number of Sale Shares applied for by the Shareholders in any relevant class is equal to or less than the number of Sale Shares available, the Sale Shares shall be allocated in satisfaction of the applications received.
- 4.5.4 If the total number of Sale Shares applied for by the Shareholder in any relevant class is more than the number of Sale Shares available, the Directors shall allocate Sale Shares in satisfaction of each such Shareholders' application for Sale Shares in accordance with the following formula. This formula shall be applied repeatedly until such time as there are no Sale Shares remaining to be allocated. Each application of the formula is herein referred to as an 'iteration'.

$$A = \left( \frac{B}{C} \right) \times D$$

- A** is the number of Sale Shares to be allocated to the relevant Shareholder in the iteration
- B** is the number of Shares of the relevant class held by the Shareholder.
- C** is the number of Shares of the relevant class held by all Shareholders to whom the iteration is being applied.
- D** is the number of Sale Shares or, after the first iteration, the number of Sale Shares remaining unallocated by previous iterations.

If, in any iteration, a Shareholder would be allocated all or more than all of the Sale Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that Shareholder. That Shareholder will cease to take part in any further iterations and the excess Sale Shares will be available for allocation in the next iteration.

- 4.5.5 the Company shall notify the Transferor and each Shareholder who applied for Sale Shares of the number of Sale Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14

4.4 Sale Shares shall, in so far as they are not Priority Shares offered to any person pursuant to article 4 3 or, if offered, not taken up by any person to whom they are offered, be offered in writing by the Company to the holders for the time being of Shares (other than the Transferors and any person who remains a Shareholder but in respect of the Shares held by such person there has been deemed to have been given a Mandatory Transfer Notice on or prior to the date on which any such offer as is referred to in this article 4.4 is made).

4.5.1 Any offer as is required to be made by the Company pursuant to article 4 4 shall specify the number of Sale Shares on offer and the Sale Price and shall be made to all Shareholders:

- (a) in so far as they are not Priority Shares offered to any person pursuant to article 4.3, as soon as possible following the deemed service of the Transfer Notice for Sale Shares subject to a Mandatory Transfer Notice;
- (b) in so far as they are Priority Shares offered to any person pursuant to article 4.3, as soon as possible following the offer (in whole or part) not being taken up by the person to whom they are offered; and
- (c) in all other cases, as soon as possible following the agreement or determination of the Sale Price for Sale Shares,

of the relevant Sale Shares and shall limit a time (not being less than 14 days or more than 21 days) after such offer is made within which it must be accepted or, in default, will lapse.

4.5.2 The Sale Shares of the class specified in column (1) below shall be allocated first in satisfaction of the applications received from Shareholders holding the class of share set out in the corresponding line of column (2) and after all applications for Sale Shares by that class have been satisfied any Sale Shares remaining shall be allocated in satisfaction of applications received from Shareholders holding the class of share set out in the corresponding line of column (3) and then (4) and then (5) in that order of priority.

<b>(1) Class of Sale Shares</b>	<b>(2) First Preferred Applicants</b>	<b>(3) Second Preferred Applicants</b>	<b>(4) Third Preferred Applicants</b>	<b>(5) Fourth Preferred Applicants</b>
A Preferred Ordinary	A Preferred Ordinary	C Preferred Ordinary	B Preferred Ordinary	Ordinary
B Preferred Ordinary	B Preferred Ordinary	C Preferred Ordinary	A Preferred Ordinary	Ordinary

Mandatory Transfer Notice is in respect of Ordinary Shares, the Directors shall determine whether any of the Sale Shares should be offered for sale first either to any person or persons who is or are (an) existing director(s) and/or employee(s) of a Group Company or to a person or persons (whether or not then ascertained) who it is proposed should be appointed as director(s) and/or employee(s) of a Group Company whether or not in place of the person by whom the relevant Mandatory Transfer Notice was deemed to be given, in which case the provisions of paragraph (b) below shall apply.

4.3.2 If the Directors do so resolve as set out in article 4.3 1 above then, in relation to such Sale Shares (the "**Priority Shares**"), the provisions of article 4.4 shall not apply to the extent that the Priority Shares shall be offered by the Company to the person(s) (and, in the case of more than one, in the proportions) determined by the Directors (conditional, in the case of any named prospective director and/or employee and/or consultant, upon his taking up his proposed appointment with a Group Company). For this purpose, the Directors may resolve that some or all of the Priority Shares should be offered (either in the first instance or insofar as not taken up by any other person(s) specified in such notice) to not less than two persons designated by the Directors ("**Custodians**") to be held (in the event of their acquiring Priority Shares) on and subject to such terms as are referred to in paragraph 4.3.3 below.

4.3.3 If Custodians become the holders of Priority Shares, then they shall hold the same on, and subject to, the following terms:

- (a) they may exercise the voting rights (if any) for the time being attaching to such Priority Shares as they think fit;
- (b) save with prior approval of the Directors, they shall not encumber the same,
- (c) they will transfer the legal title to such Priority Shares and all such other interests as they may have therein to (and only to) such person or persons and at such time or times and otherwise on such terms as the Directors may from time to time direct by notice in writing to the Custodians provided that, unless they are indemnified to their reasonable satisfaction, the Custodians may not be required to enter into any agreement or otherwise take any action if and to the extent that they would or might incur any personal liability (whether actual or contingent) or suffer any personal loss;
- (d) if an offer is made to them for the Priority Shares (whether as part of a general offer or otherwise) then they shall seek instructions from the Directors as to what (if any) actions they should take with regard thereto but, absent instructions from the Directors within 14 days of seeking the same, the Custodians may accept or decline to accept such offer, as they think fit

Company notice in writing of such desire (a **"Voluntary Transfer Notice"**)

- 4.2.2 Each Transfer Notice shall unconditionally constitute the Company the agent of the Transferors in relation to the sale of all the legal title to, beneficial ownership of and all interests and rights attaching to the Shares which are the subject of the Transfer Notice (the **"Sale Shares"**) at the Sale Price. A Mandatory Transfer Notice shall not be revocable.
- 4.2.3 The Sale Price for Sale Shares subject to a Voluntary Transfer Notice shall be the price agreed by the Transferor and the Directors. If the Transferor and the Directors are unable to agree a price within 21 days of the Voluntary Transfer Notice being given the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value of the Sale Shares. In arriving at his opinion the Independent Expert will value the Sale Shares as at the date the Voluntary Transfer Notice is given, or is deemed to have been given, on a going concern basis as between a willing seller and a willing buyer, ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. The determination of the Independent Expert as to the Sale Price shall be final and binding. In the event that the Transferor has received an offer for its Sale Shares from a bona fide third party purchaser in good faith and on an arm's length basis (**"Third Party Offeror"**) before the Transferor has given to the Company its Voluntary Transfer Notice, the Sale Price shall be the price offered for those Sale Shares by the Third Party Offeror (**"Third Party Offer Price"**) provided that such price is not manifestly and significantly different from the Directors' reasonable expectation of the fair value of the Sale Shares and the Transferor gives reasonable detail of the Third Party Offeror and the Third Party Offer Price to the Directors
- 4.2.4 If the Independent Expert is asked to certify the fair value his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Transferor. The Transferor shall be entitled by notice in writing given to the Company within seven days of the service upon him of the copy certificate to cancel the Company's authority to sell the Sale Shares. The cost of obtaining the certificate shall be paid by the Company unless the Transferor cancels the Company's authority to sell the Sale Shares as referred to above in which case the Transferor shall bear the cost.
- 4.2.5 The Sale Price for Sale Shares subject to a Mandatory Transfer Notice shall be the Subscription Price of such Sale Shares.

#### 4.3

- 4.3.1 If any Mandatory Transfer Notice is deemed to be given and such

the CUTS Group or nominee or bare trustee of a CUTS Associate or any member of the CUTS Group. In the event such transfer does not take place within 20 business days of the date of receipt of the relevant notice, there shall be deemed to have been given on such date a notice (which in addition to the notices referred to in articles 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7, 4.1.8 and 4.1.9 and, for the purposes of these Articles, shall be a "**Mandatory Transfer Notice**") in respect of all the Shares held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7, 4.1.8 and 4.1.9 "**Transferors**").

4.1.11 If any transferee pursuant to article 3.3.9 ceases to be an ETV Associate, a member of the ETV Group or a nominee or bare trustee of an ETV Associate or any member of the ETV Group, it shall forthwith upon receipt of a notice from the Company requesting it to do so transfer the relevant Shares back to an ETV Associate or member of the ETV Group or nominee or bare trustee of an ETV Associate or any member of the ETV Group. In the event such transfer does not take place within 20 business days of the date of receipt of the relevant notice, there shall be deemed to have been given on such date a notice (which in addition to the notices referred to in articles 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9 and 4.1.10 and, for the purposes of these Articles, shall be a "**Mandatory Transfer Notice**") in respect of all the Shares held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9 and 4.1.10 "**Transferors**").

4.1.12 If any transferee pursuant to article 3.3.10 ceases to be a SVB Associate, a member of the SVB Group or a nominee or bare trustee of a SVB Associate or any member of the SVB Group, it shall forthwith upon receipt of a notice from the Company requesting it to do so transfer the relevant Shares back to a SVB Associate or member of the SVB Group or nominee or bare trustee of a SVB Associate or any member of the SVB Group. In the event such transfer does not take place within 20 business days of the date of receipt of the relevant notice, there shall be deemed to have been given on such date a notice (which in addition to the notices referred to in articles 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10 and 4.1.11 and, for the purposes of these Articles, shall be a "**Mandatory Transfer Notice**") in respect of all the Shares held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10 and 4.1.11 "**Transferors**").

## 4.2

4.2.1 Save as otherwise provided in these Articles, every Shareholder who desires to transfer any shares (a "**Transferor**") shall give to the

relevant Shares back to a Gilde Associate or member of the Gilde Group or nominee or bare trustee of a Gilde Associate or any member of the Gilde Group. In the event such transfer does not take place within 20 business days of the date of receipt of the relevant notice, there shall be deemed to have been given on such date a notice (which in addition to the notices referred to in articles 4.1.1, 4.1.2, 4.1.3, 4.1.5 and 4.1.6 and, for the purposes of these Articles, shall be a “**Mandatory Transfer Notice**”) in respect of all the Shares held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, 4.1.2, 4.1.3, 4.1.5 and 4.1.6, “**Transferors**”).

4.1.8 If any transferee pursuant to article 3.3.6 ceases to be an Essex Associate, a member of the Essex Group or a nominee or bare trustee of an Essex Associate or any member of the Essex Group, it shall forthwith upon receipt of a notice from the Company requesting it to do so transfer the relevant Shares back to an Essex Associate or member of the Essex Group or a nominee or bare trustee of an Essex Associate or any member of the Essex Group. In the event such transfer does not take place within 20 business days of the date of receipt of the relevant notice, there shall be deemed to have been given on such date a notice (which in addition to the notices referred to in articles 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6 and 4.1.7, for the purposes of these Articles, shall be a “**Mandatory Transfer Notice**”) in respect of all the Shares held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6 and 4.1.7 “**Transferors**”).

4.1.9 (If any transferee pursuant to article 3.3.7 ceases to be a Nomura Associate, a member of the Nomura Group or a nominee or bare trustee of a Nomura Associate or any member of the Nomura Group, it shall forthwith upon receipt of a notice from the Company requesting it to do so transfer the relevant Shares back to a Nomura Associate or member of the Nomura Group or a nominee or bare trustee of a Nomura Associate or any member of the Nomura Group. In the event such transfer does not take place within 20 business days of the date of receipt of the relevant notice, there shall be deemed to have been given on such date a notice (which in addition to the notices referred to in articles 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7 and 4.1.8 and, for the purposes of these Articles, shall be a “**Mandatory Transfer Notice**”) in respect of all the Shares held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7 and 4.1.8, “**Transferors**”).

4.1.10 If any transferee pursuant to article 3.3.8 ceases to be a CUTS Associate, a member of the CUTS Group or a nominee or bare trustee of a CUTS Associate or any member of the CUTS Group, it shall forthwith upon receipt of a notice from the Company requesting it to do so transfer the relevant Shares back to a CUTS Associate or member of



respect of the Relevant Proportion of the Shares then held by the trustee in bankruptcy (who shall be, in addition to the persons referred to in clause 4.1.1 and 4.1.2, a "**Transferor**") provided that if the Relevant Proportion of such Shares is not an integer the number of Shares in respect of which the Mandatory Transfer Notice shall be deemed to have been given is the next integral number which is greater than the Relevant Proportion of the Shares held by the trustee in bankruptcy as at the date of the Mandatory Transfer Notice

4.1.4 The "**Relevant Proportion**" referred to in articles 4.1.1, 4.1.2 and 4.1.3 above in respect of each of the Shares shall be determined by reference to the designation given to such Shares in accordance with article 2 above.

4.1.5 If any transferee pursuant to article 3.3.3 ceases to be an Abingworth Associate, a member of the Abingworth Group or a nominee or bare trustee of an Abingworth Associate or any member of the Abingworth Group, it shall forthwith upon receipt of a notice from the Company requesting it to do so transfer the relevant Shares back to an Abingworth Associate or member of the Abingworth Group or a nominee or bare trustee of an Abingworth Associate or any member of the Abingworth Group. In the event such transfer does not take place within 20 business days of the date of receipt of the relevant notice, there shall be deemed to have been given on such date a notice (which in addition to the notices referred to in articles 4.1.1, 4.1.2 and 4.1.3 and, for the purposes of these Articles, shall be a "**Mandatory Transfer Notice**") in respect of all the Shares held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, 4.1.2 and 4.1.3, "**Transferors**")

4.1.6 If any transferee pursuant to article 3.3.4 ceases to be a person to which a transfer of Shares was permitted to be made by Wellcome pursuant to article 3.3.4, it shall forthwith upon receipt of a notice from the Company requesting it to do so transfer the relevant Shares back to a person to which a transfer of Shares would be permitted to be made by Wellcome pursuant to article 3.3.4. In the event such transfer does not take place within 20 business days of the date of receipt of the relevant notice, there shall be deemed to have been given on such date a notice (which in addition to the notices referred to in articles 4.1.1, 4.1.2, 4.1.3 and 4.1.5 and, for the purposes of these Articles, shall be a "**Mandatory Transfer Notice**") in respect of all the Shares held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, 4.1.2, 4.1.3 and 4.1.5, "**Transferors**").

4.1.7 If any transferee pursuant to article 3.3.5 ceases to be a Gilde Associate, a member of the Gilde Group or a nominee or bare trustee of a Gilde Associate or any member of the Gilde Group, it shall forthwith upon receipt of a notice from the Company requesting it to do so transfer the

then there shall be deemed to have been given on the date of such cessation a notice (a "**Mandatory Transfer Notice**") in respect of the Relevant Proportion (as defined in article 4.1.4 below) of the Shares which were received in such capacity then held by such person and any Associate(s) of such person (the "**Transferors**") provided that if the Relevant Proportion of such Shares is not an integer the number of Shares in respect of which the Mandatory Transfer Notice shall be deemed to have been given is the next integral number which is greater than the Relevant Proportion of such Shares held by all Transferors as at the date of the Mandatory Transfer Notice.

4.1.2 If at any time:

- (a) any person who is a consultant to any Group Company shall cease for whatever reason (including, without limitation, death) to be such a consultant; and
- (b) such person and/or any Associate(s) of such person shall be the holder of any Shares acquired in the capacity of consultant to any Group Company;

then there shall be deemed to have been given on the date of such cessation a notice (which, in addition to the notice referred to in article 4.1.1 and for the purposes of these Articles, shall be a "**Mandatory Transfer Notice**") in respect of the Relevant Proportion of the Shares received in such capacity then held by such person and any Associate(s) of such person (all of whom shall be, in addition to the persons referred to in clause 4.1.1, "**Transferors**") provided that if the Relevant Proportion of such Shares is not an integer the number of Shares in respect of which the Mandatory Transfer Notice shall be deemed to have been given is the next integral number which is greater than the Relevant Proportion of such Shares held by all Transferors as at the date of the Mandatory Transfer Notice.

4.1.3 If at any time:

- (a) any holder of Shares is a trustee in bankruptcy who has acquired such Shares from a person who is or was an officer and/or employee of any Group Company; and
- (b) at the date of such acquisition of Shares by the trustee in bankruptcy the Relevant Proportion of those Shares is greater than zero;

then there shall be deemed to have been given on the date of such acquisition of Shares by the trustee in bankruptcy a notice (which, in addition to the notices referred to in articles 4.1.1 and 4.1.2 and, for the purposes of these Articles, shall be a "**Mandatory Transfer Notice**") in

3.3 10 any shareholder who is a SVB Associate or a member of the SVB Group may at any time transfer any Share to another SVB Associate or to another member of the SVB Group or to a nominee or bare trustee;

3 3.11 any Shareholder holding Shares as a result of a transfer made after the date of adoption of these Articles by a person in relation to whom such Shareholder was a permitted transferee under the provisions of this article 3 3 may at any time transfer any Share to the person who originally transferred such Shares (or to any other permitted transferee of such original transferor).

3.4 The Company shall be obliged to register any transfer made pursuant to the provisions of article 3.3.

3.5 If, in relation to a transfer of a Share, the transferor thereof is a party to any agreement between the Company and some or all of its Shareholders (being an agreement additional to these Articles) then the Directors shall (unless all the parties to such agreement otherwise agree in writing):

3 5.1 require the transferee of such Share to enter into a written undertaking (in such form as the Directors may prescribe) to be bound (to such extent as the Directors may stipulate) by the provisions of such agreement; and

3.5.2 decline to register the transfer of such Share unless and until the transferee has entered into such written undertaking.

#### **4 Share transfers: mandatory transfer notices**

##### **4.1**

4.1.1 If at any time:

(a) any person who is an officer and/or employee of any Group Company shall cease for whatever reason (including, without limitation, death) to be:

(i) (if that person is an officer and an employee) both an officer and an employee of any Group Company;

(ii) (if that person is an officer only) an officer of any Group Company, or

(iii) (if that person is an employee only) an employee of any Group Company; and

(b) such person and/or any Associate(s) of such person shall be the holder of Shares acquired in the capacity of officer and/or employee of any Group Company;

- (a) the new or remaining trustees of the Family Trust upon any change of trustees, and
  - (b) any persons (being the spouse or child (including adopted child) of a Shareholder or of a former Shareholder who has previously transferred some or all of his Shares in accordance with article 3.3 1(b) on their becoming entitled to the same under the terms of the Family Trust,
- 3.3.3 any shareholder who is an Abingworth Associate or a member of the Abingworth Group may at any time transfer any Share to another Abingworth Associate or to another member of the Abingworth Group or to a nominee or bare trustee;
- 3.3.4 a transfer of Shares may at any time be made by Wellcome or any successor or additional trustee or trustees of the Wellcome Trust from time to time, or any company whose shares are all held directly or indirectly by the Wellcome Trust, or any nominee or custodian of any successor or additional trustee or such person to any trustees of the Wellcome Trust from time to time, or to any such company or nominee or custodian of any such person;
- 3.3.5 any shareholder who is a Gilde Associate or a member of the Gilde Group may at any time transfer any Share to another Gilde Associate or to another member of the Gilde Group or to a nominee or bare trustee;
- 3.3.6 any shareholder who is an Essex Associate or a member of the Essex Group may at any time transfer any Share to another Essex Associate or to another member of the Essex Group or to a nominee or bare trustee provided that any such transfer:
- (a) is for the purposes of and in accordance with the management of funds managed or advised by the members of the Essex Group; and
  - (b) is not in substance a transfer which should be regulated under article 4, given the purpose of article 4;
- 3.3.7 any shareholder who is a Nomura Associate or a member of the Nomura Group may at any time transfer any Share to another Nomura Associate or to another member of the Nomura Group or to a nominee or bare trustee;
- 3.3.8 any shareholder who is a CUTS Associate or a member of the CUTS Group may at any time transfer any Share to another CUTS Associate or to another member of the CUTS Group or to a nominee or bare trustee;
- 3.3.9 any shareholder who is an ETV Associate or a member of the ETV Group may at any time transfer any Share to another ETV Associate or to another member of the ETV Group or to a nominee or bare trustee;

### 3 Share Transfers: general

3.1 The instrument of transfer of a Share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor (but shall not require to be executed by or on behalf of the transferee unless any Share to which it relates is not fully paid). The transferor shall remain the holder of the Shares concerned until the name of the transferee is entered in the register of members in respect thereof.

3.2 The Directors may refuse to register the transfer of any Share:

3.2.1 being a Share which is not fully paid, to a person of whom they do not approve; or

3.2.2 on which the Company has a lien; or

3.2.3 unless:

(a) it is lodged at the Office or at such other place as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(b) it is in respect of only one class of Shares; and

(c) it is in favour of not more than four transferees; or

3.2.4 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 let, hindrance or court approval.

3.3 Notwithstanding the provisions of article 4 and 4.B:

3.3.1 any Shareholder who is an individual may at any time transfer any Share to:

(a) that Shareholder's spouse or child (including adopted child) provided that the transferee is over the age of 18; or

(b) to the trustees of a trust or settlement set up wholly for the benefit of that Shareholder and/or that Shareholder's spouse or child (including adopted child) (a "Family Trust");

3.3.2 any shareholder who is a trustee of a Family Trust may at any time transfer any share to:-

- 2D.1.2 the entering into of an unconditional agreement for a Sale or a Company Building Merger;
- 2D.1.3 where an agreement for a Sale or a Company Building Merger is conditional in any respect, that agreement becoming unconditional in all respects; or
- 2D.1.4 service on the Company of a written notice for conversion of all the Preferred Ordinary Shares signed by the Investor Majority.
- 2D.2 In these Articles, "**Individual Conversion Event**" shall mean the service of a written notice (the "**Individual Conversion Notice**") on the Company by a holder of Preferred Ordinary Shares requesting that some or all of the Preferred Ordinary Shares which it holds be converted on a specified date ("**Individual Conversion Date**") in accordance with the terms of article 2D.5.
- 2D.3 As soon as practicable before either a Conversion Event or an Individual Conversion Date, the Company shall give written notice to each holder of Preferred Ordinary Shares falling to be converted of the date on which conversion is expected to be made and the place at which the certificates in respect of such Shares are to be presented.
- 2D.4 Immediately prior to a Conversion Event, each Preferred Ordinary Share then in issue shall be converted into one Ordinary Share (the "**Conversion Rate**").
- 2D.5 On an Individual Conversion Date, each Preferred Ordinary Share held by the person who served the Individual Conversion Notice shall be converted into one Ordinary Share (the "**Conversion Rate**").
- 2D.6 The Ordinary Shares resulting from a conversion shall for purposes of dividend, voting and return of capital be identical in all respects to, form one class with, have the same nominal value as and (for all other purposes) rank *pari passu* with the other Ordinary Shares then in issue.
- 2D.7 On the Conversion Date, immediately prior to the Conversion Event or Individual Conversion Date (as the case may be), the Company shall, provided that it has sufficient Available Profits out of which to pay the same, pay to the holder(s) of the Preferred Ordinary Shares falling to be converted a dividend equal to all and any accruals and/or unpaid amounts of the Preferred Ordinary Dividend under article 2A.4, together with interest at the Interest Rate provided that an Investor Majority may, for the avoidance of doubt, resolve that no amount of such accrued and/or unpaid Preferred Ordinary Dividend shall be paid.
- 2D.8 If the Company is unable to pay in full any of the amounts referred to in article 2D.7 by reason of having insufficient Available Profits then it shall pay the same to the extent that it is lawfully able to do so and the balance shall not be paid and shall cease to be payable.

holder, an amount equal to its Subscription Price and any amounts due to such holder arising under article 2A.4 from non-payment of the A Preferred Ordinary Dividend together with interest at the Interest Rate on such unpaid amounts; or

- (b) if there is a shortfall the surplus assets shall be distributed to the holders of the A Preferred Ordinary Shares in proportion to the amounts that would have been paid to the holders of the A Preferred Ordinary Shares had there been sufficient assets under article 2B.3 3(a) above; and

2B.3.4 the balance of such assets (if any) shall be distributed amongst the holders of the Shares pro rata to the number of Shares held by each such holder as if all the Shares constituted one class.

2B.4 On a Sale, the Shareholders selling Shares shall promptly pay the proceeds thereof into a joint account at a UK clearing bank nominated by the Investor Majority prior to the Sale and such proceeds shall then be allocated and paid out promptly to the Shareholders selling Shares as if the proceeds were the subject of a return of capital under article 2B.2 and/or (as the case may be) 2B.3.

## **2C. Rights on Issue of Shares**

2C.1 Unless an Investor Majority otherwise agrees with the Company, all Relevant Securities shall first be offered to the Shareholders in proportion as nearly as possible to the number of Shares held by them (the "**First Offer**"). The First Offer shall be open for acceptance for not less than 14 days from the date of despatch of notice to the Shareholders of such offer. Any Relevant Securities not accepted during the period of the First Offer shall be offered to the Shareholders who have agreed to subscribe for all the Relevant Securities offered to them, in the proportion as nearly as possible to the number of Shares held between them (the "**Second Offer**"). The Second Offer shall be open for acceptance for not less than 14 days from the date of despatch of notice of the Second Offer to the relevant Shareholders of such offer.

2C.2 Any Relevant Securities not accepted in the Second Offer shall be at the disposal of the Directors who may (within the period of three months from the end of the period for acceptance of the Second Offer) allot, grant options over or otherwise dispose of the same to such persons at a price per Share not less and otherwise on terms not more favourable than that at which the same were offered to such Shareholders.

## **2D. Conversion Rights**

2D.1 In these Articles, "**Conversion Event**" shall mean any one of the following events:-

2D.1.1 the obtaining of a Qualifying Quotation;

from non-payment of the Preferred Ordinary Dividends together with interest at the Interest Rate on such unpaid amounts) shall be distributed amongst the holders of the Preferred Ordinary Shares and the Ordinary Shares (*pari passu* as if the same constituted one class of Shares) pro rata to the number of Shares held by such persons

2B.3 If, on a return of capital on a liquidation or otherwise (except on a redemption or purchase by the Company of any Shares), (i) the surplus assets of the Company were to be distributed in accordance with article 2B.2 and (ii) each holder of C Preferred Ordinary Shares would receive in respect of each C Preferred Ordinary Share of which it is the holder an amount which is not in excess of its Subscription Price (including, for the avoidance of doubt, any debts arising under article 2A.4 from non-payment of the C Preferred Ordinary Dividend together with interest at the Interest Rate on such unpaid amounts), then the provisions of article 2B.2 shall not apply and the surplus assets of the Company remaining after the payment of its liabilities (which liabilities shall not include for the avoidance of doubt any debts arising under article 2A.4 from non-payment of the Preferred Ordinary Dividends, which shall be dealt with in accordance with the provisions of this article 2B.3) shall be applied in the following order of priority:-

2B.3.1 (a) first, in paying to each holder of C Preferred Ordinary Shares in respect of each C Preferred Ordinary Share of which it is the holder, an amount equal to its Subscription Price and any amounts due to such holder arising under article 2A.4 from non-payment of the C Preferred Ordinary Dividend together with interest at the Interest Rate on such unpaid amounts or

(b) if there is a shortfall the surplus assets shall be distributed to the holders of the C Preferred Ordinary Shares in proportion to the amounts that would have been paid to the holders of the C Preferred Ordinary Shares had there been sufficient assets under article 2B.3.1(a) above;

2B.3.2 (a) second, in paying to each holder of B Preferred Ordinary Shares in respect of each B Preferred Ordinary Share of which it is the holder, an amount equal to its Subscription Price and any amounts due to such holder arising under article 2A.4 from non-payment of the B Preferred Ordinary Dividend together with interest at the Interest Rate on such unpaid amounts; or

(b) if there is a shortfall the surplus assets shall be distributed to the holders of the B Preferred Ordinary Shares in proportion to the amounts that would have been paid to the holders of the B Preferred Ordinary Shares had there been sufficient assets under article 2B.3.2(a) above;

2B.3.3 (a) third, in paying each holder of A Preferred Ordinary Shares in respect of each A Preferred Ordinary Share of which it is the



as it is able to pay and it shall not pay (and shall have no continuing obligation to pay under this article 2A or under articles 2B or 2D or otherwise under these Articles) the unpaid amount of the Preferred Ordinary Dividends in respect of the six month period preceding such date. Notwithstanding the provisions of this article 2A.2, an Investor Majority may resolve in respect of any six month period in relation to which all or part of the Preferred Ordinary Dividend is payable, that no amount of the Preferred Ordinary Dividend shall be paid in respect of such six month period.

- 2A.3 The Preferred Ordinary Dividends when declared, shall be deemed to accrue from day to day both after and before the commencement of a winding-up and shall subject to article 2A.2 be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of Shareholders in respect of share capital.
- 2A.4 The Preferred Ordinary Dividends shall, to the extent that they are payable under article 2A.2, without any resolution of the Company in general meeting or of the Directors, automatically become a debt due from and immediately payable by the Company on the relevant payment date specified in article 2A.2. If and to the extent that the debt so constituted is not paid in full on the payment date concerned, the unpaid amount shall carry interest at the Interest Rate in respect of the period from and including the payment date concerned to the date of actual payment.
- 2A.5 Subject to the Directors recommending payment of the same, with Investor Majority Consent, and provided the Preferred Ordinary Dividends have been paid in accordance with article 2A.2, any Available Profits which the Company may determine to distribute in addition to those distributed under article 2A.2 in respect of any financial year shall be distributed amongst the holders of the Ordinary Shares and the holders of the Preferred Ordinary Shares (*pari passu* as if the same constituted one class) according to the amount paid up or credited as paid up on each such Share.
- 2A.6 The Company shall procure (so far as it is able) that each other Group Company which has Available Profits shall from time to time declare and pay to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company or parent undertaking) such dividends as are necessary to permit lawful and prompt payment by the Company of the Preferred Ordinary Dividends.

## **2B. Return of Capital Rights**

- 2B.1 The rights as regards return of capital attaching to each class of Shares shall be as set out in this Article.
- 2B.2 Subject to article 2B.3, on a return of capital on a liquidation or otherwise (except on a redemption or purchase by the Company of any Shares), the surplus assets of the Company remaining after the payment of its liabilities (including for the avoidance of doubt, any debts arising under article 2A 4

- (vi) "**E ordinary shares**", in respect of which (for the purposes of the mandatory notice provisions contained in article 4 below) the Relevant Proportion shall be 100 per cent. as at the Allotment Date which shall reduce monthly (at the end of each month from the Allotment Date) on a straight-line basis starting 1 month from the Allotment Date and ending 13 months from the Allotment Date.

## **2A. Dividend Rights**

- 2A.1 The rights as regards income attaching to each class of Shares shall be as set out in this article 2A.
- 2A.2 The Company shall, subject to the Directors recommending the same with the Investor Majority Consent, and before application of any profits to reserve or for any other purpose, pay in respect of each:
- 2A.2.1 A Preferred Ordinary Share, a fixed non-cumulative preferential dividend at the annual rate of 7 per cent. of the Subscription Price per A Preferred Ordinary Share (excluding any associated tax credit) (the "**A Preferred Ordinary Dividend**");
- 2A.2.2 B Preferred Ordinary Share, a fixed non-cumulative preferential dividend at the annual rate of 8 per cent of the Subscription Price per B Preferred Ordinary Share (excluding any associated tax credit) (the "**B Preferred Ordinary Dividend**"), and
- 2A.2.3 C Preferred Ordinary Share, a fixed non-cumulative preferential dividend at the annual rate of 8 per cent of the Subscription Price per C Preferred Ordinary Share (excluding any associated tax credit) (the "**C Preferred Ordinary Dividend**").

The Preferred Ordinary Dividends shall, if so recommended for payment by the Directors with Investor Majority Consent, be paid in two equal instalments on 30 June and 31 December in each year to the person registered as the holder of such Share at that date and which shall accrue daily and be calculated in respect of the period to such date assuming a 365 day year provided always that the Preferred Ordinary Dividends shall only be payable if, and to the extent that, the Company has sufficient Available Profits to pay the same. If the Company has no Available Profits on the date when the Preferred Ordinary Dividends are due to be paid, then the Company shall not pay (and shall have no continuing obligation to pay under this article 2A or under articles 2B or 2D or otherwise under these Articles) the Preferred Ordinary Dividends in respect of the six month period preceding such date. If the Company has insufficient Available Profits to pay in full the Preferred Ordinary Dividends on the date when the Preferred Ordinary Dividends are due to be paid, the Company shall pay on such date that amount of the Preferred Ordinary Dividends (with the C Preferred Ordinary Dividend ranking in priority to the A Preferred Ordinary Dividend and the B Preferred Ordinary Dividend and with the B Preferred Ordinary Dividend ranking in priority to the A Preferred Ordinary Dividend)

## PART A

### 2 Share Capital

The authorised share capital of the Company at the date of adoption of these Articles is £46,275.969 divided into 2,000,000 A Preferred Ordinary Shares of £0.001 each, 11,000,000 B Preferred Ordinary Shares of £0.001 each, 3,875,969 B-1 Preferred Ordinary Shares of £0.001 each, 22,500,000 C Preferred Ordinary Shares of £0.001 each and 6,900,000 Ordinary Shares of £0.001 each (such Ordinary Shares on allotment to be designated and classified by the Directors into one of the classes of shares set out in subparagraph (i) to (vi) below which, save for the differences set out in subparagraphs (i) to (vi) below, shall rank *pari passu* in all respects with all other classes of Ordinary Share):

- (i) **"Ordinary Shares"**, which shall not be subject to the provisions of article 4 below;
- (ii) **"A ordinary shares"**, in respect of which (for the purposes of the mandatory notice provisions contained in article 4 below) the Relevant Proportion shall be 100 per cent. as at the Allotment Date which shall reduce monthly (at the end of each month from the Allotment Date) on a straight-line basis starting 1 month from the Allotment Date and ending 59 months from the Allotment Date;
- (iii) **"B ordinary shares"**, in respect of which (for the purposes of the mandatory notice provisions contained in article 4 below) the Relevant Proportion shall be 100 per cent. as at the Allotment Date which shall reduce to 75 per cent. at the end of 12 months from the Allotment Date and thereafter shall reduce monthly (at the end of each month from the Allotment Date) on a straight-line basis ending with the date which is 49 months from the Allotment Date;
- (iv) **"C ordinary shares"**, in respect of which (for the purposes of the mandatory notice provisions contained in article 4 below) the Relevant Proportion shall be 100 per cent. as at the Allotment Date which shall reduce to 75 per cent. at the end of 12 months from the Allotment Date and thereafter shall reduce monthly (at the end of each month from the Allotment Date) on a straight-line basis ending with the date which is 37 months from the Allotment Date;
- (v) **"D ordinary shares"**, in respect of which (for the purposes of the mandatory notice provisions contained in article 4 below) the Relevant Proportion shall be 100 per cent. as at the Allotment Date which shall reduce monthly (at the end of each month from the Allotment Date) on a straight-line basis starting 1 month from the Allotment Date and ending 25 months from the Allotment Date; and

(Amendments) Regulations 1985, The Companies Act 1985 (Electronic Communications) Order 2000, The Companies (Tables A to F) (Amendment) Regulations 2007 (so far as they apply to private companies) and The Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 shall not apply to the Company.

preceded by words indicating a particular class of acts, matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

- 1.3 A reference in these Articles to the transfer of any Share shall mean the transfer of either or both of the legal and beneficial ownership in such Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Share and the following shall be deemed (but without limitation) to be a transfer of a Share:-
  - 1.3.1 any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself;
  - 1.3.2 any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing; and
  - 1.3.3 any grant of a legal or equitable mortgage or charge over any Share
- 1.4 In the event of any conflict or inconsistency between any provision in part A of these Articles and any provision in part B of these Articles, the provision contained in part A shall prevail and the provision in part B shall take effect subject to the provision in part A.
- 1.5 The B-1 Preferred Ordinary Shares shall have in all respects rights identical to the B Preferred Ordinary Shares and shall rank *pari passu* in all respects with each other as if the same constitute one class of shares except that:
  - 1.5.1 the B-1 Preferred Ordinary Shares shall not have the benefit of article 6; and
  - 1.5.2 only the B-1 Preferred Ordinary Shares shall have the benefit of article 7.
- 1.6 The C Defaulting Shares shall have in all respects rights identical to the C Preferred Ordinary Shares and shall rank *pari passu* in all respects with each other as if the same constitute one class of shares except that:
  - 1.6.1 the C Defaulting Shares shall not have the benefit of article 8, and
  - 1.6.2 only the C Defaulting Shares shall have the benefit of article 8A.
- 1.7 Except in articles 1.1, 1.5, 2, 6, 27.3 and this article 1.7, all references in these articles to B Preferred Ordinary Shares shall be deemed to include a reference to B-1 Preferred Ordinary Shares.
- 1.8 The regulations contained in or incorporated in Table A in the Companies (Tables A-F) Regulations 1985 as amended by the Companies (Tables A-F)

	SVB or any other member of the SVB Group or any person who advises, or manages the assets (or some material part thereof) of SVB or any other member of the SVB Group;
<b>SVB Group</b>	SVB and any parent undertaking of SVB and any subsidiary undertaking of SVB or such parent undertaking from time to time and references to "SVB Group Company" and to "members of the SVB Group" shall be construed accordingly;
<b>Transfer Notice</b>	a Voluntary Transfer Notice or Mandatory Transfer Notice, as the context requires;
<b>Transferor and Transferors</b>	as defined in articles 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10, 4.1.11 and 4.1.12 and 4.2.1,
<b>United Kingdom</b>	Great Britain and Northern Ireland;
<b>Voluntary Transfer Notice</b>	as defined in article 4.2.1;
<b>Warrant Instruments</b>	means: <ul style="list-style-type: none"> <li>(a) the instrument constituting warrants to subscribe for Shares and dated 21 March 2006; and</li> <li>(b) each of the two instruments constituting warrants to subscribe for Shares and dated on or around the date of adoption of these Articles,</li> </ul> <p>and "Warrant Instrument" means any of them;</p>
<b>Wellcome</b>	The Wellcome Trust Limited, a company limited in England and Wales with registered number 2711000 and a reference to Wellcome includes a reference to any person holding shares in its capacity as trustee of the Wellcome Trust.

- 1.2 In construing these Articles, general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are

	transaction or a series of linked transactions, but excluding a Company Building Merger,
<b>Sale Price</b>	as determined in accordance with articles 4.2.3, 4.2.4 and 4.2.5;
<b>Sale Shares</b>	as defined in article 4.2.2,
<b>Second Stage Shares</b>	as defined in the Subscription and Shareholders' Agreement;
<b>Secretary</b>	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
<b>Share Option Shares</b>	up to 3,250,000 Ordinary Shares as referred to in clause 3.1 of the Subscription and Shareholders' Agreement;
<b>Shareholder</b>	any holder for the time being of shares in the capital of the Company of whatever class;
<b>Shares</b>	shares in the capital of the Company (of whatever class) having the rights set out in these Articles;
<b>Subscription and Shareholders' Agreement</b>	the subscription and shareholders' agreement relating to the Company and dated 21 March 2006;
<b>Subscription Price</b>	in relation to any Share, the amount paid up or credited as paid up thereon together with the full amount of any premium at which such Share was issued (whether or not such premium is applied for any purpose thereafter),
<b>SVB</b>	SVB Financial Group (a corporation registered in the State of California, USA with number C2163658);
<b>SVB Associate</b>	each member of the SVB Group (other than SVB itself) and any company, fund (including any unit trust or investment trust) or partnership (or investors or partners therein) which is advised, or the assets (or some material part thereof) of which are managed (whether solely or jointly with others) from time to time, by

**Quotation**

the admission of the whole or any of any class of the issued share capital of the Company to the Official List of the UK Listing Authority and to trading on the London Stock Exchange Plc's markets for listed securities or to listing or trading (as the case may be) on the Alternative Investment Market of the London Stock Exchange, NASDAQ or on any other exchange (or market of any such exchange) recognised by the Financial Services Authority under the Financial Services and Markets Act 2000 from time to time;

**Relevant Proportion**

as defined in article 4 1.4,

**Relevant Securities**

all shares, rights to subscribe for shares or to receive them for no consideration and all securities convertible into shares but excluding:

- (a) the grant of options to subscribe for Share Option Shares and the issue of the Share Option Shares;
- (b) any Shares which the Company is or may be required to issue by reason of a right specifically attached to Shares under these Articles,
- (c) any Shares which the Company is or may be required to issue under the terms of the Subscription and Shareholders' Agreement,
- (d) any Shares which the Company is or may be required to issue under the terms of any of the Warrant Instruments; and
- (e) any Shares which the Company is or may be required to issue under the terms of any of the Option Agreements;

**Remaining Shareholders**

as defined in article 4B.2,

**Sale**

the sale of all the issued equity share capital of the Company to a single buyer or to one or more buyers as part of a single



	capital of the Company having the rights set out in these Articles,
<b>Other Shareholders</b>	as defined in article 4A.3;
<b>Preferred Ordinary Shares</b>	the A Preferred Ordinary Shares, the B Preferred Ordinary Shares, the B-1 Preferred Ordinary Shares and the C Preferred Ordinary Shares;
<b>Preferred Ordinary Dividends</b>	the A Preferred Ordinary Dividend, the B Preferred Ordinary Dividend, the B-1 Preferred Ordinary Dividend and the C Preferred Ordinary Dividend,
<b>Prescribed Period</b>	as defined in article 4.6;
<b>Priority Shares</b>	as defined in article 4.3.2,
<b>Proposed Buyer</b>	as defined in article 4B.2,
<b>Proposed Sale Date</b>	as defined in article 4B.2;
<b>Proposed Sale Notice</b>	as defined in article 4B.2;
<b>Proposed Sale Shares</b>	as defined in article 4B 2;
<b>Proposed Sellers</b>	as defined in article 4B 1;
<b>Qualifying Issue</b>	as defined in article 6.1;
<b>Qualifying Offer</b>	as defined in article 4A.1;
<b>Qualifying Quotation</b>	<p>a fully underwritten Quotation which:</p> <ul style="list-style-type: none"> <li>(i) values the Shares which are the subject of the Quotation at no less than £100,000,000 (excluding for the purposes of such valuation any shares issued or subscribed at the time of or in connection with the Qualifying Quotation, other than any shares issued under the terms of the Warrant Instrument); and</li> <li>(ii) results in gross proceeds to the Company from the issue or subscription of Shares of no less than £20,000,000;</li> </ul>

<b>Mandatory Transfer Notice</b>	as defined in articles 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10, 4.1.11 and 4.1.12;
<b>Nomura</b>	Nomura Phase4 Ventures L.P. (a limited partnership registered in England and Wales with number LP9409),
<b>Nomura Associate</b>	each member of the Nomura Group (other than Nomura itself) and any company, fund (including any unit trust or investment trust) or partnership (or investors or partners therein) which is advised, or the assets (or some material part thereof) of which are managed (whether solely or jointly with others) from time to time, by Nomura or any other member of the Nomura Group or any person who advises, or manages the assets (or some material part thereof) of Nomura or any other member of the Nomura Group;
<b>Nomura Group</b>	Nomura, any parent undertaking of Nomura and any subsidiary undertaking of Nomura or such parent undertaking from time to time and references to "Nomura Group Company" and to "members of the Nomura Group" shall be construed accordingly;
<b>Offeror</b>	as defined in article 4A.1;
<b>Office</b>	the registered office of the Company for the time being;
<b>Option Agreements</b>	means: <ul style="list-style-type: none"> <li>(a) the option deed dated on or around the date of adoption of these Articles between the Company and ETV; and</li> <li>(b) the option deed dated on or around the date of adoption of these Articles between the Company and Silicon Valley Bank,</li> </ul> and "Option Agreement" means any of them;
<b>Ordinary Shares</b>	ordinary shares of £0.001 each in the

	to "members of the Gilde Group" shall be construed accordingly;
<b>Group</b>	the Company and its subsidiary undertakings from time to time and references to "Group Company" and "members of the Group" shall be construed accordingly;
<b>holder</b>	in relation to Shares, the person whose name is entered in the register of members as the holder of those Shares;
<b>Independent Expert</b>	an accountant (acting as an expert and not as an arbitrator) nominated by the Transferor and the Directors or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of the Transferor or the Directors;
<b>Individual Conversion Event</b>	as defined in article 2D.2,
<b>Individual Conversion Notice</b>	as defined in article 2D.2,
<b>Interest Rate</b>	the annual rate of 3 per cent. above the base rate of National Westminster Bank Plc calculated on a daily basis over a 365 day year from and including the date any sum becomes due to the actual date of payment compounded at the end of each calendar month;
<b>Investor Majority</b>	the holders in aggregate of sixty per cent of the total number of B Preferred Ordinary Shares (including the B-1 Preferred Ordinary Shares) and C Preferred Ordinary Shares (taken together) in issue from time to time;
<b>Investor Majority Consent</b>	the prior consent of an Investor Majority, which consent may, for the avoidance of doubt, be given by any form of Electronic Communication;
<b>Majority Holding</b>	as defined in article 4B 1;

	(including any unit trust or investment trust) or partnership (or investors or partners therein) which is advised, or the assets (or some material part thereof) of which are managed (whether solely or jointly with others) from time to time, by ETV or any other member of the ETV Group or any person who advises, or manages the assets (or some material part thereof) of ETV or any other member of the ETV Group;
<b>ETV Group</b>	ETV and any parent undertaking of ETV and any subsidiary undertaking of ETV or such parent undertaking from time to time and references to "ETV Group Company" and to "members of the ETV Group" shall be construed accordingly;
<b>Family Trust</b>	as defined in article 3 3.1(b);
<b>Further Investor</b>	as defined in the Subscription and Shareholders' Agreement;
<b>Gilde</b>	Gilde Europe Food and Agribusiness Fund B.V., a private limited liability company incorporated under the laws of The Netherlands and registered at the commercial register at Utrecht (registration number 30153093);
<b>Gilde Associate</b>	each member of the Gilde Group (other than Gilde itself) and any company, fund (including any unit trust or investment trust) or partnership (or investors or partners therein) which is advised, or the assets (or some material part thereof) of which are managed (whether solely or jointly with others) from time to time, by Gilde or any other member of the Gilde Group or any person who advises, or manages the assets (or some material part thereof) of Gilde or any other member of the Gilde Group;
<b>Gilde Group</b>	Gilde, any parent undertaking of Gilde and any subsidiary undertaking of Gilde or such parent undertaking from time to time and references to "Gilde Group Company" and

	which are managed (whether solely or jointly with others) from time to time, by CUTS or any other member of the CUTS Group or any person who advises, or manages the assets (or some material part thereof) of CUTS or any other member of the CUTS Group;
<b>CUTS Group</b>	CUTS, any parent undertaking of CUTS and any subsidiary undertaking of CUTS or such parent undertaking from time to time and references to "CUTS Group Company" and to "members of the CUTS Group" shall be construed accordingly,
<b>Directors</b>	the directors of the Company from time to time;
<b>Drag Along Notice</b>	as defined in article 4A.3;
<b>Electronic Communication</b>	as defined in the Electronic Communications Act 2000;
<b>Essex</b>	Essex Woodlands Health Ventures Fund VI LP, a limited partnership established under the laws of the state of Delaware and whose principal place of business is 190 S. LaSalle St., Ste.2800, Chicago, IL 60603, USA;
<b>Essex Associate</b>	any direct or indirect Affiliate of Essex, former or current general or limited partner of Essex or any Affiliate of Essex, or any former or current member, stockholder, officer or employee of Essex or any direct or indirect Affiliate of Essex;
<b>Essex Group</b>	Essex, any parent undertaking of Essex and any subsidiary undertaking of Essex or such parent undertaking from time to time and references to "Essex Group Company" and to "members of the Essex Group" shall be construed accordingly;
<b>ETV</b>	ETV Capital (Jersey) Limited (a company incorporated in Jersey with registered number 92456);
<b>ETV Associate</b>	each member of the ETV Group (other than ETV itself) and any company, fund

Company or an acquisition of or by the Company (whether by sale or purchase of shares, sale or purchase of assets, or any similar transaction or series of transactions) which results in the Shareholders holding more than 50% of the equity share capital of the resulting combined company provided that neither (1) a transaction pursuant to which the Shareholders hold more than 50% of the equity share capital of the resulting combined company as a result of subscribing in cash for additional shares in the resulting combined company as part of a financing connected to such merger, consolidation or acquisition (but would have held less than 50% thereof had such subscription not occurred) nor (2) a transaction or a connected series of transactions involving a reverse takeover by the Company of a publicly quoted entity, shall be treated as within the definition of a Company Building Merger,

<b>Conversion Date</b>	the date of a Conversion Event or, as the case may be, an Individual Conversion Date;
<b>Conversion Event</b>	as defined in article 2D.1,
<b>Co-Sale Date</b>	as defined in article 4.9;
<b>Co-Sale Notice</b>	as defined in article 4.9;
<b>Co-Sale Shares</b>	as defined in article 4.9;
<b>Co-Sale Shareholders</b>	as defined in article 4.9;
<b>Co-Sale Transferor</b>	as defined in article 4.8;
<b>Co-Sale Transferee</b>	as defined in article 4.8;
<b>Custodians</b>	as defined in article 4.3.2,
<b>CUTS Associate</b>	each member of the CUTS Group (other than CUTS itself) and any company, fund (including any unit trust or investment trust) or partnership (or investors or partners therein) which is advised, or the assets (or some material part thereof) of

	normally open for business in the City of London;
<b>C Benchmark Price</b>	£1.36;
<b>C Defaulting Qualifying Issue</b>	as defined in article 8A.1;
<b>C Defaulting Shareholder</b>	as defined in article 8.9;
<b>C Defaulting Shares</b>	all C Preferred Ordinary Shares held by a C Defaulting Shareholder and all C Transferee Defaulting Shares held by a C Transferee;
<b>C Transferee</b>	as defined in article 8.9.1;
<b>C Transferee Defaulting Shares</b>	as defined in article 8.9.1;
<b>C Preferred Ordinary Dividend</b>	as defined in article 2A.2;
<b>C Preferred Ordinary Shares</b>	the convertible C preferred ordinary shares of £0 001 each in the capital of the Company having the rights set out in these Articles (including those designated as C Defaulting Shares for the purposes of article 8 and article 8A);
<b>C Qualifying Issue</b>	as defined in article 8.1;
<b>Called Shares</b>	as defined in article 4A 4;
<b>Cashless Shares</b>	as defined in the Warrant Instrument;
<b>clear days</b>	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
<b>Committee</b>	a committee of the board of directors of the Company duly appointed pursuant to these Articles;
<b>Company</b>	Chroma Therapeutics Limited;
<b>Company Building Merger</b>	a merger and/or consolidation of the

- (a) the husband, wife or child (including adopted child) of the relevant person; or
- (b) the trustees of any settlement (whether or not set up by the relevant person) set up wholly for the benefit of the relevant person and/or any of the husband, wife or child (including adopted child) of the relevant person; or
- (c) any person who becomes entitled to any Shares on the death of the relevant person; or
- (d) any person who holds Shares as a nominee of the relevant person; or
- (e) any person to whom Shares formerly held by the relevant person have been transferred in accordance with the provisions of article 3;

**Available Profits** profits available for distribution within the meaning of the Act;

**B Preferred Ordinary Shares** the convertible B preferred ordinary shares of £0 001 each in the capital of the Company having the rights set out in these Articles;

**B Preferred Ordinary Dividend** as defined in article 2A.2;

**B-1 Bench Mark Price** £1.29;

**B-1 Preferred Ordinary Shares** the convertible B-1 preferred ordinary shares of £0.001 each in the capital of the Company having the rights set out in these Articles,

**B-1 Qualifying Issue** as defined in article 7.1;

**Bench Mark Price** £1.17;

**business day** a day, other than a Saturday, a Sunday or a public holiday, on which banks are



Shareholders' Agreement;

- (d) any Shares which the Company is or may be required to issue under the terms of any of the Warrant Instruments; and
- (e) any Shares which the Company is or may be required to issue under the terms of any of the Option Agreements;

**Affiliate**

means, with respect to any referenced person or entity, any other entity or person controlling, controlled by or under common control with the referenced person or entity. As used in this Agreement, the word "control" means the power or right to direct the affairs of the subject entity or person, whether by voting rights, by contract or otherwise in any legal manner;

**Allotment Date**

shall, for the purposes of determining the Relevant Proportion in respect of a holder's Shares, be deemed to be either the date on which the holder's details are entered into the register of members in respect of those Shares or, if earlier, the earlier of the date of:

- (a) the holder's appointment as a director; and
- (b) the holder's commencement of employment;

provided that such appointment or commencement of employment was no more than three months before the date on which the holder's details are entered in the register of members in respect of those shares;

**Approved Transferees**

as defined in article 4 6;

**Articles**

these articles of association of the Company as amended from time to time;

**Associate**

means:

advised, or the assets (or some material part thereof) of which are managed (whether solely or jointly with others) from time to time, by Abingworth or any other member of the Abingworth Group or any person who advises, or manages the assets (or some material part thereof) of Abingworth or any other member of the Abingworth Group,

**Abingworth Group**

Abingworth and any parent undertaking of Abingworth and any subsidiary undertaking of Abingworth or such parent undertaking from time to time and references to "Abingworth Group Company" and to "members of the Abingworth Group" shall be construed accordingly;

**A Preferred Ordinary Shares**

the convertible preferred A ordinary shares of £0.001 each in the capital of the Company having the rights set out in these Articles;

**A Preferred Ordinary Dividend**

as defined in article 2A.2;

**Accepting Shareholders**

as defined in article 4A.2;

**Accepting Shareholders Shares**

as defined in article 4A.2;

**Act**

the applicable provisions for the time being of the Companies Act 1985 and Companies Act 2006;

**Additional Shares**

shares in the Company's equity share capital (as that term is defined in the Act) but excluding:

- (a) any Share Option Shares;
- (b) any Shares which the Company is or may be required to issue by reason of a right specifically attached to Shares under these Articles; and
- (c) any Shares which the Company is or may be required to issue under the terms of the Subscription and

# ARTICLES OF ASSOCIATION

of

## CHROMA THERAPEUTICS LIMITED

### 1 Interpretation

#### 1.1 In these Articles.

- (a) headings are used for convenience only and shall not affect the construction hereof;
- (b) unless the context otherwise requires or save as otherwise provided herein, words and expressions defined in or having a meaning provided by the Act as at the date of adoption of these Articles shall have the same meaning in these Articles, and the term "acting in concert" shall have the meaning attributed to it at the date of adoption of these Articles by the City Code on Takeovers and Mergers;
- (c) references to any of the masculine, feminine and neuter genders shall include other genders;
- (d) references to the singular shall include the plural and vice versa;
- (e) references to a person shall include a reference to any natural person, body corporate, unincorporated association, partnership, firm or trust,
- (f) references to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted;
- (g) references to an article are (unless otherwise stated) to an article of these Articles;
- (h) the following words and expressions shall have the following meanings:

**Abingworth**

Abingworth Management Limited (a company incorporated in England and Wales with registered number 1591587),

**Abingworth Associate**

each member of the Abingworth Group (other than Abingworth itself) and any company, fund (including any unit trust or investment trust) or partnership (or investors or partners therein) which is

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