
Dated: 15 August 2019

- (1) Project Sword Topco Limited
- (2) Project Sword Midco 1 Limited
- (3) Project Sword Midco 2 Limited
- (4) Dominic Wheatley and others

Exchange Agreement

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BETWEEN

- (1) Project Sword Topco Limited (registered number 12032049) whose registered office is at Suffolk House, George Street, East Croydon, London CR0 1PE (the "**Topco**");
- (2) Project Sword Midco 1 Limited (registered number 12032315) whose registered office is at Suffolk House, George Street, East Croydon, London CR0 1PE ("**Midco 1**");
- (3) Project Sword Midco 2 Limited (registered number 12032495) whose registered office is at Suffolk House, George Street, East Croydon, London CR0 1PE ("**Midco 2**"); and
- (4) The persons whose names and addresses are set out in column 1 of the Schedule (the "**Noteholders**").

BACKGROUND

- (A) Pursuant to the SPA, Bidco has agreed to acquire those shares in the capital of the Company held by the Noteholders (or such Noteholder's nominee), subject to satisfaction or waiver of the Conditions (as defined in the SPA). Part of the consideration due to the Noteholders for the sale of their shares in the Company to Bidco is to be satisfied by the issue to them by Bidco of Bidco Exchange Loan Notes. Bidco will update its loan note registers and issue certificates to the relevant Noteholder in respect of the Bidco Exchange Loan Notes issued to the relevant Noteholder prior to the First Loan Note Exchange.
- (B) The parties to this Agreement have agreed, subject to the exercise in full of the options granted under the First Loan Note Exchange and the Second Loan Note Exchange and the satisfaction of the obligations and undertakings of the parties under this Agreement, that each Noteholder will grant an option to Topco to exchange his Midco 1 Exchange Loan Notes for Shares and Management Loan Notes on the terms set out in this Agreement and Topco will grant an option to the Noteholders for this exchange to take place on the terms set out in this Agreement.

OPERATIVE CLAUSES

1. DEFINITIONS AND INTERPRETATION

In this Agreement:

- 1.1 the following expressions have the following meanings unless inconsistent with the context:

"A Ordinary Shares"	the A ordinary shares of £0.001 each as set out in the Schedule, which are to be issued by Topco pursuant to clause 4
"B Ordinary Shares"	the B ordinary shares of £0.001 each as set out in the Schedule, which are to be issued by Topco pursuant to clause 4
"Bidco"	Project Sword Bidco Limited (registered number 12032770) whose registered office is at Suffolk House, George Street, East Croydon, London CR0 1PE
"Bidco Exchange Loan Notes"	the loan notes issued by Bidco to the Noteholders pursuant to the SPA
"Business Day"	a day that is not a Saturday, Sunday or public or

bank holiday in England and/or Wales

"Company"	Catalis PLC (registered number 11899376) whose registered address is at Suffolk House, George Street, East Croydon, London CR0 1PE
"Encumbrance"	any mortgage, charge, pledge, lien, assignment, option, restriction, claim, right of pre-emption, right of first refusal, third party right or interest, other encumbrance or security interest of any kind, or other preferential arrangement having similar effect
"First Loan Note Exchange"	the exchange of Bidco Exchange Loan Notes for Midco 2 Exchange Loan Notes between Midco 2 and the Noteholders in accordance with clause 2
"Management Loan Notes"	the loan notes as set out in the Schedule which are to be issued by Topco pursuant to clause 4
"Midco 1 Exchange Loan Notes"	the loan notes as set out in the Schedule which are to be issued by Midco 1 pursuant to clause 3
"Midco 2 Exchange Loan Notes"	the loan notes as set out in the Schedule which are to be issued by Midco 2 pursuant to clause 2
"Preferred Ordinary Shares"	the preferred ordinary shares of £0.00001 each as set out in the Schedule, which are to be issued by Topco pursuant to clause 4
"Second Loan Note Exchange"	the exchange Midco 2 Exchange Loan Notes for Midco 1 Exchange Loan Notes between Midco 1 and the Noteholders in accordance with clause 3
"Shares"	the A Ordinary Shares, B Ordinary Shares and the Preferred Ordinary Shares
"SPA"	the agreement dated on or about the date herof relating to the sale and purchase of shares in the capital of the Company and entered into between Bidco and the Noteholders

- 1.2 references to the background section, clauses and Schedule are to the background section and clauses of and schedule to this Agreement and references to paragraphs are to paragraphs of the relevant Schedule;
- 1.3 the Schedule forms part of this Agreement and will have the same force and effect as if set out in the body of this Agreement and any reference to this Agreement will include the Schedule;
- 1.4 the background section and all headings are for ease of reference only and will not affect the construction or interpretation of this Agreement;
- 1.5 unless the context otherwise requires:
 - 1.5.1 references to the singular include the plural and vice versa and references to any gender include every gender;
 - 1.5.2 references to a "person" include any individual, body corporate, association, partnership, firm, trust, organisation, joint venture, government, local or municipal authority, governmental or supra-governmental agency or department, state or agency of state or any other entity (in each case whether or not having separate legal personality);

- 1.6 references to any statute or statutory provision will include any subordinate legislation made under it and will be construed as references to such statute, statutory provision and/or subordinate legislation as modified, amended, extended, consolidated, re-enacted and/or replaced and in force from time to time, but excluding any such modification, amendment, consolidation, re-enactment or replacement which takes effect after the date of this Agreement which would materially increase the obligations or materially reduce the rights of a party under this Agreement;
- 1.7 any words following the words "include", "includes", "including", "in particular" or any similar words or expressions will be construed without limitation and accordingly will not limit the meaning of the words preceding them; and
- 1.8 references to this Agreement are references to this Agreement as varied from time to time in accordance with **clause 8**.
- 2. EXCHANGE OF BIDCO EXCHANGE LOAN NOTES FOR MIDCO 2 EXCHANGE LOAN NOTES**
- 2.1 Immediately following (and conditional upon) completion of the SPA in accordance with its terms:
- 2.1.1 in consideration for the grant of the option granted pursuant to **clause 2.1.2**, each Noteholder grants Midco 2 an option, exercisable any time after the period set out in **clause 2.1.2** below, to purchase all Bidco Exchange Loan Notes held by the relevant Noteholder as set out in column 2 of the Schedule, free of any Encumbrance; and
- 2.1.2 in consideration for the grant of the option granted pursuant to **clause 2.1.1**, Midco 2 grants each of the Noteholders an option, exercisable within 3 Business Days of its grant, to sell to Midco 2 all Bidco Exchange Loan Notes held by the relevant Noteholder as set out in column 2 of the Schedule, free of any Encumbrance.
- 2.2 The consideration for any purchase by Midco 2 or sale by a Noteholder of the Bidco Exchange Loan Notes pursuant to the exercise of an option granted under **clause 2.1** shall be the issue by Midco 2 to the relevant Noteholder of Midco 2 Exchange Loan Notes in the amounts set out in column 3 of the Schedule in relation to that Noteholder.
- 2.3 Immediately after any party to this Agreement gives notice to the other relevant party that it is exercising its option granted under **clause 2.1**, all matters set out in **clause 2.4** are to be completed in accordance with the terms of that clause.
- 2.4 Immediately after notice is given pursuant to **clause 2.3**, and conditional upon the relevant Noteholder having entered into an irrevocable election (in a form approved by HM Revenue and Customs) pursuant to section 431(1) The Income Tax (Earnings and Pensions) Act 2003 in respect of such Midco 2 Exchange Loan Notes:
- 2.4.1 the relevant Noteholder shall deliver to Topco (or procure the delivery by his nominee of) a duly executed transfer of the Bidco Exchange Loan Notes held by him (or his nominee);
- 2.4.2 Midco 2 shall issue the Midco 2 Exchange Loan Notes to the relevant Noteholder (or such Noteholder's nominee as such Noteholder shall direct) in accordance with the terms of **clause 2.2**; and
- 2.4.3 the relevant Noteholder shall deliver to Midco 2 (or procure the delivery by its nominee of) the certificates (if any) in respect of the Bidco Exchange Loan Notes held by him (or his nominee).
- 2.5 Midco 2 hereby undertakes that, immediately after notice is given pursuant to **clause 2.3**, it will update its loan note registers and issue certificates to the relevant Noteholder in respect of the loan notes issued to that Noteholder in accordance with **clause 2.4.2**.

2.6 Each of the Noteholders consents to his name being entered in the Midco 2 loan note register in respect of any Midco 2 Exchange Loan Notes which are issued to him.

3. **EXCHANGE OF MIDCO 2 EXCHANGE LOAN NOTES FOR MIDCO 1 EXCHANGE LOAN NOTES**

3.1 With effect from and immediately following (and conditional upon) the exercise in full of the options granted under the First Loan Note Exchange and the satisfaction of the other obligations and undertakings of the parties in accordance with **clause 2**:

3.1.1 in consideration for the grant of the option granted pursuant to **clause 3.1.2**, each of the Noteholders grants Midco 1 an option, exercisable at any time after the period set out in **clause 3.1.2** below, to purchase all Midco 2 Exchange Loan Notes held by the relevant Noteholder as set out in column 3 of the Schedule free of any Encumbrance; and

3.1.2 in consideration for the grant of the option granted pursuant to **clause 3.1.1**, Midco 1 grants each of the Noteholders an option, exercisable within 3 Business Days of its grant, to sell to Midco 1 all Midco 2 Exchange Loan Notes held by the relevant Noteholder, as set out in column 3 of the Schedule, free of any Encumbrance.

3.2 The consideration for any purchase by Midco 1 or sale by a Noteholder of the Midco Exchange Loan Notes pursuant to the exercise of an option granted under **clause 3.1** shall be the issue by Midco 1 to the relevant Noteholder of Midco 1 Loan Notes in the amounts set out in column 4 of the Schedule in relation to that Noteholder.

3.3 Immediately after any party to this Agreement gives notice to the other relevant party that it is exercising its option granted under **clause 3.1**, all matters set out in **clause 3.4** are to be completed in accordance with terms of that clause.

3.4 Immediately after notice is given pursuant to **clause 3.3**, and conditional upon the relevant Noteholder having entered into an irrevocable election (in a form approved by HM Revenue and Customs) pursuant to section 431(1) The Income Tax (Earnings and Pensions) Act 2003 in respect of such Shares:

3.4.1 the relevant Noteholder shall deliver to Midco 1 (or procure the delivery by his nominee of) a duly executed transfer of the Midco 2 Exchange Loan Notes held by him (or his nominee);

3.4.2 Midco 1 shall issue the Midco 1 Exchange Loan Notes to the relevant Noteholder (or such Noteholder's nominee as such Noteholder shall direct) in accordance with the terms of **clause 3.2**; and

3.4.3 the relevant Noteholder shall deliver to Midco 1 (or procure the delivery by its nominee of) the certificates (if any) in respect of the Midco 2 Exchange Loan Notes held by him (or his nominee).

3.5 Midco 1 hereby undertakes that, immediately after notice is given pursuant to **clause 3.3**, it will update its loan note registers and issue certificates to the relevant Noteholder in respect of the Midco 1 Loan Notes issued to that Noteholder in accordance with **clause 3.4.2**.

3.6 Each of the Noteholders consents to his name being entered in the Midco 1 loan register in respect of the Midco 1 Loan Notes which are issued to him.

4. **EXCHANGE OF MIDCO 1 EXCHANGE LOAN NOTES FOR SHARES AND MANAGEMENT LOAN NOTES**

4.1 With effect from and immediately following (and conditional upon) the exercise in full of the options granted under the Second Loan Note Exchange and the satisfaction of the other obligations and undertakings of the parties in accordance with **clause 3**:

- 4.1.1 in consideration for the grant of the option granted pursuant to **clause 4.1.2**, each of the Noteholders grants Topco an option, exercisable at any time after the period set out in **clause 4.1.2** below, to purchase all Midco 1 Exchange Loan Notes held by the relevant Noteholder as set out in column 4 of the Schedule free of any Encumbrance; and
- 4.1.2 in consideration for the grant of the option granted pursuant to **clause 4.1**, Topco grants each of the Noteholders an option, exercisable within 3 Business Days of its grant, to sell to Topco all Midco 1 Exchange Loan Notes held by the relevant Noteholder, as set out in column 4 of the Schedule, free of any Encumbrance.
- 4.2 The consideration for any purchase by Topco or sale by a Noteholder of the Midco 1 Exchange Loan Notes pursuant to the exercise of an option granted under **clause 4.1** shall be the issue by Topco to the relevant Noteholder of Shares and Management Loan Notes in the amounts set out in columns 5 and 6 of the Schedule in relation to that Noteholder.
- 4.3 Immediately after any party to this Agreement gives notice to the other relevant party that it is exercising its option granted under **clause 4.1** all matters set out in **clause 4.4** are to be completed in accordance with terms of that clause.
- 4.4 Immediately after notice is given pursuant to **clause 4.3**, and conditional upon the relevant Noteholder having entered into an irrevocable election (in a form approved by HM Revenue and Customs) pursuant to section 431(1) The Income Tax (Earnings and Pensions) Act 2003 in respect of such Shares:
- 4.4.1 the relevant Noteholder shall deliver to Topco (or procure the delivery by his nominee of) a duly executed transfer of the Midco 1 Exchange Loan Notes held by him (or his nominee);
- 4.4.2 Topco shall issue the Management Loan Notes and Shares to the relevant Noteholder (or such Noteholder's nominee as such Noteholder shall direct) in accordance with the terms of **clause 4.2**; and
- 4.4.3 the relevant Noteholder shall deliver to Topco (or procure the delivery by its nominee of) the certificates (if any) in respect of the Midco 1 Exchange Loan Notes held by him (or his nominee).
- 4.5 Topco hereby undertakes that, immediately after notice is given pursuant to **clause 4.3**, it will:
- 4.5.1 update its share registers and issue certificates to the relevant Noteholder in respect of the Shares issued to that Noteholder in accordance with **clause 4.4.2**; and
- 4.5.2 update its loan note registers and issue certificates to the relevant Noteholder in respect of the Management Loan Notes issued to that Noteholder in accordance with **clause 4.4.2**.
- 4.6 Each of the Noteholders consents to his name being entered in the Topco share registers in respect of the Shares which are issued to him and into the Topco loan note register in respect of the Management Loan Notes which are issued to him.
5. **WARRANTIES**
- 5.1 In respect of the First Loan Note Exchange, Midco 2 warrants to each of the Noteholders that it will, at the time (if any) that it is required pursuant to this Agreement to issue the Midco 2 Exchange Loan Notes, have full power and authority to allot and issue to such Noteholders the Midco 2 Exchange Loan Notes in accordance with the terms of this Agreement and free from any Encumbrance.

- 5.2 In respect of the Second Loan Note Exchange, Midco 1 warrants to each of the Noteholders that it will, at the time (if any) that it is required pursuant to this Agreement to issue the Midco 1 Loan Notes, have full power and authority to allot and issue to such Noteholders the Midco 1 Loan Notes in accordance with the terms of this Agreement and free from any Encumbrances.
- 5.3 Topco warrants to each of the Noteholders that it will, at the time (if any) that it is required pursuant to this Agreement to issue the Shares and the Management Loan Notes, have full power and authority to allot and issue to such Noteholders the Shares in accordance with the terms of this Agreement and free from any Encumbrances.
- 5.4 Each of the Noteholders warrants and represents (in respect of himself only):
- 5.4.1 to Midco 2 that any Bidco Exchange Loan Notes which are transferred to it under the First Loan Note Exchange in accordance with the terms of this Agreement are and will at the time of transfer be free from any Encumbrance;
- 5.4.2 to Midco 1 that any Midco 2 Exchange Loan Notes which are transferred to it under the Second Loan Note Exchange in accordance with the terms of this Agreement are and will at the time of transfer be free from any Encumbrances; and
- 5.4.3 to Topco that any Midco 1 Exchange Loan Notes which are transferred to it in accordance with the terms of this Agreement are and will at the time of transfer be free from any Encumbrances.

6. **ASSIGNMENT**

Each party will only be entitled to assign, transfer, charge, hold on trust for any person or deal in any other manner with any of its rights under this Agreement if it has obtained the prior written consent of the other parties to do so (such consent not to be unreasonably withheld, delayed or made conditional).

7. **NOTICES**

- 7.1 Subject to **clause 7.5**, any notice or other communication given under or in connection with this Agreement will be in writing, marked for the attention of the party to be given the notice or communication and:
- 7.1.1 sent to that party's address by pre-paid first class post, or mail delivery service providing proof of delivery; or
- 7.1.2 sent to that party's address by airmail post; or
- 7.1.3 delivered to or left at that party's address (but not, in either case, by the methods set out in **clause 7.1.1** and **7.1.2**).
- 7.2 The address for service of any notice or other communication to the Noteholders will be the address shown in the Schedule and the address for service of any notice or other communication to any other party will be as set out on the first page of this Agreement provided that in each case the address for each party may be changed by that party giving at least five Business Days' notice in accordance with this **clause 7**.
- 7.3 Any notice or communication given in accordance with **clause 7.1** will be deemed to have been served:
- 7.3.1 if given as set out in **clause 7.1.1**, at 9.00am on the second Business Day after the date of posting;
- 7.3.2 if given as set out in **clause 7.1.2**, at 9.00am on the sixth Business Day after the date of posting; and

7.3.3 if given as set out in **clause 7.1.3**, at the time the notice or communication is delivered to or left at that party's address,

provided that if a notice or communication is deemed to be served before 9.00am on a Business Day it will be deemed to be served at 9.00am on that Business Day and if it is deemed to be served on a day which is not a Business Day or after 5.00pm on a Business Day it will be deemed to be served at 9.00am on the immediately following Business Day.

7.4 To prove service of a notice or communication it will be sufficient to prove that the provisions of **clause 7.1** were complied with.

7.5 This **clause 7** will not apply to the service of any proceedings or other documents in a legal action to which the Civil Procedure Rules apply.

8. **VARIATION**

No variation to this Agreement will be effective unless it is in writing and signed by or on behalf of each party to this Agreement.

9. **FURTHER ASSURANCE**

Each party will at its own cost execute all such documents and do all such acts and things as the other parties may reasonably request from time to time in order to give full effect to the provisions of this Agreement (including the rights given under it).

10. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which will constitute an original, but which will together constitute one agreement.

11. **RIGHTS OF THIRD PARTIES**

The parties do not intend that any term of this Agreement will be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person.

12. **GOVERNING LAW**

This Agreement and any non-contractual obligations arising out of or in connection with it will be governed by the law of England and Wales.

13. **JURISDICTION**

The courts of England and Wales have exclusive jurisdiction to determine any dispute arising out of or in connection with this Agreement (including in relation to any non-contractual obligations).

14. **TESTIMONIUM**

SIGNED BY or on behalf of the parties on the date stated at the beginning of this Agreement.

SCHEDULE 1

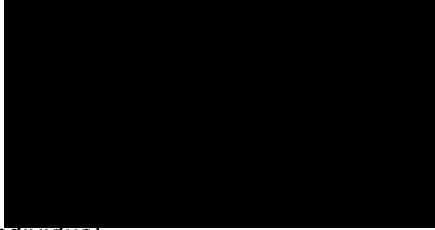
The Noteholders

(1)	(2)	(3)	(4)	(5)	(6)
Name and address of Noteholder	Amount of Bidco Exchange Loan Notes	Amount of Midco 2 Exchange Loan Notes	Amount of Midco 1 Exchange Loan Notes	Number of Shares	Amount of Management Loan Notes
Dominic Wheatley of [REDACTED]	£6,678,410.82	£6,678,410.82	£6,678,410.82	548,737 A Shares 1,200,000 B Shares 54,106,733 Preferred Ordinary	£1,236,405
Robert Haxton of [REDACTED]	£996,962.41	£996,962.41	£996,962.41	100,527 A Shares 300,000 B Shares 9,894,956 Preferred Ordinary Shares	
Stuart Dinsey of [REDACTED]	£767,984.53	£767,984.53	£767,984.53	77,438 A Shares 100,000 B Shares 7,650,563 Preferred Ordinary Shares	
Jason Perkins of [REDACTED]	£234,400.35	£234,400.35	£234,400.35	23,635 A Shares 2,341,640 Preferred Ordinary	

David Miller of [REDACTED]	£129,852.45	£129,852.45	£129,852.45	13,095 A Shares 1,297,215 Preferred Ordinary Shares	[REDACTED]
Jonathan Wingrove of [REDACTED]	£129,852.45	£129,852.45	£129,852.45	13,095 A Shares 1,297,215 Preferred Ordinary Shares	

Signed as a deed by
DOMINIC WHEATLEY
in the presence of:

)
)
)



Individual

Witness signature:



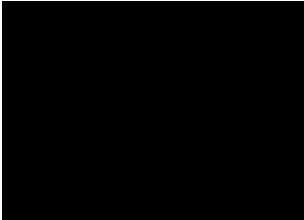
Witness name:

Witness address:

Signed as a deed by
ROBERT HAXTON
in the presence of:



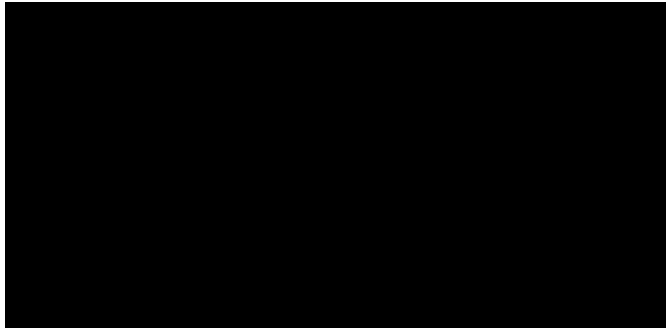
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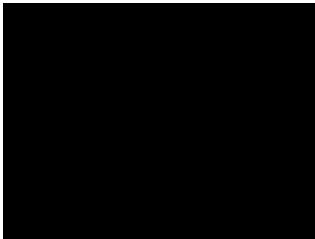
Witness name:

Witness address:

Signed as a deed by
STUART DINSEY
in the presence of:



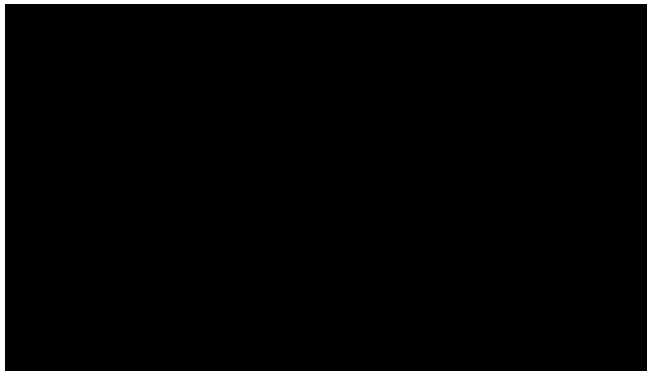
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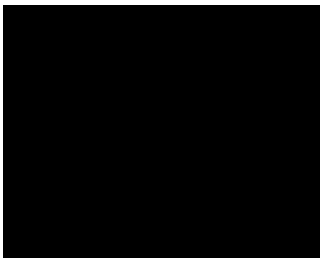
Witness name:

Witness address:

Signed as a deed by
JASON PERKINS
in the presence of:



Witness signature:



Witness name:

Witness address:

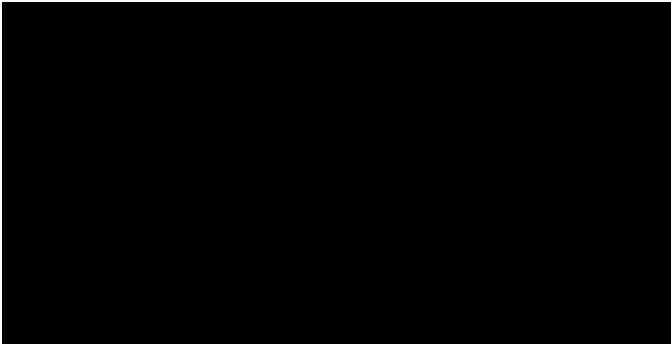
Signed as a deed by
DAVID MILLER
in the presence of:

Witness signature:
Witness name:
Witness address:



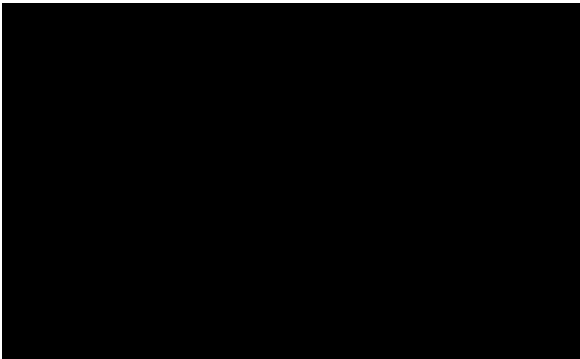
Signed as a deed by
JONATHAN WINGROVE
in the presence of:

Witness signature:
Witness name:
Witness address:



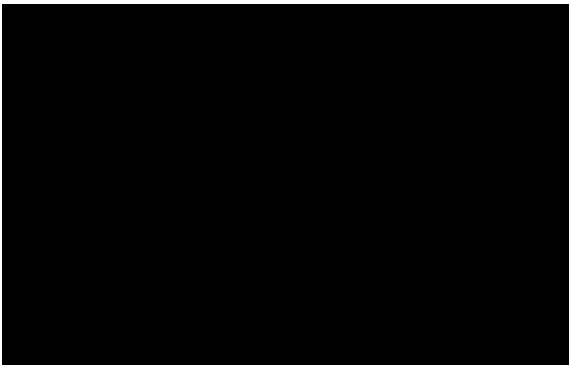
Signed as a deed by
PROJECT SWORD TOPCO LIMITED
acting by a director in the presence of:

Witness signature:
Witness name:
Witness address:



Signed as a deed by
PROJECT SWORD MIDCO 1 LIMITED
acting by a director in the presence of:

Witness signature:
Witness name:
Witness address:



Signed as a deed by
PROJECT SWORD MIDCO 2 LIMITED
acting by a director in the presence of:

Witness signature:

Witness name:

Witness address:

